

Half Yearly Report
June 30, 2022 (Un-audited)

2022



Company Information

Board of Directors

Mr. Adil Matcheswala	Chairman
Mr. Hassan Afzal	Non-Executive Director
Lt. Gen. (R) Sadiq Ali	Independent Director
Ms. Nargis Ghaloo	Independent Director
Syed Mumtaz Ali Shah	Independent Director
Mr. Shah Nawaz Haider Nawabi	Independent Director
Mr. Usman Yousaf Mobin	Independent Director
Mr. Basir Shamsie	President & CEO

Audit Committee

Ms. Nargis Ghaloo	Chairperson
Mr. Shah Nawaz Haider Nawabi	Member
Lt. Gen. (R) Sadiq Ali	Member

Human Resource, Remuneration & Nomination Committee

Syed Mumtaz Ali Shah	Chairman
Mr. Adil Matcheswala	Member
Mr. Usman Yousaf Mobin	Member

Risk Management Committee

Syed Mumtaz Ali Shah	Chairman
Lt. Gen. (R) Sadiq Ali	Member
Mr. Shah Nawaz Haider Nawabi	Member
Mr. Basir Shamsie	Member

Board IT Committee

Mr. Hassan Afzal	Chairman
Mr. Usman Yousaf Mobin	Member
Ms. Nargis Ghaloo	Member
Mr. Basir Shamsie	Member

Chief Financial Officer

Mr. Hasan Shahid

Company Secretary

Mr. Ashraf Shahzad

Auditors

KPMG Taseer Hadi & Co.
Chartered Accountants
Sheikh Sultan Trust Building No. 2
Beaumont Road
Karachi.

Legal Advisors

Bawaney & Partners
Haidermota & Co.
Liaquat Merchant Associates

Share Registrar

CDC Share Registrar Services Limited
CDC House, 99 - B, Block 'B',
S.M.C.H.S., Main Shahra-e-Faisal,
Karachi.

Registered office

JS Bank Limited
Shaheen Commercial Complex
Dr. Ziauddin Ahmed Road
P.O. Box 4847 Karachi-74200, Pakistan
UAN: +92 21 111 JS Bank (572-265)
+92 21 111-654-321
www.jsbl.com

DIRECTORS' REPORT

We are pleased to present the reviewed financial statements of JS Bank Limited ("JSBL") for the half-year ended June 30, 2022.

Economy review

9MFY22 fiscal deficit is reported at 4% of GDP (up from 3.6% last year) owing to the growth of expenditure outpacing total revenue. However, the latest figures available from the Federal Board of Revenue (FBR) show 29%YoY improvement in federal tax collection for the full fiscal year (FY22), which means the fiscal deficit may come down slightly once the full year's numbers are published.

On the other hand, average headline inflation increased to 12.1% during FY22 (FY21: 8.9%), witnessing the highest pressure, especially during the later part of the fiscal year. Although food inflation continued to increase, it was mainly the jump in non-food inflation that has been pulling up overall inflation. This trend is alarming especially considering the fact that the Central Bank has increased the policy rate by 800 bps in FY22 to curb demand-pull inflation.

Pressure from the external front has also been on the rise. Current Account deficit has increased to USD 17.4 billion in FY22 from USD 2.8 billion last fiscal year mainly on account of 38%YoY higher trade deficit. This, coupled with foreign payment obligations, resulted in foreign exchange reserves declining by 43%YoY to USD 14.2 billion in Jul.22. PKR also remained under considerable pressure as the exchange rate crossed PKR 240 in the interbank market, before gradually coming down to PKR 215 recently.

Banking sector review

Monetary Policy continued to remain hawkish as SBP increased the Policy Rate cumulatively by 525bps since January. Weighted average banking spreads also increased by 24 bps YoY during 5MCY22, reaching 4.63%. Banking sector deposits touched PKR 22.810 trillion in June 2022 up 15.22% YoY. Sector's ADR slightly increased to 47.72% while Non-Performing Loans (as of 1QCY22) clocked in at PKR 864 billion, keeping sector's Infection ratio close to 8%.

Performance Overview

The highlights of the financial results of the Bank for the half-year ended June 30, 2022, are presented below:

Financial Position	PKR Million	
	June 30, 2022	December 31, 2021
Shareholders' Equity	21,302	22,024
Total Deposits	482,368	460,705
Total Assets	692,103	584,289
Advances Net	243,023	254,184
Investments Net	326,745	231,266

Financial Performance		
	June 30, 2022	June 30, 2021
Mark-up/Interest Income – Net	6,636	5,849
Non-Markup/Interest Income	2,460	2,289
Operating Expenses	7,835	6,332
Profit Before (Provision)/Reversals – Net	1,155	1,785
Profit/(Loss) Before Tax	971	988
Profit After Tax	426	570
Basic/Diluted Earnings Per Share – Rupees	0.33	0.44

Bank reported its highest ever deposits of PKR 482.37 billion in Jun.22 while our focus has remained on improving the deposit mix. As a result, share of non-remunerative deposits in total deposits increased from 26% in Dec21 to 30% in Jun.22. Furthermore, Bank's depositor base has also increased by ~ 5% as compared to the number of depositors in Dec21.

As of June 30, 2022, Bank reported gross advances of PKR 249.66 billion while the advances to deposits ratio (ADR) stood at 51.76%, with a continued focus on increasing small ticket lending. Gross investments of the Bank increased by 42.43%, mostly consisting of short-term and floating rate government securities. The Bank remains satisfactorily capitalized with CAR at 13.61% at the close of the first half-year of 2022.

During 1H2022, a better deposit mix amidst a hawkish monetary policy environment and growth in mortgage financing & program lending helped the Bank record 13.5%YoY growth in net markup income. Furthermore, the non-markup income also increased by 7.5%YoY despite the capital loss on short-term government securities and FCY bonds. Fee-based income showed improvement while foreign exchange income also increased owing to higher trade volume.

However, despite improvement in core revenue, bottom line profitability has declined in 1H2022 owing to higher operating expenses (up 23.7%YoY) and taxation (up 30.4%YoY). The rise in operating expenses was mostly on account of higher tech-related and marketing expenditure related to the launch of Zindigi – Bank's foray into a digital-only banking platform targeting millennials and Gen-Z. This also resulted in Bank's cost-to-income ratio increasing to 86.14% in 1H2022 as compared to 77.82% in the same period last year.

Consolidated Financial Statements

On a consolidated basis, JS Bank along with its subsidiaries JS Global Capital and JS Investments earned a profit before tax of PKR 1,165.26 million (profit after tax of PKR 583.44 million) for the first half-year ended June 30, 2022, as compared to a profit before tax of PKR 1,231.21 million (profit after tax of PKR 718.52 million) in the corresponding period last year. The earnings per share stood at PKR 0.43 for the first half-year ended June 30, 2022, and the Group remains satisfactorily capitalized with CAR at 14.22%.

Recognition

JS Bank is driven by an unwavering determination to provide its customers with a frictionless banking experience and excellent service quality. In FY2022, the Bank's continual raising the bar won recognition from the prestigious Asiamoney and Euromoney Awards for the 'Best Bank for SME' and Asian Banking & Finance's 'SME Bank of the Year' award.

The Bank has also won the Asiamoney coveted 'Best Bank for Diversity & Inclusion' accolade and 'Global Diversity & Inclusion Benchmarks' Award by The Centre for Global Inclusion. Pioneering Diversity & Inclusion in the banking sector, JS Bank's portfolio is geared toward increasing the representation of females and marginalized communities in the financial sector.

Credit Ratings

The Pakistan Credit Rating Agency Limited (PACRA) has maintained the Bank's ratings, a long-term rating of "AA-" (Double A Minus) and a short-term rating of "A1+" (A-One Plus) which is the highest possible rating for this category.

Acknowledgments

On behalf of JS Bank, we would like to extend our gratitude to our customers and stakeholders for their ongoing trust and patronage. We would also like to thank the Ministry of Finance, the State Bank of Pakistan, the Securities & Exchange Commission of Pakistan, and other regulatory bodies for their continued support to our Bank. We would also thank our fellow colleagues for their commitment to hard work, excellence, and drive to succeed.

On behalf of the Board

Basir Shamsie
President & CEO

Adil Matcheswala
Chairman

Karachi: August 24, 2022

ڈائریکٹر رپورٹ

ہم 30 جون 2022 کو ختم ہونے والی ششماہی کے لیے جے ایس بینک لمیٹڈ ("JSBL") کے نظر ثانی شدہ مالیاتی بیانات پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

معیشت کا جائزہ

9MFY22 مالیاتی خسارہ جی ڈی پی کے 4 فیصد پر رپورٹ کیا گیا ہے (گزشتہ سال 3.6 فیصد سے زیادہ) اخراجات میں اضافے کی وجہ سے کل محصولات میں اضافہ ہو رہا ہے۔ تاہم، فیڈرل بورڈ آف ریونیو (FBR) سے دستیاب تازہ ترین اعداد و شمار پر مبنی مالی سال (FY22) کے لیے وفاقی ٹیکس وصولی میں 29 فیصد YoY بہتری کو ظاہر کرتے ہیں، جس کا مطلب ہے کہ پورے سال کے اعداد و شمار شائع ہونے کے بعد مالیاتی خسارہ قدرے نیچے آسکتا ہے۔

سب سے زیادہ دباؤ کا مشاہدہ کرتے ہوئے، دوسری جانب، (FY21: 8.9 فیصد) کے دوران اوسط ہیڈ لائن افراط زر خاص طور پر مالی سال کے آخری حصے کے دوران 12.1 فیصد تک بڑھ گئی۔ یہ رجحان تشویشناک ہے خاص طور پر اس حقیقت پر غور کرتے ہوئے کہ سنٹرل بینک نے FY22 میں پالیسی کی شرح میں 800 bps کا اضافہ کیا ہے تاکہ طلب میں اضافے کی افراط زر کو روکا جاسکے۔ بیرونی محاذ سے بھی دباؤ میں اضافہ ہو رہا ہے۔ کرنٹ اکاؤنٹ خسارہ مالی سال FY22 میں بڑھ کر USD 17.4 بلین ہو گیا ہے جو گزشتہ مالی سال کے USD 2.8 بلین سے بڑھ کر بنیادی طور پر 38% YoY زیادہ تجارتی خسارہ ہے۔ یہ غیر ملکی ادائیگی کی ذمہ داریوں کے ساتھ باہم ہو گیا جس کے نتیجے میں زرمبادلہ کے ذخائر جولائی 22 میں 43 فیصد YoY سے USD 14.2 بلین تک گر گئے۔ PKR بھی کافی دباؤ میں رہا کیوں کہ حال ہی میں بتدریج PKR 215 پر آنے سے پہلے، انٹرنیٹ مارکیٹ میں شرح تبادلہ PKR 240 سے تجاوز کر گئی۔

بینکنگ سیکٹر کا جائزہ

مانیٹری پالیسی بدستور غیر مستحکم رہی کیونکہ SBP نے جنوری سے اب تک مجموعی طور پر پالیسی ریٹ میں 525bps اضافہ کیا۔ 5MCY22 کے دوران باڈن اوسط بینکنگ اسپرڈز میں بھی 24 bps کا اضافہ ہوا، جو 4.63 فیصد تک پہنچ گیا۔ بینکنگ سیکٹر کے ذخائر جون 2022 میں سالانہ 15.22 فیصد اضافے سے 22.810 ٹریلین تک پہنچ گئے۔ سیکٹر کا ADR قدرے بڑھ 47.72 فیصد ہو گیا جبکہ نان پرفارمنگ لونز (1QCY22 کے مطابق) 864 بلین تک پہنچ گئے، جس سے سیکٹر کے انفیشن کا تناسب 8 فیصد کے قریب رہا۔

کارکردگی کا جائزہ

30 جون 2022 کو ختم ہونے والی ششماہی کے لیے بینک کے مالی نتائج کی جھلکیاں ذیل میں پیش کی جاتی ہیں:

مالی پوزیشن	30 جون 2022	31 دسمبر 2021
شیر ہولڈرز ایکویٹی	21,302	22,024
ٹوٹل ڈپازٹس	482,368	460,705
ٹوٹل ایسٹس	692,103	584,289
ایڈوانسز نیٹ	243,023	254,184
انویسٹمنٹس نیٹ	326,745	231,266

مالیاتی کارکردگی	30 جون 2022	30 جون 2021
مارک اپ/انٹرسٹ انکم - نیٹ	6,636	5,849
نان - مارک اپ/انٹرسٹ انکم	2,460	2,289
آپریٹنگ اخراجات	7,835	6,332
منافع سے پہلے (پروڈن)/ریورسلز نیٹ	1,155	1,785
ٹیکس سے پہلے منافع/(تقصان)	971	988
ٹیکس کے بعد منافع	426	570
بنیادی/ڈائریکٹ آمدنی فی شیر روپے میں	0.33	0.44

بینک نے جون 22 میں 482.37 بلین سے اب تک کے اپنے سب سے زیادہ ڈپازٹس کی اطلاع دی ہے جبکہ ہماری توجہ ڈپازٹ مکس کو بہتر بنانے پر مرکوز رہی۔ نتیجتاً، کل ڈپازٹس میں غیر معاوضے کے ذخائر کا حصہ 21 دسمبر کے 26 فیصد سے بڑھ کر جون 22 میں 30 فیصد ہو گیا۔ مزید برآں، بینک کے ڈپازٹرز کی تعداد میں بھی دسمبر 21 کے مقابلے میں 5 فیصد اضافہ ہوا ہے۔

30 جون 2022 تک، بینک نے 249.66 بلین کے گروس ایڈوانس کی اطلاع دی۔ جبکہ چھوٹے ٹکٹوں کے قرضے میں اضافہ پر مسلسل توجہ کے ساتھ ڈپازٹس شرح (ADR) میں پیش قدمی 51.76 فیصد رہی۔ بینک کی مجموعی سرمایہ کاری میں 42.43 فیصد اضافہ ہوا جو کہ زیادہ تر قلیل مدتی اور فلوٹنگ ریٹ گورنمنٹ سیکورٹیز پر مشتمل ہے۔ 2022 کی پہلی ششماہی کے اختتام پر بینک اطمینان بخش طور پر CAR کے ساتھ 13.61 فیصد سرمایہ ساز ہے۔

1H2022 کے دوران، مالیاتی پالیسی کے سخت ماحول کے درمیان ایک بہتر ڈپازٹ مکس اور مارکیٹ فناننگ اور پروگرام کے قرضے میں اضافہ نے بینک کو خالص مارک اپ آمدنی میں 13.5YoY فیصد اضافہ ریکارڈ کرنے میں مدد کی۔ مزید برآں، قلیل مدتی سرکاری سیکورٹیز اور FCY بانڈز پر سرمائے کے نقصان کے باوجود نان مارک اپ آمدنی میں بھی 7.5YoY فیصد اضافہ ہوا ہے۔ فیس کی بنیاد پر آمدنی میں بہتری آئی جبکہ تجارتی حجم زیادہ ہونے کی وجہ سے زرمبادلہ کی آمدنی میں بھی اضافہ ہوا۔

تاہم، بنیادی آمدنی میں بہتری کے باوجود، 1H2022 میں چلے درجے کے منافع میں کمی آئی ہے جس کی وجہ زیادہ آپریٹنگ اخراجات (23.7YoY فیصد) اور ٹیکسیشن (30.4YoY فیصد) ہے۔ آپریٹنگ اخراجات میں اضافہ زیادہ تر tech سے متعلق اور مارکیٹنگ کے اخراجات کی وجہ سے تھا جو زندگی کے آغاز سے متعلق تھا۔ بینک کی جانب سے صرف ڈیجیٹل بینکنگ پلیٹ فارم میں جوہر سالہ اور Gen-Z کو نشانہ بناتا ہے۔ اس کا نتیجہ یہ بھی ہوا کہ بینک کی لاگت سے آمدنی کا تناسب 1H2022 میں 86.14 فیصد تک بڑھ گیا جب کہ پچھلے سال کی اسی مدت میں 77.82 فیصد تھا۔

مجموعی مالیاتی اطمینان

مجموعی بنیادوں پر، JS بینک نے اپنی ذیلی کمپنیوں جے ایس گلوبل کیپیٹل اور جے ایس انوسٹمنٹس کے ساتھ مل کر 30 جون 2022 کو ختم ہونے والی پہلی ششماہی کے لیے 1,165.26 ملین (583.44 ملین کے بعد ٹیکس کے بعد منافع) کا منافع حاصل ہوا جو کہ پچھلے سال کی اسی مدت میں 1,231.21 ملین (718.52 ملین PKR کے بعد ٹیکس کے منافع) کے ٹیکس سے پہلے کے منافع کے مقابلے میں ہے۔ 30 جون 2022 کو ختم ہونے والی پہلی ششماہی کے لیے فی حصص آمدنی PKR0.43 رہی، اور گروپ اطمینان بخش طور پر CAR کے ساتھ 14.22 فیصد پر سرمایہ ساز ہے۔

اعتراف

JS بینک اپنے صارفین کو بینکنگ کے اعلیٰ ترین تجربے اور بہترین معیاری سروس فراہم کرنے کے غیر متزلزل عزم کے ساتھ مصروف عمل ہے۔ مالی سال 2022 میں، بینک کی جانب سے بار میں مسلسل اضافے میں بطور اعتراف "Best Bank for SME" کے لیے باوقار ایساوار یورپی ایوارڈز اور ایٹن بینکنگ ایڈٹائننس کے "SME Bank of the year" ایوارڈ سے نوازا گیا۔ بینک نے ایٹن کے لیے "Best Bank for diversity & inclusion" کا اعزاز حاصل کیا اور The Centre for Global Inclusion کی جانب سے "Global Diversity & Inclusion Benchmarks" ایوارڈ عطا کیا گیا۔ بینکنگ سیکٹر میں تنوع اور شمولیت کا علمبردار، JS بینک کا پورٹ فولیو مالیاتی شعبے میں خواتین اور پسماندہ کمیونٹیز کی نمائندگی میں اضافے کے لیے ہمہ وقت تیار ہے۔

کرڈٹ ریٹنگ

پاکستان کرڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے بینک کی ریٹنگ، طویل مدتی درجہ بندی "AA-" (ڈبل اے مائنس) اور "A1+" (A-One Plus) کی مختصر مدت کی درجہ بندی برقرار رکھی ہے جو اس کی گہری کے لیے سب سے زیادہ ممکنہ درجہ بندی ہے۔

اظہار شکریہ

JS بینک کی جانب سے، ہم اپنے صارفین اور اسٹیک ہولڈرز کے مسلسل اعتماد اور سرپرستی کے لیے ان کا شکریہ ادا کرنا چاہتے ہیں۔ ہم وزارت خزانہ، اسٹیٹ بینک آف پاکستان، سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، اور دیگر ریگولیٹری اداروں کا بھی شکریہ ادا کرنا چاہیں گے کہ جنہوں نے بینک کے ساتھ مسلسل تعاون کیا۔ ہم اپنے ساتھیوں کی محنت، مہارت اور کامیابی کے لیے عزم کا بھی شکریہ ادا کریں گے۔

منجانب بورڈ

عادل ماچس والا
چیئرمین

باصر مشی
صدر اور سی ای او

کراچی : August 24, 2022



KPMG Taseer Hadi & Co.
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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of JS Bank Limited

Report on review of Condensed Interim Unconsolidated Financial Statements

Introduction

We have reviewed the accompanying condensed interim unconsolidated statement of financial position of **JS Bank Limited** ("the Bank") as at 30 June 2022 and the related condensed interim unconsolidated statement of profit and loss account, condensed interim unconsolidated statement of comprehensive income, condensed interim unconsolidated statement of changes in equity, and condensed interim unconsolidated cash flow statement, and notes to the condensed interim unconsolidated financial statements for the six-month period then ended (here-in-after referred to as the "condensed interim unconsolidated financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim unconsolidated financial statements based on our review.

Scope of Review

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

Conclusion

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



KPMG Taseer Hadi & Co.

Other Matters

The figures for the quarter ended 30 June 2022 in the condensed interim unconsolidated profit and loss account and condensed interim unconsolidated statement of comprehensive income have not been reviewed and we do not express a conclusion on them.

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

Date: 25 August 2022

Karachi

UDIN: RR202210106LMvzR0jDq

KPMG Taseer Hadi & Co.
KPMG Taseer Hadi & Co.
Chartered Accountants



Condensed Interim Unconsolidated Financial Statements
for the Half Year Ended June 30, 2022

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

		(Un-audited) June 30, 2022	(Audited) December 31, 2021
	Note	----- Rupees in '000 -----	
ASSETS			
Cash and balances with treasury banks	6	30,744,265	34,266,856
Balances with other banks	7	4,535,165	1,185,786
Lendings to financial institutions	8	46,760,458	31,939,044
Investments	9	326,745,387	231,266,277
Advances	10	243,022,626	254,183,938
Fixed assets	11	10,247,857	10,167,038
Intangible assets	12	3,356,132	3,134,577
Deferred tax assets		-	-
Other assets	13	26,690,645	18,145,338
		692,102,535	584,288,854
LIABILITIES			
Bills payable	14	6,318,389	7,038,886
Borrowings	15	154,892,397	70,474,310
Deposits and other accounts	16	482,367,784	460,705,014
Liabilities against assets subject to finance lease		-	-
Subordinated debt	17	6,995,900	6,996,800
Deferred tax liabilities	18	607,868	1,385,648
Other liabilities	19	19,618,113	15,664,113
		670,800,451	562,264,771
NET ASSETS			
		21,302,084	22,024,083
REPRESENTED BY			
Share capital - net		10,119,242	10,119,242
Reserves		2,553,576	2,331,070
Surplus on revaluation of assets	20	1,171,243	2,467,158
Unappropriated profit		7,458,023	7,106,613
		21,302,084	22,024,083
CONTINGENCIES AND COMMITMENTS			
	21		

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

**President and
Chief Executive Officer**

Chief Financial Officer

Director

Director

Chairman

JS BANK LIMITED
CONDENSED INTERIM UNCONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE HALF YEAR ENDED JUNE 30, 2022

		----- Un-audited -----			
		Quarter Ended		Half Year Ended	
		June 30,	June 30,	June 30,	June 30,
		2022	2021	2022	2021
Note		----- Rupees in '000 -----			
Mark-up / return / interest earned	23	16,065,254	9,234,249	29,867,779	18,845,847
Mark-up / return / interest expensed	24	12,708,354	6,171,640	23,232,074	12,996,965
Net mark-up / interest income		3,356,900	3,062,609	6,635,705	5,848,882
NON MARK-UP / INTEREST INCOME					
Fee and commission income	25	852,165	848,597	1,601,507	1,583,670
Dividend income		14,955	119,559	57,747	162,056
Foreign exchange income		636,072	272,445	975,746	535,964
(Loss) / income from derivatives		(72,007)	817	(90,469)	5,538
(Loss) / gain on securities	26	(183,847)	(26,284)	(81,277)	664
Other income / (loss)	27	3,037	(5,005)	(3,358)	859
Total non mark-up / interest income		1,250,375	1,210,129	2,459,896	2,288,751
Total Income		4,607,275	4,272,738	9,095,601	8,137,633
NON MARK-UP / INTEREST EXPENSES					
Operating expenses	28	4,348,515	3,248,144	7,835,252	6,332,306
Workers' welfare fund	29	5,917	6,528	19,416	19,763
Other charges	30	85,590	177	85,590	202
Total non-mark-up / interest expenses		4,440,022	3,254,849	7,940,258	6,352,271
Profit before provisions		167,253	1,017,889	1,155,343	1,785,362
Provisions and write offs - net	31	(128,785)	691,520	184,493	797,234
Extraordinary / unusual items		-	-	-	-
PROFIT BEFORE TAXATION		296,038	326,369	970,850	988,128
Taxation	32	280,102	146,456	545,296	418,132
PROFIT AFTER TAXATION		15,936	179,913	425,554	569,996
----- Rupee -----					
Basic and diluted earnings per share	33	0.01	0.14	0.33	0.44

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

President and
Chief Executive Officer

Chief Financial Officer

Director

Director

Chairman

JS BANK LIMITED
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED JUNE 30, 2022

	----- Un-audited -----			
	Quarter Ended		Half Year Ended	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
	----- Rupees in '000 -----			
Profit after taxation for the period	15,936	179,913	425,554	569,996
Other comprehensive (loss) / income				
Items that may be reclassified to profit and loss account in subsequent periods:				
Effect of translation of net investment in foreign branch	98,161	20,045	137,395	(7,451)
Movement in fair value of investments at FVOCI - net of tax (Pakistan operations)	(275,651)	376,081	(976,431)	1,037,467
Movement in fair value of debt investments at FVOCI - net of tax (Bahrain Operations)	(62,047)	27,884	(234,296)	(44,070)
	(337,698)	403,965	(1,210,727)	993,397
	(239,537)	424,010	(1,073,332)	985,946
	(223,601)	603,923	(647,778)	1,555,942
Items that will not be reclassified to profit and loss account in subsequent periods:				
Movement in surplus on revaluation of operating fixed assets - net of tax	(32,007)	(47,687)	(32,007)	(224,557)
Movement in surplus on revaluation of non-banking assets - net of tax	(98)	(5,404)	(98)	(48,662)
Movement in fair value of equity investments at FVOCI - net of tax (Bahrain operations)	(23,931)	(715)	(42,116)	(5,382)
	(56,036)	(53,806)	(74,221)	(278,601)
Total comprehensive (loss) / income	(279,637)	550,117	(721,999)	1,277,341

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

**President and
Chief Executive Officer**

Chief Financial Officer

Director

Director

Chairman

JS BANK LIMITED
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED JUNE 30, 2022

	Share capital	Statutory reserve *	Capitla reserve exchange translation	Surplus / (deficit) on revaluation of			Unappropriated profit	Total
				Investments	Fixed Assets	Non Banking Assets		
Rupees in '000								
Balance as at January 01, 2021	10,119,242	1,876,180	114,990	1,251,261	951,782	131,080	6,147,673	20,592,208
Total comprehensive income for the half year ended June 30, 2021 - Un-audited								
Profit after taxation	-	-	-	-	-	-	569,996	569,996
Other comprehensive (loss) / income - net of tax	-	-	(7,451)	988,015	(224,557)	(48,662)	-	707,345
	-	-	(7,451)	988,015	(224,557)	(48,662)	569,996	1,277,341
Transfer to statutory reserve	-	11,399	-	-	-	-	(11,399)	-
Transfer from surplus on revaluation of assets to unappropriated profit - net of tax								
Fixed assets	-	-	-	-	(7,876)	-	7,876	-
Non-banking assets acquired in satisfaction of claims	-	-	-	-	-	(26)	26	-
Balance as at June 30, 2021 - Un-audited	10,119,242	1,887,579	107,539	2,239,276	719,349	82,392	6,714,172	21,869,549
Total comprehensive income for the half year period ended December 31, 2021 - Un-audited								
Profit after taxation	-	-	-	-	-	-	734,396	734,396
Other comprehensive income / (loss) - net of tax	-	-	86,473	(1,065,205)	489,843	37,366	(128,339)	(579,862)
	-	-	86,473	(1,065,205)	489,843	37,366	606,057	154,534
Transfer to statutory reserve	-	249,479	-	-	-	-	(249,479)	-
Transfer from surplus on revaluation of assets to unappropriated profit - net of tax								
Fixed assets	-	-	-	-	(7,876)	-	7,876	-
Non-banking assets acquired in satisfaction of claims	-	-	-	-	-	(44)	44	-
Gain on disposal of equity investments at FVOCI transferred to retained earnings	-	-	-	(27,943)	-	-	27,943	-
Balance as at December 31, 2021 - Audited	10,119,242	2,137,058	194,012	1,146,128	1,201,316	119,714	7,106,613	22,024,083
Total comprehensive income / (loss) for the half year ended June 30, 2022 - Un-audited								
Profit after taxation	-	-	-	-	-	-	425,554	425,554
Other comprehensive income / (loss) - net of tax	-	-	137,395	(1,252,843)	(32,007)	(98)	-	(1,147,553)
	-	-	137,395	(1,252,843)	(32,007)	(98)	425,554	(721,999)
Transfer to statutory reserve	-	85,111	-	-	-	-	(85,111)	-
Transfer from surplus on revaluation of assets to unappropriated profit - net of tax								
Fixed assets	-	-	-	-	(10,789)	-	10,789	-
Non-banking assets acquired in satisfaction of claims	-	-	-	-	-	(12,495)	12,495	-
Loss on disposal of equity investments at FVOCI transferred to retained earnings	-	-	-	12,317	-	-	(12,317)	-
Balance as at June 30, 2022 - Un-audited	10,119,242	2,222,169	331,407	(94,398)	1,158,520	107,121	7,458,023	21,302,084

* This represents reserve created under Section 21(i)(a) of the Banking Companies Ordinance, 1962.

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

President and
Chief Executive Officer

Chief Financial Officer

Director

Director

Chairman

JS BANK LIMITED
CONDENSED INTERIM UNCONSOLIDATED CASH FLOW STATEMENT
FOR THE HALF YEAR ENDED JUNE 30, 2022

		----- Un-audited -----	
		June 30, 2022	June 30, 2021
Note		----- Rupees in '000 -----	
CASH FLOW FROM OPERATING ACTIVITIES			
		970,850	988,128
		(57,747)	(162,056)
		913,103	826,072
Adjustments:			
		415,026	365,020
	28	9,240	3,455
	28	542,956	440,293
	28	78,495	63,251
	24	190,462	189,637
		46,615	111,551
	26	(486)	(364)
		55,606	(13,199)
		(891,064)	(115,264)
	31	184,493	797,234
	29	19,416	19,763
	27	18,579	(3,688)
	27	(1,167)	-
	27	(4,742)	2,829
		663,429	1,860,518
		1,576,532	2,686,590
(Increase) / decrease in operating assets			
		(14,821,414)	17,131,536
		(8,051,459)	7,489,726
		10,986,321	3,452,846
		(7,091,381)	(1,441,234)
		(18,977,933)	26,632,874
Increase / (decrease) in operating liabilities			
		(720,497)	1,269,413
		83,770,513	3,411,708
		21,662,770	15,182,569
		3,541,001	(230,767)
		108,253,787	19,632,923
		90,852,386	48,952,387
		(651,819)	(713,397)
		90,200,567	48,238,990
CASH FLOW FROM INVESTING ACTIVITIES			
		(18,308,525)	(36,338,973)
		(71,261,926)	(5,360,983)
		57,747	162,056
		(850,927)	(851,772)
		(302,129)	(151,154)
		98,505	16,960
		26,000	-
		137,395	(7,451)
		(90,403,860)	(42,531,317)
CASH FLOWS FROM FINANCING ACTIVITIES			
		(616,578)	(515,992)
		(900)	(1,000)
		(617,478)	(516,992)
(Decrease) / increase in cash and cash equivalents			
		(820,771)	5,190,681
		35,145,996	31,384,080
	34	34,325,225	36,574,761

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

President and
Chief Executive Officer

Chief Financial Officer

Director

Director

Chairman

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED JUNE 30, 2022

1. STATUS AND NATURE OF BUSINESS

- 1.1** JS Bank Limited (the Bank / JSBL) is a banking company incorporated in Pakistan as a public limited company on March 15, 2006. The Bank is a subsidiary company of Jahangir Siddiqui & Co. Ltd. (JSCL) and its shares are listed on Pakistan Stock Exchange Limited (PSX). The Bank commenced its banking operations on December 30, 2006 and its registered office is situated at Shaheen Commercial Complex, Dr. Ziauddin Ahmed Road, Karachi.

The Bank is a scheduled bank, engaged in commercial banking and related services as described in the Banking Companies Ordinance, 1962 and is operating through 281 (December 31, 2021: 281) branches / sub-branches in Pakistan and one wholesale banking branch in Bahrain (December 31, 2021: one). The Pakistan Credit Rating Agency Limited (PACRA) has assigned the long-term entity rating of the Bank to AA- (Double A Minus) whereas short-term rating is maintained at 'A1+' (A One Plus), which is the highest possible short-term rating. The ratings denote a very low expectation of credit risk and indicate very strong capacity for timely repayment of financial commitments.

- 1.2** Jahangir Siddiqui Investment Bank Limited, JSIBL, (formerly Citicorp Investment Bank Limited which was acquired by JSCL on February 01, 1999), and its holding company, JSCL, entered into a Framework Agreement with American Express Bank Limited, New York (AMEX) on November 10, 2005 for acquisition of its American Express Bank Limited - Pakistan Branches, (AEBL). Consequently, a new banking company, JSBL was incorporated on March 15, 2006 and a restricted Banking License was issued by the State Bank of Pakistan (SBP) on May 23, 2006.

A Transfer Agreement was executed on June 24, 2006 between JSIBL and JSBL for the transfer of entire business and undertaking of JSIBL to JSBL and a separate Transfer Agreement was also executed on June 24, 2006, between AMEX and JSBL for the transfer of AEBL's commercial banking business in Pakistan with all assets and liabilities (other than certain excluded assets and liabilities) (AEBL business). The shareholders of JSIBL and JSBL, in their respective extra-ordinary general meetings held on July 31, 2006, approved a Scheme of Amalgamation (the Scheme) under Section 48 of the Banking Companies Ordinance, 1962. The Scheme was initially approved by the Securities and Exchange Commission of Pakistan (SECP) vide its letter No. SC/NBFC(J)-R/JSIBL/2006/517 dated September 28, 2006. Subsequently, the Scheme was sanctioned by the SBP vide its order dated December 02, 2006 and, in accordance therewith, the effective date of amalgamation was fixed at December 30, 2006.

- 1.3** The Bank is the holding company of JS Global Capital Limited (JSGCL) and JS Investments Limited (JSIL).
- 1.4** During the period, the shareholders of the Bank in their meeting held on March 30, 2022 approved to acquire, as per the requirements of section 199 of the Companies Act, 2017, 86,316,954 ordinary shares of BankIslami Pakistan Limited (BIPL) (an associated company of JSCL), constituting 7.79% of the paid-up capital of BIPL, from Emirates NBD Bank PJSC at a price of upto Rs. 13.24 per share making the aggregate consideration upto Rs. 1,142 million. The acquisition is subject to approval from the State Bank of Pakistan (SBP) and other regulatory bodies.

2. BASIS OF PRESENTATION

These condensed interim unconsolidated financial statements are separate financial statements of the Bank in which the investments in subsidiaries and associates are stated at cost and are accounted for on the basis of direct equity interest rather than on the basis of reported results. The condensed interim consolidated financial statements of the Bank are being issued separately.

These condensed interim unconsolidated financial statements have been presented in Pakistan Rupees (PKR), which is the currency of the primary economic environment in which the Bank operates and functional currency of the Bank, in that environment as well.

2.1 Statement of compliance

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

- International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) 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 SBP and the SECP from time to time.

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

The disclosures made in these condensed interim unconsolidated financial statements have been limited based on the format prescribed by the SBP vide BPRD Circular Letter No. 5 dated March 22, 2019 and IAS 34.

These condensed interim unconsolidated financial statements do not include all the information and disclosures required for annual unconsolidated financial statements and should be read in conjunction with the unconsolidated audited financial statements for the year ended December 31, 2021.

The SBP has deferred the applicability of International Accounting Standard (IAS) 39, 'Financial Instruments: Recognition and Measurement' and International Accounting Standard (IAS) 40, 'Investment Property' for banking companies vide BSD Circular Letter No. 10 dated August 26, 2002 till further instructions. Further, the SECP has deferred the applicability of International Financial Reporting Standard (IFRS) 7, 'Financial Instruments: Disclosures' on banks vide its notification S.R.O 411(I)/2008 dated April 28, 2008. Accordingly, the requirements of these standards have not been considered in the preparation of these condensed interim unconsolidated financial statements. However, investments have been classified and valued in accordance with the requirements prescribed by the SBP through various circulars.

IFRS 10 "Consolidated Financial Statements" was made applicable from period beginning on or after January 01, 2015 vide S.R.O 633(I)/2014 dated July 10, 2014 by SECP. However, SECP has directed through S.R.O 56(I)/2016 dated January 28, 2016, that the requirement of consolidation under section 228 of the Companies Act, 2017 and IFRS 10 "Consolidated Financial Statements" is not applicable in case of investment by companies in mutual funds established under trust structure. Accordingly, the requirements of these standards have not been considered in the preparation of these condensed interim unconsolidated financial statements.

The application of the IFRS 9 'Financial Instruments' for all companies to prepare their financial statements in accordance with the requirements of IFRS 9 was implemented by SECP for reporting period / year ending on or after June 30, 2019 through its S.R.O. 229 (I)/2019 dated February 14, 2019. However, State Bank of Pakistan (SBP) has extended the effective date of applicability of IFRS 9 from January 01, 2023 through its BPRD Circular No. 03 dated July 05, 2022 in case of banks having assets size of Rs. 500 billion or above. The said circular contained application instructions for quarterly, half yearly and annually parallel run reporting of IFRS 9 for year 2022 and 2023 within given timelines.

As of reporting date, till the implementation of IFRS 9, the Bank has continued to fulfil the requirements of Prudential Regulations and other SBP directives currently providing the accounting framework for the measurement and valuation of assets and provisions / impairment against non-performing assets.

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

There are certain new and amended standards, interpretations of and amendments that are mandatory for the Bank's accounting periods beginning on or after January 01, 2022 but are considered not to be relevant or do not have any significant effect on the Bank's operations.

2.3 The following annual improvements to IFRS Standards 2018-2020 are effective for annual reporting periods beginning on or after January 01, 2023

As per SBP's BPRD Circular Letter no. 03 dated July 05, 2022, the applicability of IFRS 9 'Financial Instruments' has been deferred to accounting periods beginning on or after January 01, 2023. Certain requirements of this standard will be applicable from January 01, 2024. The impact of application of IFRS 9 in Pakistan on the condensed interim unconsolidated financial statements is being assessed.

There are various amendments to existing accounting and reporting standards as applicable in Pakistan that are not yet effective. These are not likely to have a material effect on the condensed interim unconsolidated financial statements.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

4. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies and methods of computation adopted in the preparation of these condensed interim unconsolidated financial statements are consistent with those applied in the preparation of the annual unconsolidated audited financial statements for the year ended December 31, 2021.

5. FINANCIAL RISK MANAGEMENT

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

		(Un-audited) June 30, 2022	(Audited) December 31, 2021
	Note	----- Rupees in '000 -----	
6. CASH AND BALANCES WITH TREASURY BANKS			
In hand			
Local currency		7,147,288	7,286,182
Foreign currencies		995,410	957,434
		8,142,698	8,243,616
With State Bank of Pakistan in:			
Local currency current account		18,787,717	19,934,402
Foreign currency current account - non remunerative		1,101,051	1,085,558
Foreign currency deposit account - remunerative		169,837	2,616,420
		20,058,605	23,636,380
With National Bank of Pakistan in:			
Local currency current accounts		2,538,827	2,345,795
National Prize Bonds		4,135	41,065
		30,744,265	34,266,856
7. BALANCES WITH OTHER BANKS			
In Pakistan			
In current accounts		345,181	128,812
In deposit accounts		73	73
		345,254	128,885
Outside Pakistan			
In current accounts		4,189,943	1,056,918
		4,535,197	1,185,803
Less: General provision under IFRS 9	7.1	(32)	(17)
Balances with other banks - net of provision		4,535,165	1,185,786

7.1 This represents general provision held under IFRS 9 by Bahrain branch of the Bank.

	(Un-audited) June 30, 2022	(Audited) December 31, 2021
	----- Rupees in '000 -----	
8. LENDINGS TO FINANCIAL INSTITUTIONS		
Repurchase agreement lendings (Reverse Repo)	46,760,458	31,939,044
8.1 Particulars of lendings		
In local currency	46,760,458	31,939,044

	(Un-audited) June 30, 2022				(Audited) December 31, 2021			
	Cost / Amortised cost	Provision for diminution	Surplus / (deficit)	Carrying Value	Cost / Amortised cost	Provision for diminution	Surplus / (deficit)	Carrying Value
9. INVESTMENTS	Rupees in '000							
9.1 Investments by type								
Held-for-trading securities								
Federal Government Securities	9,160,863	-	486	9,161,349	1,109,466	-	(62)	1,109,404
Available-for-sale securities								
Federal Government Securities	178,304,963	-	(863,899)	177,441,064	159,686,158	-	(370,270)	159,315,888
Shares	1,916,891	(136,589)	1,221,368	3,001,670	1,916,891	(136,589)	2,281,924	4,062,226
Non Government Debt Securities	2,693,377	(432,344)	2,478	2,263,511	2,966,418	(391,611)	2,256	2,577,063
Open End Mutual Funds	1,250,087	-	5,290	1,255,377	2,175,087	-	28,085	2,203,172
Foreign Securities	2,708,599	(102,122)	(530,851)	2,075,626	1,844,989	(68,232)	(63,097)	1,713,660
	186,873,917	(671,055)	(165,614)	186,037,248	168,589,543	(596,432)	1,878,898	169,872,009
Held-to-maturity securities								
Federal Government Securities	129,405,869	-	-	129,405,869	58,143,943	-	-	58,143,943
Associates	242,067	(20,267)	-	221,800	242,067	(20,267)	-	221,800
Subsidiaries	1,919,121	-	-	1,919,121	1,919,121	-	-	1,919,121
Total Investments	327,601,837	(691,322)	(165,128)	326,745,387	230,004,140	(616,699)	1,878,836	231,266,277
9.2 Investments by segments:	Rupees in '000							
Held-for-trading securities								
Federal Government Securities:								
Market Treasury Bills	9,160,863	-	486	9,161,349	1,109,264	-	(61)	1,109,203
Pakistan Investment Bonds	-	-	-	-	202	-	(1)	201
	9,160,863	-	486	9,161,349	1,109,466	-	(62)	1,109,404
Available-for-sale securities								
Federal Government Securities:								
Market Treasury Bills	65,428,790	-	(162,642)	65,266,148	125,616,353	-	(370,699)	125,245,654
Pakistan Investment Bonds	112,876,173	-	(701,257)	112,174,916	34,069,805	-	429	34,070,234
	178,304,963	-	(863,899)	177,441,064	159,686,158	-	(370,270)	159,315,888
Shares:								
Listed Companies								
Ordinary shares	1,769,302	-	1,221,368	2,990,670	1,769,302	-	2,281,924	4,051,226
Preference shares	136,589	(136,589)	-	-	136,589	(136,589)	-	-
Unlisted Companies								
Ordinary shares	11,000	-	-	11,000	11,000	-	-	11,000
	1,916,891	(136,589)	1,221,368	3,001,670	1,916,891	(136,589)	2,281,924	4,062,226
Non Government Debt Securities:								
Listed								
Term Finance Certificates	393,446	(143,446)	-	250,000	301,879	(151,867)	363	150,375
Sukuk Certificates	332,250	-	2,478	334,728	220,417	-	1,893	222,310
Unlisted								
Term Finance Certificates	351,565	(261,165)	-	90,400	756,845	(212,011)	-	544,834
Sukuk Certificates	1,290,726	-	-	1,290,726	1,307,393	-	-	1,307,393
Commercial Paper Certificates	297,657	-	-	297,657	352,151	-	-	352,151
Preference shares	27,733	(27,733)	-	-	27,733	(27,733)	-	-
	2,693,377	(432,344)	2,478	2,263,511	2,966,418	(391,611)	2,256	2,577,063
Open End Mutual Funds	1,250,087	-	5,290	1,255,377	2,175,087	-	28,085	2,203,172
Foreign Securities:								
Government Debt Securities *	1,822,003	(100,834)	(463,718)	1,257,451	1,372,854	(67,856)	(63,011)	1,241,987
Non Government Debt Securities *	615,583	(1,288)	(16,839)	597,456	376,486	(376)	(1,942)	374,168
Ordinary shares	271,013	-	(50,294)	220,719	95,649	-	1,856	97,505
	2,708,599	(102,122)	(530,851)	2,075,626	1,844,989	(68,232)	(63,097)	1,713,660
Held-to-maturity securities								
Federal Government Securities:								
Market Treasury Bills	82,905,654	-	-	82,905,654	11,463,014	-	-	11,463,014
Pakistan Investment Bonds	46,500,215	-	-	46,500,215	46,680,929	-	-	46,680,929
	129,405,869	-	-	129,405,869	58,143,943	-	-	58,143,943
Associates								
Omar Jibran Engineering Industries Limited	180,000	-	-	180,000	180,000	-	-	180,000
Veda Transit Solutions (Private) Limited	41,800	-	-	41,800	41,800	-	-	41,800
Intercity Touring Company (Private) Limited	20,267	(20,267)	-	-	20,267	(20,267)	-	-
	242,067	(20,267)	-	221,800	242,067	(20,267)	-	221,800
Subsidiaries								
JS Global Capital Limited	1,357,929	-	-	1,357,929	1,357,929	-	-	1,357,929
JS Investments Limited	561,192	-	-	561,192	561,192	-	-	561,192
	1,919,121	-	-	1,919,121	1,919,121	-	-	1,919,121
Total Investments	327,601,837	(691,322)	(165,128)	326,745,387	230,004,140	(616,699)	1,878,836	231,266,277

* Provision for diminution against foreign debt securities represents expected credit loss provisioning under IFRS 9 on portfolio pertaining to Bahrain Branch.

- 9.2.1** Included herein are the investments in related parties amounting to Rs. 1,464.739 million (December 31, 2021: Rs. 1,464.379 million) having market value of Rs. 2,753.542 million (December 31, 2021: 3,721.884 million).
- 9.2.2** Included herein is the investment of Rs. 111.305 million in Azgard Nine (related party) which is restructured and will be matured on April 29, 2028 and April 29, 2031. Due to weak financial position of the investee the Bank has recognised full impairment loss on these Term Finance Certificates.
- 9.2.3** The Bank has fully provided its investments held in Intercity Touring Company (Private) limited (an associated company) i.e. Rs. 27.733 million (December 31, 2021: Rs. 27.733 million) against preference shares and Rs. 20.267 million (December 31, 2021: Rs. 20.267 million) against ordinary shares.
- 9.2.4** The market value of Market Treasury Bills and Pakistan Investment Bond classified as held-to-maturity amounted to Rs. 81,336.059 million and Rs. 45,784.242 million (December 31, 2021: Rs. 11,323.221 million and Rs. 45,940.114 million) respectively.
- 9.2.5** Included herein is the life time expected credit loss under IFRS 9 on investment in bonds issued by Government of Sri Lanka amounting to Rs. 93.766 million held by Bahrain branch on account of default by Government of Sri Lanka in respect of loan commitments with its international lenders.

(Un-audited) June 30, 2022		(Audited) December 31, 2021	
Cost	Market value	Cost	Market value
----- Rupees in '000 -----			
27,559,054	27,450,766	19,922,016	19,852,789
91,586,242	91,426,177	15,063,158	15,073,822
119,145,296	118,876,943	34,985,174	34,926,611
-	-	842,316	814,484
615,583	597,456	-	-
615,583	597,456	842,316	814,484
119,760,879	119,474,399	35,827,490	35,741,095

9.3 Investments given as collateral

Available-for-sale securities

Federal Government Securities:

Market Treasury Bills

Pakistan Investment Bonds

Foreign Debt Securities

Government Debt Securities

Non Government Debt Securities

9.4 Provision for diminution in value of investments

9.4.1 Opening balance

Charge during the period / year

Reversal during the period / year

Under IFRS 9 in Bahrain branch:

Charge / (Reversal) during the period / year

Exchange Gain

Provision against restructured TFCs including against conversion of markup suspended

Closing Balance

9.4.2 Particulars of provision against debt securities

Category of classification

Domestic

Other assets especially mentioned

Substandard

Doubtful

Loss

	(Un-audited) June 30, 2022	(Audited) December 31, 2021
Note	----- Rupees in '000 -----	
	616,699	904,764
	-	48,000
	(8,421)	(281,540)
31	(8,421)	(233,540)
31	20,822	(62,148)
	13,068	7,623
	33,890	(54,525)
9.2.2	49,154	-
	691,322	616,699

10. ADVANCES

Note

Loans, cash credits, running finances, etc.

Bills discounted and purchased

Advances - gross

Provision against advances

General

General provision - under IFRS-9

Specific

Advances - net of provision

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 -----					
218,367,063	231,795,962	15,557,881	13,926,269	233,924,944	245,722,231
15,737,110	15,144,516	-	-	15,737,110	15,144,516
234,104,173	246,940,478	15,557,881	13,926,269	249,662,054	260,866,747
(189,755)	(87,787)	-	-	(189,755)	(87,787)
(20,093)	(25,193)	-	-	(20,093)	(25,193)
-	-	(6,429,580)	(6,569,829)	(6,429,580)	(6,569,829)
(209,848)	(112,980)	(6,429,580)	(6,569,829)	(6,639,428)	(6,682,809)
233,894,325	246,827,498	9,128,301	7,356,440	243,022,626	254,183,938

10.1 Particulars of advances (gross)

In local currency

In foreign currencies

10.2 Advances include Rs. 15,557.881 million (December 31, 2021: Rs. 13,926.269 million) which have been placed under non-performing status as detailed below:

Category of Classification

Domestic

Other Assets Especially Mentioned

Substandard

Doubtful

Loss

Total

(Un-audited) June 30, 2022		(Audited) December 31, 2021	
Non Performing Loans	Provision	Non Performing Loans	Provision
----- Rupees in '000 -----			
396,848	1,909	789,192	2,013
941,808	62,108	814,434	91,936
3,960,150	393,102	1,930,747	435,448
10,259,075	5,972,461	10,391,896	6,040,432
15,557,881	6,429,580	13,926,269	6,569,829

10.3 Particulars of provision against advances

Note	(Un-audited) June 30, 2022				(Audited) December 31, 2021			
	Specific	General	General provision - under IFRS-9	Total	Specific	General	General provision - under IFRS-9	Total
	Rupees in '000							
Opening balance	6,569,829	87,787	25,193	6,682,809	4,181,836	-	21,327	4,203,163
Exchange adjustments	-	-	3,201	3,201	-	-	2,350	2,350
Charge for the period / year	478,755	101,968	-	580,723	3,147,572	87,787	1,516	3,236,875
Reversals for the period / year	(400,631)	-	(8,301)	(408,932)	(758,874)	-	-	(758,874)
	78,124	101,968	(8,301)	171,791	2,388,698	87,787	1,516	2,478,001
Amounts written off	(218,373)	-	-	(218,373)	(705)	-	-	(705)
Closing balance	6,429,580	189,755	20,093	6,639,428	6,569,829	87,787	25,193	6,682,809

10.3.1 This includes reversal of provision of Rs. 44.8 million (December 31, 2021: Rs. 294.822 million) against reduction in non-performing loans of Rs. 60 million (December 31, 2021: 1,475.823 million) of AH Grains under 'Debt Property Swap' transactions, as disclosed in note 13.1.

10.3.2 The State Bank of Pakistan through various circulars has allowed benefit of the forced sale value (FSV) of Plant and Machinery under charge, pledged stock and mortgaged residential, commercial and industrial properties (land and building only) held as collateral against non-performing loans (NPLs) for a maximum of five years from the date of classification. As at June 30, 2022, the Bank has availed cumulative FSV benefit under the directives of the SBP of Rs. 6,050.243 million (December 31, 2021: Rs. 5,019.150 million).

The additional profit arising from availing the FSV benefit - net of tax amounts to Rs. 3,085.624 million (December 31, 2021: Rs. 3,061.682 million). The additional impact on profitability arising from availing the benefit of FSV shall not be available for payment of cash or stock dividend to shareholders or bonus to employees under the requirement of Regulation R-8 of Prudential Regulation for Corporate/Commercial Banking of SBP.

10.3.3 This represents general provision held under IFRS 9 by Bahrain branch of the Bank.

11. FIXED ASSETS

Note	(Un-audited) June 30, 2022	(Audited) December 31, 2021
	---- Rupees in '000 ----	
Capital work-in-progress	11.1	1,115,602
Property and equipment	11.2	6,534,691
Right-of-use assets		2,597,564
		10,247,857
		10,167,038
11.1 Capital work-in-progress		
Advance for building	-	199,556
Civil works	358,067	584,880
Advance for purchase of furniture and fixtures	26,429	20,122
Advance for purchase of equipment	696,307	496,326
Advance for purchase of vehicle	34,799	-
	1,115,602	1,300,884

11.2 The following additions, book value of disposals and write offs have been made to fixed assets during the period:

Note	(Un-audited)					
	Additions		Disposal		Write (offs) / back - net	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
	Rupees in '000					
Capital work-in-progress - net	562,714	599,751	-	-	-	-
Property and equipment						
Building on leasehold land	213,947	74,219	70,939	-	-	-
Leasehold improvements	416,525	80,194	15,887	1,991	-	-
Furniture and fixture	93,136	17,891	3,237	774	-	2,390
Electrical, office and computer equipment	311,104	280,839	20,432	5,270	-	20,589
Vehicles	7,755	3,375	6,589	5,237	-	1,941
	1,042,467	456,518	117,084	13,272	-	24,920
Right-of-use assets						
Additional impact or adjustments arised during the period	320,556	808,928	-	-	-	-
	1,925,737	1,865,197	117,084	13,272	-	24,920

11.2.1 This includes transfer from capital work in progress during the period of Rs. 747.996 million (June 30, 2021: Rs. 204.497 million).

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		(Un-audited) June 30, 2022	(Audited) December 31, 2021
		---- Rupees in '000 ----	
12. INTANGIBLE ASSETS	Note		
Capital work-in-progress	12.1	697,026	710,553
Computer software	12.2	1,195,482	960,400
Goodwill		1,463,624	1,463,624
		<u>3,356,132</u>	<u>3,134,577</u>
12.1 Capital work-in-progress		<u>697,026</u>	<u>710,553</u>
Advance for purchase of software			
12.2 Additions to intangible assets			
The following additions have been made to intangible assets during the period:			
Capital work-in-progress - net		299,541	109,147
Computer software	12.2.1	313,068	146,858
		<u>612,609</u>	<u>256,005</u>
12.2.1 This includes transfer from capital work in progress during the period of 313.068 million (June 30, 2021: Rs. 146.858 million).			
		(Un-audited) June 30, 2022	(Audited) December 31, 2021
		---- Rupees in '000 ----	
13. OTHER ASSETS	Note		
Income / mark-up accrued in local currency		8,643,488	7,170,902
Income / mark-up accrued in foreign currencies		143,809	93,851
Advances, deposits, advance rent and other prepayments		891,162	777,512
Acceptances		3,911,680	3,689,343
Dividend receivable		-	127,626
Taxation (payments less provision)		834,025	721,567
Defined benefit plan assets - net		271,704	318,319
Receivable against bancassurance / bancatakaful		59,635	20,889
Stationery and stamps in hand		21,786	22,864
Receivable in respect of home remittance		36,522	27,549
Due from State Bank of Pakistan		623,293	179,197
Rebates receivable from SBP and others		192,346	68,142
Non-banking assets acquired in satisfaction of claims	13.1	2,577,022	2,537,863
Mark to market gain on derivative instruments		43,113	51,215
Mark to market gain on forward foreign exchange contracts		1,318,758	467,017
Advance against investments in securities	13.2	581,198	705,198
BLB fund settlement		271,556	229,652
Inter bank fund transfer settlement		5,375,956	88,237
Debit card settlement		-	-
Credit card settlement		339,615	283,370
Insurance		299	75,884
Others		471,348	379,708
		<u>26,608,315</u>	<u>18,035,905</u>
Less: Provision held against other assets		(25,111)	(11,241)
Other assets (net of provisions)		<u>26,583,204</u>	<u>18,024,664</u>
Surplus on revaluation of non-banking assets acquired in satisfaction of claims		107,441	120,674
		<u>26,690,645</u>	<u>18,145,338</u>
13.1 This represents, the properties acquired of Rs. 60 million (December 31, 2021: Rs. 1,529.159 million) against debt swap transactions with borrowers resulting in reversal of provision of Rs. 44.8 million (December 31, 2021: Rs. 294.822) against reduction in non-performing loans of Rs. 60 million (December 31, 2021: Rs. 1,475.823 million) (refer note 10.3.1).			
13.2 This represents advance against purchase of TFC amounting Nil (December 31, 2021: Rs. 250 million), ordinary shares and preference shares of foreign companies amounting Rs. 331.75 million and Rs. 249.448 million (December 31, 2021: Rs. 205.75 million and Rs. 249.448 million) respectively.			
		(Un-audited) June 30, 2022	(Audited) December 31, 2021
		---- Rupees in '000 ----	
14. BILLS PAYABLE			
In Pakistan		6,028,976	6,786,643
Outside Pakistan		289,413	252,243
		<u>6,318,389</u>	<u>7,038,886</u>

JS BANK LIMITED

	(Un-audited) June 30, 2022	(Audited) December 31, 2021
	---- Rupees in '000 ----	
15. BORROWINGS		
Secured		
Borrowings from State Bank of Pakistan under:		
Export Refinancing Scheme (ERF)	20,699,412	20,775,516
Long-Term Finance Facility (LTFF)	2,408,164	2,558,982
Other borrowings		
Financing Facility for Storage of Agricultural Produce (FFSAP)	165,175	246,691
Financing Facility for Renewable Energy Projects	1,248,741	1,322,204
Refinance and credit guarantee scheme for women entrepreneurs	92,861	448,799
Refinance for Wages & Salaries	2,746,774	5,428,540
Refinance facility for modernization of Small and Medium Enterprises (SMEs)	21,520	5,439
Refinance facility for combating COVID-19	268,948	72,171
Temporary Economic Refinance Facility (TERF)	3,872,085	724,109
Small Enterprise Financing and Credit Guarantee Scheme for Special Persons	3,569	9,029
SME Asaan Finance Scheme	1,434,587	-
	9,854,260	8,256,982
Repurchase agreement borrowings	32,961,836	31,591,480
	101,091,686	13,500,000
	134,053,522	45,091,480
Borrowing from financial institutions		
Repurchase agreement borrowings	18,812,416	22,160,140
Refinancing facility for mortgage loans	1,072,222	2,916,027
	19,884,638	25,076,167
Total secured	153,938,160	70,167,647
Unsecured		
Overdrawn nostro accounts	954,237	306,663
	154,892,397	70,474,310
15.1 Particulars of borrowings		
In local currency	153,454,175	69,579,709
In foreign currencies	1,438,222	894,601
	154,892,397	70,474,310

16. DEPOSITS AND OTHER ACCOUNTS

	(Un-audited) June 30, 2022			(Audited) December 31, 2021		
	In Local Currency	In Foreign Currencies	Total	In Local Currency	In Foreign Currencies	Total
	----- Rupees in '000 -----					
Customers						
Current deposits	123,993,937	7,569,612	131,563,549	103,471,600	7,672,420	111,144,020
Savings deposits	100,704,452	6,314,539	107,018,991	94,411,562	5,055,750	99,467,312
Term deposits	185,331,189	15,261,659	200,592,848	197,382,108	13,980,936	211,363,044
Margin deposits	13,024,319	456,961	13,481,280	8,847,107	3,408	8,850,515
	423,053,897	29,602,771	452,656,668	404,112,377	26,712,514	430,824,891
Financial Institutions						
Current deposits	895,487	658,085	1,553,572	1,035,655	504,985	1,540,640
Savings deposits	12,468,385	1,950	12,470,335	15,379,164	31,231	15,410,395
Term deposits	15,687,209	-	15,687,209	12,929,088	-	12,929,088
	29,051,081	660,035	29,711,116	29,343,907	536,216	29,880,123
	452,104,978	30,262,806	482,367,784	433,456,284	27,248,730	460,705,014

		(Un-audited) June 30, 2022	(Audited) December 31, 2021
		---- Rupees in '000 ----	
17. SUBORDINATED DEBT	Note		
Term Finance Certificates - Second Issue	17.1	1,996,400	1,996,800
Term Finance Certificates - Third Issue	17.2	2,500,000	2,500,000
Term Finance Certificates - Fourth Issue	17.3	2,499,500	2,500,000
		6,995,900	6,996,800

- 17.1** In 2017, the Bank has issued Rs. 2 billion of rated, privately placed and listed, unsecured and subordinated term finance certificates ("TFCs" or "the Issue") as an instrument of redeemable capital under Section 66 of the Companies Act, 2017 and as outlined by State Bank of Pakistan, SBP, under the BPRD Circular No. 06 dated August 15, 2013 and Basel III guidelines. Summary of terms and conditions of the issue are:

Purpose:	To contribute towards the Bank's Tier II Capital for complying with the capital adequacy requirement and to utilize the funds in the Bank's business operations as permitted by its Memorandum & Articles of Association.
Issue date:	December 29, 2017
Tenure:	Up to Seven years from the issue date.
Maturity Date:	December 29, 2024
Rating:	A + (Single A Plus)
Profit Rate:	Floating rate of return at Base rate + 1.4 percent per annum; Base rate is defined as the average six months KIBOR prevailing on the Base Rate setting date. The Base Rate will be set for the first time on the last working day prior to the issue date and subsequently on the immediately preceding business day before the start of each six monthly period.
Profit payment:	Semi-annual
Redemption:	The instrument is structured to redeem 0.24% of the Issue amount during the first six years after the issue date and the remaining Issue amount of 99.76% in two equal semi-annual installments of 49.88% each in the last year.
Security:	The Issue is unsecured and subordinated as to payment of Principal and profit to all other indebtedness of the Bank, including deposits, and will not be redeemable before maturity without prior approval of SBP.
Call Option:	Exercisable in part or in full on or after the 10th redemption, with prior approval of SBP.
Lock-in-clause:	Principal and profit will be payable subject to compliance with MCR or CAR set by SBP.
Loss absorbency clause:	Upon the occurrence of a Point of Non-Viability event as defined under SBP BPRD Circular No. 6 of 2013 dated August 15, 2013, SBP may at its option, fully and permanently convert the TFCs into common shares of the Bank and/or have them immediately written off (either partially or in full). Number of shares to be issued to TFC holders at the time of conversion will be equal to the 'Outstanding Face Value of the TFCs' divided by market value per share of the Bank's common share on the date of trigger of Point of Non-Viability (PONV) as declared by SBP, subject to a cap of 319,982,544 shares.

- 17.2** In 2018, the Bank has issued Rs. 2.5 billion of rated, privately placed and listed, unsecured, subordinated, perpetual and non-cumulative additional Tier I capital term finance certificates ("TFCs" or "the Issue") as an instrument of redeemable capital under Section 66(1) of the Companies Act, 2017 and as outlined by State Bank of Pakistan, SBP, under the BPRD Circular No. 06 dated August 15, 2013 (the "Circular") and Basel III guidelines. Summary of terms and conditions of the issue are:

Purpose:	To contribute towards the Bank's Tier I Capital for complying with the capital adequacy requirement and to utilize the funds in the Bank's business operations as permitted by its Memorandum & Articles of Association.
Issue date:	December 31, 2018
Maturity date:	Perpetual
Rating:	A (Single A)
Profit Rate:	Floating rate of return at Base rate + 2.25 percent per annum; Base rate is defined as the average six months KIBOR prevailing on the Base Rate setting date. The Base Rate will be set for the first time on the last working day prior to the issue date and subsequently on the immediately preceding business day before the start of each six monthly period.
Profit payment	Semi-annually on a non-cumulative basis
Redemption:	Not applicable
Security:	The Issue is unsecured
Subordination:	The Issue is subordinated as to payment of Principal and profit to all other claims except common shares.
Call Option:	Exercisable in part or in full at a par value on or after five years from the issue date, with prior approval of SBP. The Bank shall not exercise the call option unless the called instrument is replaced with capital of same or better quality.
Lock-in-clause:	Payment of profit will be made from current year's earning and subject to compliance with MCR and / or CAR or LR set by SBP.

Loss absorbency clause:

Pre-Specified Trigger ("PST") Upon the occurrence of a Pre-Specified Trigger as defined under SBP BPRD Circular No. 6 of 2013 dated August 15, 2013 which stipulates that if an Issuer's Common Equity Tier 1 ("CET 1") ratio falls to or below 6.625% of Risk Weighted Assets ("RWA"), the Issuer will have full discretion to determine the amount of TFCs to be permanently converted into common shares or written off, subject to SBP regulations / instructions, and the cap specified below. The Bank will be able to exercise this discretion subject to:

- If and when Bank's CET 1 reaches the loss absorption trigger point, the aggregate amount of Additional Tier-1 capital to be converted must at least be the amount sufficient to immediately return the CET 1 ratio to above 6.625% of total RWA (if possible);
- The converted amount should not exceed the amount needed to bring the CET 1 ratio to 8.5% of RWA (i.e. minimum CET 1 of 6.0% plus capital conservation buffer of 2.5%); and
- In case, conversion of Additional Tier-1 capital Instrument is not possible following the trigger event, the amount of the Instrument must be written off in the accounts resulting in increase in CET 1 of the issuer.

Point of Non-Viability ("PONV") Upon the occurrence of a Point of Non-Viability event as defined under SBP BPRD Circular No. 6 of 2013 dated August 15, 2013, which stipulates that SBP may, at its option, fully and permanently convert the TFCs into common shares of the Issuer and / or have them immediately written off (either partially or in full). Number of shares to be issued to TFC holders at the time of conversion will be equal to the 'Outstanding Value of the TFCs' divided by market value per share of the Issuer's common / ordinary share on the date of the PONV trigger event as declared by SBP, subject to the cap specified below:

The PONV trigger event is the earlier of:

- A decision made by SBP that a conversion or temporary / permanent write-off is necessary without which the Issuer would become non-viable;
- The decision to make a public sector injection of capital, or equivalent support, without which the issuer would have become non-viable, as determined by SBP; and
- The maximum number of shares to be issued to TFC holders at the Pre-Specified Trigger and / or Point of Non Viability (or otherwise as directed by SBP) will be subject to a specified cap of 329,595,476 ordinary shares, or such other number as may be agreed to in consultation with SBP.

17.3 In 2021, the Bank has issued Rs. 2.5 billion of rated, privately placed and listed, unsecured and subordinated term finance certificates ("TFCs" or "the Issue") as an instrument of redeemable capital under Section 66 of the Companies Act, 2017 and as outlined by State Bank of Pakistan, SBP, under the BPRD circular No. 06 dated August 15, 2013 and Basel III guidelines. Summary of terms and conditions of the issue are:

Purpose:	To contribute towards the Bank's Tier II Capital for complying with the capital adequacy requirement and to utilize the funds in the Bank's business operations as permitted by its Memorandum & Articles of Association.
Issue date:	December 28, 2021
Tenure:	Up to Seven years from the issue date.
Maturity Date:	December 28, 2028
Rating:	A + (Single A Plus)
Profit Rate:	Floating rate of return at Base rate + 2 percent per annum; Base rate is defined as the average six months KIBOR prevailing on the Base Rate setting date. The Base Rate will be set for the first time on the last working day prior to the issue date and subsequently on the immediately preceding business day before the start of each six monthly period.
Profit payment:	Semi-annual
Redemption:	The instrument is structured to redeem 0.24% of the Issue amount during the first six years after the issue date and the remaining Issue amount of 99.76% in two equal semi-annual installments of 49.88% each in the last year.
Security:	The Issue is unsecured
Subordination:	The Issue is subordinated all other indebtedness of the Bank including depositors, however, senior to the claims of investors in instruments eligible for inclusion in Tier I Capital
Call Option:	Exercisable in part or in full on or after the 10th redemption, with prior approval of SBP.
Lock-in-clause:	Payment of profit will be made from current year's earning and subject to compliance with MCR and / or CAR or LR set by SBP.
Loss absorbency clause:	Upon the occurrence of a Point of Non-Viability event as defined under SBP BPRD Circular No. 6 of 2013 dated August 15, 2013, SBP may at its option, fully and permanently convert the TFCs into common shares of the Bank and/or have them immediately written off (either partially or in full). Number of shares to be issued to TFC holders at the time of conversion will be equal to the 'Outstanding Face Value of the TFCs' divided by market value per share of the Bank's common share on the date of trigger of Point of Non-Viability (PONV) as declared by SBP, subject to a cap of 400,647,739 shares.

JS BANK LIMITED

		(Un-audited) June 30, 2022	(Audited) December 31, 2021
	Note	---- Rupees in '000 ----	
18. DEFERRED TAX LIABILITIES			
Deductible Temporary Differences on:			
Provision against investments		(70,212)	(63,680)
Provision against loans and advances		(364,532)	(346,052)
Intangible other than Goodwill		(4,138)	(2,615)
		(438,882)	(412,347)
Taxable Temporary Differences on:			
Fixed assets		152,351	181,382
Goodwill		629,358	570,813
Surplus on revaluation of operating fixed assets	20	335,937	312,070
Surplus on revaluation of non-banking assets acquired in satisfaction of claims	20	320	960
Surplus on revaluation of investments classified as available for sale	20	(71,216)	732,770
		1,046,750	1,797,995
		607,868	1,385,648
19. OTHER LIABILITIES			
Mark-up / return / interest payable in local currency		3,700,662	3,216,121
Mark-up / return / interest payable in foreign currencies		76,561	26,668
Unearned income on guarantees		287,682	261,377
Accrued expenses		381,193	312,821
Acceptances		3,911,680	3,689,343
Unclaimed dividends		4,214	4,214
Mark to market loss on derivative instruments		98,719	56,155
Mark to market loss on forward foreign exchange contracts		427,694	103,830
Gratuity payable to contractual staff		8,139	5,263
Withholding taxes payable		659,272	516,370
Government challan collection		93,826	50,758
Donation payable		19,415	41,178
Security deposits against leases, lockers and others		2,533,143	2,908,147
Workers' Welfare Fund		177,830	158,414
Payable in respect of home remittance		653,972	433,507
Retention money payable		60,123	44,294
Lease liability against right-of-use assets		3,034,087	3,129,904
Advance against sale of assets		-	26,000
Payable against short sell of securities		2,291,587	-
Insurance payable		149,122	27,180
Payable to vendors against SBS goods		301,056	206,925
Debit card settlement		115,283	58,711
Clearing and settlement accounts		338,282	209,683
Others		294,571	177,250
		19,618,113	15,664,113
20. SURPLUS ON REVALUATION OF ASSETS			
Surplus / (deficit) on revaluation of:			
Available-for-sale securities	9.1 & 20.1	(165,614)	1,878,898
Fixed assets		1,494,457	1,513,386
Non-banking assets acquired in satisfaction of claims		107,441	120,674
		1,436,284	3,512,958
Deferred tax on (surplus) / deficit on revaluation of:			
Available-for-sale securities		71,216	(732,770)
Fixed assets		(335,937)	(312,070)
Non-banking assets acquired in satisfaction of claims		(320)	(960)
		(265,041)	(1,045,800)
		1,171,243	2,467,158

		(Un-audited) June 30, 2022	(Audited) December 31, 2021
	Note	---- Rupees in '000 ----	
20.1 Available-for-sale securities			
Pakistan:			
- Equity securities		1,221,368	2,281,924
- Open end mutual funds		5,290	28,085
- Debt securities		(861,421)	(368,014)
		365,237	1,941,995
Bahrain:			
- Equity securities		(50,294)	1,856
- Debt securities	20.1.1	(480,557)	(64,953)
		(530,851)	(63,097)
		(165,614)	1,878,898
Related deferred tax liability		71,216	(732,770)
		(94,398)	1,146,128

20.1.1 As of June 30, 2022, the Bank has recognized expected credit loss of Rs. 102.122 million (December 31, 2021: Rs. 68.232 million) through profit and loss account under IFRS-9 on foreign debt securities held by the Bank's Wholesale Banking Branch in Bahrain. However, the loss allowance is adjusted in other comprehensive income without reducing the carrying amount of the said securities under the requirement of IFRS 9 para 5.5.2. Therefore, revaluation of those securities are adjusted accordingly in this condensed interim unconsolidated statement of financial position.

		(Un-audited) June 30, 2022	(Audited) December 31, 2021
	Note	----- Rupees in '000 -----	
21. CONTINGENCIES AND COMMITMENTS			
Guarantees	21.1	59,148,797	49,835,924
Commitments	21.2	88,246,246	53,141,448
		147,395,043	102,977,372
21.1 Guarantees:			
Financial guarantees		630,232	816,746
Performance guarantees		24,962,548	25,611,507
Other guarantees		33,556,017	23,407,671
	21.1.1	59,148,797	49,835,924

21.1.1 Included herein are outstanding guarantees of Rs. 26.419 million (December 31, 2021: Rs. 21.419 million) of related parties.

21.2 Commitments:

Documentary credits and short-term trade-related transactions

- letters of credit	21.2.1	22,517,418	21,917,220
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Commitments in respect of:

- Forward foreign exchange contracts	21.2.2	57,479,477	26,688,581
- Derivative instruments	21.2.3	7,758,682	3,440,120
- Forward lending	21.2.4	296,066	639,565

Commitments for acquisition of:

- Fixed assets and intangible assets	21.2.5	194,603	455,962
		88,246,246	53,141,448

21.2.1 Included herein are the outstanding letter of credits of Rs. 12.951 million (December 31, 2021: Rs. 201.246 million) of related parties.

21.2.2 Commitments in respect of forward foreign exchange contracts

Purchase		33,707,999	17,655,035
Sale		23,771,478	9,033,546
		57,479,477	26,688,581

21.2.2. The Bank utilises foreign exchange instruments to meet the needs of its customers and as part of its asset and liability management activity to hedge its own exposure to currency risk. At period end, all foreign exchange contracts have a remaining maturity of less than one year.

			(Un-audited) June 30, 2022	(Audited) December 31, 2021
		Note	----- Rupees in '000 -----	
21.2.3	Commitments in respect of derivative instruments			
	Purchase		3,059,350	1,737,404
	Sale		4,699,332	1,702,716
			7,758,682	3,440,120
21.2.3.1	Interest rate swaps (notional principal)			
	Purchase		234,300	370,039
	Sale		234,300	370,039
			468,600	740,078
21.2.3.2	Options (notional principal)			
	Purchase		136,011	1,367,365
	Sale		891,083	1,332,677
			1,027,094	2,700,042
21.2.3.3	Commitments in respect of forward securities transactions			
	Purchase		2,689,039	-
	Sale		3,573,949	-
			6,262,988	-
21.2.4	Commitments in respect of forward lending			
	Undrawn formal standby facilities, credit lines and other commitments to lend	21.2.4.1	296,066	639,565
21.2.4.1	This represents commitments that are irrevocable because they cannot be withdrawn at the discretion of the Bank without the risk of incurring significant penalty or expense.			
21.2.5	Commitments for acquisition of fixed assets and intangible assets	21.2.5.1	194,603	455,962
21.2.5.1	This represents commitments related to purchase of leasehold improvements, furniture and fixtures, hardware & network equipments and electrical equipments and computer software.			
21.2.6	Tax related contingencies are disclosed in notes 32.1.			

22. DERIVATIVE INSTRUMENTS

Derivative instruments, such as Forward Exchange Contracts, Interest Rate Swaps and Options, are forward transactions that provide market making opportunities / hedge against the adverse movement of interest and exchange rates. Derivatives business also provides risk solutions for the existing and potential customers of the Bank.

The Bank has entered into a Cross Currency Swap transaction with its customer on back-to-back basis with an Authorized Derivative Dealer (ADD) without carrying any open position in its books. Specific approvals for the transactions have been granted by State Bank of Pakistan. Policies in line with SBP instructions have been formulated and are operative.

The Bank has also entered into Foreign Currency & Commodity Options from its Wholesale Banking Branch Bahrain for market making activities.

These transactions cover the aspects of both market making and hedging. The risk management related to derivative is disclosed in note 45 to the annual unconsolidated financial statements for the year ended December 31, 2021.

Accounting policies in respect of derivative financial instruments are described in note 4.4.2 of the unconsolidated annual financial statements for the year ended December 31, 2021.

		(Un-audited) June 30, 2022					
		Interest Rate Swaps		Options and Accumulators		Forward securities	
		Notional principal	Mark to market gain	Notional principal	Mark to market loss	Notional principal	Mark to market loss
22.1	Product analysis	----- Rupees in '000 -----					
	Counterparties						
	With Banks for						
	Hedging	468,600	998	-	-	-	-
	Market making	-	-	1,027,094	(51,435)	6,262,988	(5,169)
	With FIs other than banks						
	Hedging	-	-	-	-	-	-
	Market making	-	-	-	-	-	-
	Total						
	Hedging	468,600	998	-	-	-	-
	Market making	-	-	1,027,094	(51,435)	6,262,988	(5,169)
		(Audited) December 31, 2021					
		Interest Rate Swaps		Options and Accumulators		Forward securities	
		Notional principal	Mark to market gain	Notional principal	Mark to market loss	Notional principal	Mark to market loss
	With Banks for						
	Hedging	740,078	1,818	-	-	-	-
	Market making	-	-	2,700,042	(6,758)	-	-
	With FIs other than banks						
	Hedging	-	-	-	-	-	-
	Market making	-	-	-	-	-	-
	Total						
	Hedging	740,078	1,818	-	-	-	-
	Market making	-	-	2,700,042	(6,758)	-	-

JS BANK LIMITED

		----- Un-audited -----	
		June 30, 2022	June 30, 2021
		----- Rupees in '000 -----	
Note			
23. MARK-UP / RETURN / INTEREST EARNED			
On:			
Loans and advances		13,332,267	10,096,123
Investments		15,682,347	8,247,370
Lendings to financial institutions		54,859	43,015
Securities purchased under resale agreements		798,156	459,339
Balances with other banks		150	-
		29,867,779	18,845,847
24. MARK-UP / RETURN / INTEREST EXPENSED			
On:			
Deposits		15,558,717	10,497,829
Borrowings	24.1	6,596,530	1,728,301
Subordinated debt		454,990	336,021
Cost of foreign currency swaps against foreign currency deposits / borrowings		431,375	245,177
Lease liability against right-of-use assets		190,462	189,637
		23,232,074	12,996,965
24.1 Borrowings			
Export Refinancing Scheme (ERF)		209,325	197,984
Long-Term Finance Facility (LTFF)		24,679	24,155
Other Borrowings from State Bank of Pakistan		27,412	9,058
Securities sold under repurchase agreements		6,155,833	1,258,284
Other borrowings		179,281	238,820
		6,596,530	1,728,301
25. FEE AND COMMISSION INCOME			
Branch banking customer fees		51,110	67,140
Consumer finance related fees		77,071	25,507
Card related fees (debit and credit cards)		152,792	159,121
Credit related fees		159,994	187,046
Investment banking fees		30,034	33,296
Commission on trade		446,041	391,456
Commission on guarantees		279,350	211,378
Commission on cash management		7,714	2,819
Commission on remittances including home remittances		45,196	141,803
Commission on bancassurance		41,976	73,070
Commission on distribution of mutual funds		847	1,000
Commission on online services		167,180	116,205
Postage & courier income		8,989	12,094
Rebate income		118,736	127,097
Rebate on primary dealership		14,477	34,638
		1,601,507	1,583,670
26. (LOSS) / GAIN ON SECURITIES			
Realised	26.1	(110,645)	300
Unrealised - held for trading		486	364
Unrealised gain on payable against short sell of securities		28,882	-
		(81,277)	664
26.1 Realised (loss) / gain on:			
Federal government securities			
Market treasury bills		(212,990)	4,708
Pakistan investment bonds		183,019	38,761
Ijara sukuk certificates		151	603
		(29,820)	44,072
Shares			
Listed companies		-	(107,631)
Non Government Debt Securities			
Term finance certificates		(1,045)	22,622
Mutual fund units		52,868	3,426
Foreign currency bonds		(132,648)	37,811
		(110,645)	300

		----- Un-audited -----	
		June 30, 2022	June 30, 2021
		----- Rupees in '000 -----	
Note			
27. OTHER (LOSS) / INCOME			
	Rent Income	9,172	-
	(Loss) / gain on sale of fixed assets - net	(18,579)	3,688
	Gain on termination of leases - net	4,742	(2,829)
	Gain on sale of non-banking assets	1,167	-
	Others	140	-
		(3,358)	859
28. OPERATING EXPENSES			
	Total compensation expense	3,342,738	2,920,933
	Property expense		
	Rent & taxes	18,285	37,311
	Insurance	5,132	3,505
	Utilities cost	229,447	168,648
	Security (including guards)	152,628	131,795
	Repair & maintenance (including janitorial charges)	122,601	127,921
	Depreciation	112,041	95,605
	Depreciation - Right of Use Assets	542,956	440,293
	Depreciation on non-banking assets	9,240	3,455
		1,192,330	1,008,533
	Information technology expenses		
	Software maintenance	417,820	291,097
	Hardware maintenance	145,984	94,050
	Depreciation	142,481	116,804
	Amortisation	78,495	63,251
	Network charges	118,670	78,484
		903,450	643,686
	Other operating expenses		
	Directors' fees and allowances	7,200	8,250
	Legal & professional charges	89,727	49,740
	Insurance	184,101	144,765
	Outsourced services costs	103,666	80,765
	Travelling & conveyance	84,318	40,496
	NIFT clearing charges	22,443	24,508
	Depreciation	160,504	152,611
	Training & development	42,559	18,426
	Postage & courier charges	44,981	47,329
	Communication	79,296	48,423
	Stationery & printing	140,280	118,491
	Marketing, advertisement & publicity	456,627	182,375
	Donations	19,415	19,763
	Auditors' Remuneration	6,813	4,191
	Staff Auto fuel & maintenance	165,151	111,748
	Bank Charges	29,456	24,981
	Stamp Duty	18,748	17,215
	Online verification charges	22,905	31,571
	Brokerage, fee and commission	30,319	27,284
	Card related fees (debit and credit cards)	248,388	160,983
	CDC and other charges	2,377	2,540
	Consultancy fee	705	15,900
	Deposit protection premium	96,218	126,225
	Entertainment expenses	53,238	48,427
	Repair and maintenance	38,358	37,310
	Cash handling charges	87,474	95,851
	Fee and Subscription	62,065	51,005
	Employees social security	3,417	2,235
	Generator fuel & maintenance	64,518	42,681
	Others	31,467	23,065
		2,396,734	1,759,154
		7,835,252	6,332,306

28.1 Under the provision of section 5(2) of the Deposit Protection Corporation Act, 2016 (the Act), and DPC Circular No. 04 of 2018, the Bank is liable to pay annual premium, on quarterly basis, to the Deposit Protection Corporation, a subsidiary company of State Bank of Pakistan, @ 0.16% on eligible deposits as of December 31 of each preceding calendar year.

29. WORKERS' WELFARE FUND

Provision held at @ 2% of the higher of profit before tax or taxable income under Sindh Workers' Welfare Act, 2014 and the Punjab Workers' Welfare Fund Act, 2019.

		----- Un-audited -----	
		June 30, 2022	June 30, 2021
		----- Rupees in '000 -----	
	Note		
30. OTHER CHARGES			
Penalties imposed by State Bank of Pakistan		85,590	202
31. PROVISIONS AND WRITE OFFS - NET			
Reversals for diminution in value of investments	9.4	(8,421)	(278,237)
Provisions against loans & advances - specific	10.3	78,124	753,136
Provisions against loans & advances - general	10.3	101,968	360,054
Provisions / (reversals) under IFRS-9 - general	31.1	12,533	(17,022)
Other provisions and write offs		289	-
Fixed assets written off / (back) - net	11.2	-	(24,920)
Intangible assets written off		-	3,964
Other reversals		-	259
		184,493	797,234
31.1 Provisions / (reversals) under IFRS-9 - general			
Balances with other banks		12	97
Investments	9.4	20,822	(27,882)
Advances	10.3	(8,301)	4,493
Lendings to financial institutions		-	6,270
		12,533	(17,022)
32. TAXATION			
Current		551,195	358,238
Prior years		-	-
Deferred		(5,899)	59,894
		545,296	418,132

32.1 There are no material changes in tax contingencies as disclosed in annual unconsolidated financial statements for the year ended December 31, 2021.

	----- Un-audited -----			
	Quarter Ended		Half Year Ended	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
----- Rupees in '000 -----				
33. BASIC AND DILUTED EARNINGS PER SHARE				
Profit after taxation for the period - attributable to ordinary equity holders of the Bank	15,936	179,913	425,554	569,996
	----- Numbers -----			
Weighted average number of outstanding ordinary shares	1,297,464,262	1,297,464,262	1,297,464,262	1,297,464,262
	----- Rupee -----			
Basic and diluted earnings per share	0.01	0.14	0.33	0.44
		(Un-audited) June 30, 2022	(Audited) December 31, 2021	(Un-audited) June 30, 2021
Note		----- Rupees in '000 -----		

34. CASH AND CASH EQUIVALENTS

Cash and balances with treasury banks	6	30,744,265	34,266,856	36,206,451
Balances with other banks - gross	7	4,535,197	1,185,803	856,779
Overdrawn nostro accounts	15	(954,237)	(306,663)	(488,469)
		34,325,225	35,145,996	36,574,761

35. FAIR VALUE OF FINANCIAL INSTRUMENTS

IFRS 13 "Fair Value Measurement" defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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. Fair value of unquoted debt securities, fixed term loans, other assets, other liabilities and fixed term deposits cannot be calculated with sufficient reliability due to absence of current and active market for assets and liabilities and reliable data regarding market rates for similar instruments. The provision for impairment of loans and advances has been calculated in accordance with the Bank's accounting policy as stated in note 4.6 to the annual unconsolidated audited financial statements for the year ended December 31, 2021.

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

Fair value hierarchy

IFRS 13 requires the Bank to classify fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has following levels:

- Level 1:** Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2:** Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3:** Fair value measurements using input for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

35.1 Valuation techniques used in determination of fair values within level:

Item	Valuation approach and input used
Financial Instruments- Level 1	
Shares of listed companies	Fair values of investments in listed equity securities are valued on the basis of closing quoted market prices available at the Pakistan Stock Exchange.
Financial instruments - Level 2	
Units of mutual funds	Fair values of investments in units of mutual funds are determined based on redemption prices disclosed at the Mutual Funds Association of Pakistan (MUFAP) as at the close of the business days.
Market Treasury Bills(MTB) / Pakistan Investment Bonds(PIB), and GoP Sukuks (GIS)	Fair values of Pakistan Investment Bonds and Market Treasury Bills are derived using PKRV, PKFRV and PKISRV rates (Reuters page).
Debt Securities (TFCs) and Sukuk other than Government	Investments in debt securities (comprising of Term Finance Certificates, Bonds and any other security issued by a company or a body corporate for the purpose of raising funds in the form of redeemable capital) are valued on the basis of the rates announced by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by the SECP.
Overseas Government Sukuks, Overseas and Euro Bonds	The fair value of Overseas Government Sukuks, and Overseas Bonds are valued on the basis of price available on Bloomberg.
Forward foreign exchange contracts	The valuation has been determined by interpolating the foreign exchange revaluation rates announced by the State Bank of Pakistan.
Derivatives	The fair values of derivatives which are not quoted in active markets are determined by using valuation techniques. The valuation techniques take into account the relevant underlying parameters including foreign currencies involved, interest rates, yield curves, volatilities, contracts duration, etc.
Financial instruments in level 3	
Currently, no financial instruments are classified in level 3.	
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.	
Non- financial assets- Level 3	
Fixed assets - Land and building	Fixed assets and Non-banking assets under satisfaction of claims are carried at revalued amounts determined by professional valuers based on their assessment of the market values as disclosed in note 11 and 13 in the annual unconsolidated financial statements. The valuations are conducted by the valuation experts appointed by the Bank which are also on the panel of State Bank of Pakistan. The valuation experts used a market based approach to arrive at the fair value of the Bank's properties. The market approach used prices and other relevant information generated by market transactions involving identical or comparable or similar properties. These values are adjusted to reflect the current condition of the properties. 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 financial statements.
Non-banking assets under satisfaction of claims	

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

35.3 The following table provides an analysis of financial assets that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

On balance sheet financial instruments**Financial assets - measured at fair value****Held-for-trading securities**

Investments

Federal Government Securities

Available-for-sale securities

Investments

Federal Government Securities

Shares

Non Government Debt Securities

Foreign Securities

Open end mutual funds

Financial assets - disclosed but not measured at fair value

Investments

Federal Government Securities

Non-Financial assets - measured at fair value

Revalued fixed assets

Non-banking assets acquired in satisfaction of claims

Off balance sheet financial instruments**Commitments in respect of:****Forward foreign exchange contracts**

Purchase

Sale

Derivative instruments:**Forward securities**

Purchase

Sale

Interest rate swaps

Purchase

Sale

Options

Purchase

Sale

On balance sheet financial instruments**Financial assets - measured at fair value****Held-for-trading securities**

Investments

Federal Government Securities

Available-for-sale securities

Investments

Federal Government Securities

Shares

Non Government Debt Securities

Foreign Securities

Open end mutual funds

Financial assets - disclosed but not measured at fair value

Investments

Federal Government Securities

Non-Financial assets - measured at fair value

Revalued fixed assets

Non-banking assets acquired in satisfaction of claims

Off balance sheet financial instruments**Commitments in respect of:****Forward foreign exchange contracts**

Purchase

Sale

Derivative instruments**Interest rate swaps**

Purchase

Sale

Options

Purchase

Sale

(Un-audited) June 30, 2022			
Level 1	Level 2	Level 3	Total
----- Rupees in '000 -----			
-	9,161,349	-	9,161,349
-	177,441,064	-	177,441,064
3,211,389	-	-	3,211,389
-	584,728	-	584,728
-	1,854,907	-	1,854,907
-	1,255,377	-	1,255,377
3,211,389	181,136,076	-	184,347,465
-	129,405,869	-	129,405,869
3,211,389	319,703,294	-	322,914,683
-	-	3,794,586	3,794,586
-	-	2,684,463	2,684,463
-	-	6,479,049	6,479,049
-	34,807,335	-	34,807,335
-	23,980,210	-	23,980,210
-	2,688,170	-	2,688,170
-	3,567,911	-	3,567,911
-	247,439	-	247,439
-	248,437	-	248,437
-	112,977	-	112,977
-	862,682	-	862,682
(Audited) December 31, 2021			
Level 1	Level 2	Level 3	Total
----- Rupees in '000 -----			
-	1,109,404	-	1,109,404
-	159,315,888	-	159,315,888
4,148,731	-	-	4,148,731
-	372,685	-	372,685
-	1,616,155	-	1,616,155
-	2,203,172	-	2,203,172
4,148,731	163,507,900	-	167,656,631
-	58,143,943	-	58,143,943
4,148,731	222,761,247	-	226,909,978
-	-	3,696,407	3,696,407
-	-	2,658,537	2,658,537
-	-	6,354,944	6,354,944
-	18,064,443	-	18,064,443
-	9,079,267	-	9,079,267
-	402,137	-	402,137
-	403,955	-	403,955
-	1,363,325	-	1,363,325
-	1,329,959	-	1,329,959

36. SEGMENT INFORMATION

36.1 Segment details with respect to business activities:

m

Profit & Loss

Net mark-up / return / interest / (expense)

Inter segment revenue - net

Non mark-up / return / income

Total Income / (loss)

Segment direct expenses

Inter segment expense allocation

Total expenses

Provisions

Profit / (loss) before tax

June 30, 2022 (Un-audited)

Statement of financial position

Cash & Bank balances

Investments

Net inter segment lending

Lendings to financial institutions

Advances - net

Advances - performing

Advances - non-performing

Advances - provisions - net

Others

Total Assets

Borrowings

Subordinated debt

Deposits & other accounts

Net inter segment borrowing

Others

Total liabilities

Equity

Total Equity & liabilities

Contingencies & Commitments

	Corporate Finance	Trading and Sales	Retail Banking	Commercial Banking	Others	Total
Rupees in '000						
Net mark-up / return / interest / (expense)	151,128	9,237,938	(1,900,228)	(749,297)	(103,836)	6,635,705
Inter segment revenue - net	(154,176)	(10,803,995)	8,519,742	2,438,429	-	-
Non mark-up / return / income	72,323	962,076	854,111	558,067	13,319	2,459,896
Total Income / (loss)	69,275	(603,981)	7,473,625	2,247,199	(90,517)	9,095,601
Segment direct expenses	19,921	89,674	5,153,642	464,524	2,212,497	7,940,258
Inter segment expense allocation	8,001	82,902	1,766,586	395,712	(2,253,201)	-
Total expenses	27,922	172,576	6,920,228	860,236	(40,704)	7,940,258
Provisions	-	-	156,874	31,727	(4,108)	184,493
Profit / (loss) before tax	41,353	(776,557)	396,523	1,355,236	(45,705)	970,850
June 30, 2022 (Un-audited)						
Statement of financial position						
Cash & Bank balances	-	21,713,319	10,679,456	2,886,655	-	35,279,430
Investments	2,671,399	316,008,280	-	2,073,215	5,992,493	326,745,387
Net inter segment lending	-	-	196,709,410	79,395,865	-	276,105,275
Lendings to financial institutions	-	46,760,458	-	-	-	46,760,458
Advances - net						
Advances - performing	230,180	-	77,729,071	151,058,174	5,086,748	234,104,173
Advances - non-performing	-	-	4,950,008	10,294,938	312,935	15,557,881
Advances - provisions - net	-	-	(2,073,967)	(4,525,439)	(40,022)	(6,639,428)
	230,180	-	80,605,112	156,827,673	5,359,661	243,022,626
Others	-	-	-	-	40,294,634	40,294,634
Total Assets	2,901,579	384,482,057	287,993,978	241,183,408	51,646,788	968,207,810
Borrowings	-	117,618,445	6,539,049	30,734,903	-	154,892,397
Subordinated debt	-	-	-	-	6,995,900	6,995,900
Deposits & other accounts	102,464	-	273,877,544	208,387,392	384	482,367,784
Net inter segment borrowing	2,799,115	266,857,962	-	743,832	5,704,366	276,105,275
Others	-	5,649	7,577,383	1,317,282	17,644,056	26,544,370
Total liabilities	2,901,579	384,482,056	287,993,976	241,183,409	30,344,706	946,905,726
Equity	-	-	-	-	21,302,084	21,302,084
Total Equity & liabilities	2,901,579	384,482,056	287,993,976	241,183,409	51,646,790	968,207,810
Contingencies & Commitments	-	72,452,464	53,226,730	21,557,047	158,802	147,395,043

	Corporate Finance	Trading and Sales	Retail Banking	Commercial Banking	Others	Total
Rupees in '000						
Net mark-up / return / interest / (expense)	(497,707)	6,918,855	397,731	(913,802)	(56,195)	5,848,882
Inter segment revenue - net	516,251	(6,880,925)	4,022,163	2,342,511	-	-
Non mark-up / return / income	128,824	530,750	886,074	743,194	(91)	2,288,751
Total Income / (loss)	147,368	568,680	5,305,968	2,171,903	(56,286)	8,137,633
Segment direct expenses	10,846	84,309	2,840,824	449,198	2,967,094	6,352,271
Inter segment expense allocation	20,960	82,585	2,429,337	336,035	(2,868,917)	-
Total expenses	31,806	166,894	5,270,161	785,233	98,177	6,352,271
Provisions	-	-	266,898	381,374	148,962	797,234
Profit / (loss) before tax	115,562	401,786	(231,091)	1,005,296	(303,425)	988,128

December 31, 2021 (Audited)

Statement of financial position

Cash & Bank balances

Investments

Net inter segment lending

Lendings to financial institutions

Advances - net

Advances - performing

Advances - non-performing

Advances - provisions - net

Others

Total Assets

Borrowings

Subordinated debt

Deposits & other accounts

Net inter segment borrowing

Others

Total liabilities

Equity

Total Equity & liabilities

Contingencies & Commitments

	Corporate Finance	Trading and Sales	Retail Banking	Commercial Banking	Others	Total
Cash & Bank balances	-	-	35,452,642	-	-	35,452,642
Investments	-	229,555,015	-	1,711,262	-	231,266,277
Net inter segment lending	12,716,606	-	118,125,304	90,374,890	2,339,620	223,556,420
Lendings to financial institutions	-	31,939,044	-	-	-	31,939,044
Advances - net						
Advances - performing	901,279	-	75,492,738	165,301,183	5,245,278	246,940,478
Advances - non-performing	-	-	7,835,772	6,090,497	-	13,926,269
Advances - provisions - net	-	-	(3,430,477)	(3,252,332)	-	(6,682,809)
	901,279	-	79,898,033	168,139,348	5,245,278	254,183,938
Others	-	-	-	-	31,446,953	31,446,953
Total Assets	13,617,885	261,494,059	233,475,979	260,225,500	39,031,851	807,845,274
Borrowings	16,336	31,875,041	9,535,196	29,047,737	-	70,474,310
Subordinated debt	-	6,996,800	-	-	-	6,996,800
Deposits & other accounts	13,597,573	-	219,428,193	227,679,248	-	460,705,014
Net inter segment borrowing	-	222,622,218	-	934,202	-	223,556,420
Others	3,976	-	4,512,590	2,564,313	17,007,768	24,088,647
Total liabilities	13,617,885	261,494,059	233,475,979	260,225,500	17,007,768	785,821,191
Equity	-	-	-	-	22,024,083	22,024,083
Total Equity & liabilities	13,617,885	261,494,059	233,475,979	260,225,500	39,031,851	807,845,274
Contingencies & Commitments	-	50,618,828	37,186,792	15,060,805	110,947	102,977,372

37. RELATED PARTY TRANSACTIONS

The Bank has related party transactions with its parent, subsidiaries, associates, directors and Key Management Personnel and other related parties.

The Bank enters into transactions with related parties in the ordinary course of business and 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, other than those which have been specially disclosed elsewhere in these condensed interim unconsolidated financial statements are as follows:

	As at June 30, 2022 (Un-audited)						As at December 31, 2021 (Audited)					
	Parent	Directors	Key management personnel	Subsidiaries	Associates	Other related parties	Parent	Directors	Key management personnel	Subsidiaries	Associates	Other related parties
	Rupees in '000											
Statement of Financial Position												
Lendings to financial institutions												
Opening balance	-	-	-	-	-	-	-	-	-	-	-	-
Addition during the period / year	-	-	-	-	-	78,704,870	-	-	-	-	-	6,300,000
Repaid during the period / year	-	-	-	-	-	(78,704,870)	-	-	-	-	-	(6,300,000)
Closing balance	-	-	-	-	-	-	-	-	-	-	-	-
Investments												
Opening balance	-	-	-	1,919,121	269,800	2,476,890	-	-	-	1,919,121	269,800	2,720,901
Investment made during the period / year	-	-	-	-	-	900,000	-	-	-	-	-	1,350,000
Investment redeemed / disposed off during the period / year	-	-	-	-	-	(950,000)	-	-	-	-	-	(1,594,011)
Transfer in / (out) - net	-	-	-	-	-	49,154	-	-	-	-	-	-
Closing balance	-	-	-	1,919,121	269,800	2,476,044	-	-	-	1,919,121	269,800	2,476,890
Provision for diminution in value of investments	-	-	-	-	48,000	111,305	-	-	-	-	48,000	62,151
Advances												
Opening balance	-	125,769	458,181	96,775	442,315	5,229,319	-	122,106	779,655	193,550	370,768	4,093,430
Addition during the period / year	-	9,261	123,445	7,411	26,550	2,414,222	-	11,327	192,519	-	294,076	4,026,927
Repaid during the period / year	-	(2,660)	(77,732)	(55,798)	(142,339)	(2,314,943)	-	(39,222)	(176,926)	(96,775)	(222,529)	(3,193,931)
Transfer in / (out) - net	-	(120,174)	69,164	-	-	(23,027)	-	31,558	(337,067)	-	-	302,893
Closing balance	-	12,196	573,058	48,388	326,526	5,305,571	-	125,769	458,181	96,775	442,315	5,229,319
Other Assets												
Interest / mark-up accrued	-	57	4,973	183	10,904	76,058	-	3,588	505	537	10,917	79,089
Receivable against bancassurance / bancatakaful	-	-	-	-	-	59,635	-	-	-	-	-	20,889
Net defined benefit plan	-	-	-	-	-	220,932	-	-	-	-	-	318,319
Dividend Receivable	-	-	-	-	-	-	-	-	-	127,626	-	-
Other receivable	-	-	-	-	-	14,249	-	-	-	-	-	379
Provision against other assets	-	-	-	-	-	14,249	-	-	-	-	-	379
Deposits and other accounts												
Opening balance	912,327	388,406	42,227	1,354,967	41,310	14,398,780	172,019	212,335	76,237	1,638,770	49,753	10,365,166
Received during the period / year	9,670,075	91,402	457,930	220,406,926	680,886	112,666,765	8,763,862	1,236,232	673,723	498,611,727	1,732,714	295,223,429
Withdrawn during the period / year	(10,221,347)	(80,185)	(449,177)	(220,622,662)	(719,492)	(115,110,283)	(8,023,554)	(1,098,789)	(667,310)	(498,895,530)	(1,741,157)	(291,943,860)
Transfer in / (out) - net	-	(384,376)	(2,998)	-	-	(654,422)	-	38,628	(40,423)	-	-	754,045
Closing balance	361,055	15,247	47,982	1,139,231	2,704	11,300,840	912,327	388,406	42,227	1,354,967	41,310	14,398,780

	As at June 30, 2022 (Un-audited)						As at December 31, 2021 (Audited)					
	Parent	Directors	Key management personnel	Subsidiaries	Associates	Other related parties	Parent	Directors	Key management personnel	Subsidiaries	Associates	Other related parties
	Rupees in '000						Rupees in '000					
Subordinated debt												
Opening balance	-	-	-	-	-	639,776	-	-	-	-	-	889,432
Issued during the period / year	-	-	-	-	-	-	-	-	-	-	-	-
Redeemed during the period / year	-	-	-	-	-	(18)	-	-	-	-	-	(199,746)
Transfer in / (out) - net	-	-	-	-	-	(539,920)	-	-	-	-	-	(49,910)
Closing balance	-	-	-	-	-	99,838	-	-	-	-	-	639,776
Other Liabilities												
Interest / return / mark-up payable on deposits	-	-	1	-	-	136,544	-	-	-	-	-	40,440
Interest / return / mark-up payable on subordinated debt	-	-	-	-	-	62	-	-	-	-	-	787
Donation Payable	-	-	-	-	-	19,664	-	-	-	-	-	41,178
Represented By												
Share Capital	9,733,073	13,323	3,505	-	-	45,395	9,733,073	31,173	3,500	-	-	45,395
Contingencies and Commitments												
Letter of guarantee	-	-	-	-	-	26,419	-	-	-	-	-	21,419
Letter of credit	-	-	-	-	-	12,951	-	-	-	-	-	201,246
Forward lending	-	-	-	-	5,924	-	-	-	-	-	-	-
	For the half year ended June 30, 2022 (Un-audited)						For the half year ended June 30, 2021 (Un-audited)					
	Parent	Directors	Key management personnel	Subsidiaries	Associates	Other related parties	Parent	Directors	Key management personnel	Subsidiaries	Associates	Other related parties
	Rupees in '000						Rupees in '000					
Profit and loss account												
Income												
Mark-up / return / interest earned	-	212	12,097	1,631	30,600	189,259	-	3,135	15,827	2,711	4,809	90,830
Fee and commission income	-	16	58	2	-	43,601	-	44	89	14	25	76,480
Dividend income	-	-	-	-	-	52,465	-	-	-	-	-	160,634
Gain / (loss) on sale of securities - net	-	-	-	-	-	7,604	-	-	-	-	-	(90,663)
Reversal / (provisions) and write offs - net												
Reversal for diminution in value of Investments - net	-	-	-	-	-	-	-	-	-	-	-	215,305
Expense												
Mark-up / return / interest paid	59,814	259	747	84,424	746	493,305	21,805	7,422	714	69,442	2,478	379,778
Commission / charges paid	-	-	-	1,009	-	-	-	-	-	836	-	-
Remuneration paid	-	23,782	155,863	-	-	-	-	26,198	155,013	-	-	-
Non-executive directors' fee	-	7,200	-	-	-	-	-	8,250	-	-	-	-
Net charge for defined contribution plans	-	-	-	-	-	128,189	-	-	-	-	-	124,801
Net charge for defined benefit plans	-	-	-	-	-	97,387	-	-	-	-	-	111,551
Donation	-	-	-	-	-	41,178	-	-	-	-	-	-
Rental expense	-	-	-	-	-	-	-	-	-	-	-	-
Advisory fee	-	-	-	-	-	3,643	-	-	-	-	-	3,500
Other expenses	-	207	-	-	-	396	825	-	-	-	-	1,103
Reimbursement of expenses	-	119	1,419	-	-	-	15,998	298	1,777	-	-	109
Payments made during the period												
Insurance premium paid	-	-	-	-	-	209,538	-	-	-	-	-	354,202
Insurance claims settled	-	-	-	-	-	3,459	-	-	-	-	-	2,586
Other Transactions												
Sale of Government Securities	3,884,797	-	-	-	-	21,775,667	-	-	-	-	-	44,016,914
Purchase of Government Securities	-	-	-	-	-	11,656,570	-	-	-	-	-	2,889,006
Purchase of Non Government Securities	-	-	-	-	-	206,041	-	-	-	-	-	-
Sale of Foreign Currencies	-	-	-	-	-	38,624,704	-	-	-	-	-	28,860,440
Purchase of Foreign Currencies	-	-	-	-	-	30,870,083	-	-	-	-	-	10,423,056

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

38. CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

Minimum Capital Requirement (MCR):

Paid-up capital (net of losses)	10,119,242	10,119,242
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Capital Adequacy Ratio (CAR):

Eligible Common Equity Tier 1 (CET 1) Capital	17,992,281	17,554,963
Eligible Additional Tier 1 (ADT 1) Capital	2,500,000	2,500,000
Total Eligible Tier 1 Capital	20,492,281	20,054,963
Eligible Tier 2 Capital	4,932,401	5,754,681
Total Eligible Capital (Tier 1 + Tier 2)	25,424,682	25,809,644

Risk Weighted Assets (RWAs):

Credit Risk	158,212,908	159,682,820
Market Risk	1,724,331	868,345
Operational Risk	26,892,646	26,892,646
Total	186,829,885	187,443,811

Common Equity Tier 1 Capital Adequacy Ratio	9.63%	9.37%
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Tier 1 Capital Adequacy Ratio	10.97%	10.70%
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Total Capital Adequacy Ratio	13.61%	13.77%
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Leverage Ratio (LR):

Eligible Tier-1 Capital	20,492,281	20,054,963
Total Exposures	721,366,737	649,144,741
Leverage Ratio	2.84%	3.09%

Liquidity Coverage Ratio (LCR):

Total High Quality Liquid Assets	126,990,368	191,897,219
Total Net Cash Outflow	68,749,870	66,462,622
Liquidity Coverage Ratio	184.71%	288.73%

Net Stable Funding Ratio (NSFR):

Total Available Stable Funding	470,051,551	376,145,622
Total Required Stable Funding	350,769,702	294,820,480
Net Stable Funding Ratio	134.01%	127.58%

39. GENERAL

39.1 These condensed interim unconsolidated financial statements have been prepared in accordance with the revised format for financial statements of Banks issued by the SBP through BPRD Circular no. 5 dated March 22, 2019 and related clarifications / modifications.

39.2 Corresponding figures have been re-arranged / re-classified, wherever necessary, to facilitate comparison in the presentation in the current period. However, there are no material re-arrangements / re-classifications to report.

39.3 The figures in these condensed interim unconsolidated financial statements have been rounded off to the nearest thousand.

40. DATE OF AUTHORISATION FOR ISSUE

These condensed interim unconsolidated financial statements were authorised for issue by the Board of Directors of the Bank in their meeting held on August 24, 2022.

**President and
Chief Executive Officer**

**Chief Financial
Officer**

Director

Director

Chairman



Condensed Interim Consolidated Financial Statements
for the Half Year Ended June 30, 2022

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

	(Un-audited) June 30, 2022	(Audited) December 31, 2021
Note	----- Rupees in '000 -----	
6	30,744,611	34,267,180
7	4,787,411	1,227,606
8	46,760,458	31,939,044
9	326,746,778	232,221,074
10	243,646,549	254,566,072
11	11,525,846	11,504,329
12	3,370,226	3,151,210
	-	-
13	26,328,981	20,452,393
	693,910,860	589,328,908
14	6,318,389	7,038,886
15	155,512,660	72,048,604
16	479,918,276	459,350,047
	-	-
17	6,995,900	6,996,800
18	495,181	1,277,069
19	21,698,474	18,785,095
	670,938,880	565,496,501
	22,971,980	23,832,407
	10,119,242	10,119,242
	2,553,575	2,331,069
20	1,670,095	3,228,929
	8,262,310	7,764,840
	22,605,222	23,444,080
	366,758	388,327
	22,971,980	23,832,407

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CONTINGENCIES AND COMMITMENTS

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

**President and
Chief Executive Officer**

Chief Financial Officer

Director

Director

Chairman

JS BANK LIMITED
CONDENSED INTERIM CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE HALF YEAR ENDED JUNE 30, 2022

		----- Un-audited -----			
		Quarter Ended		Half Year Ended	
		June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
Note		----- Rupees in '000 -----			
Mark-up / return / interest earned	23	16,128,233	9,260,626	29,975,390	18,894,933
Mark-up / return / interest expensed	24	12,755,459	6,168,715	23,290,632	12,988,664
Net mark-up / interest income		3,372,774	3,091,911	6,684,758	5,906,269
NON MARK-UP / INTEREST INCOME					
Fee, commission and brokerage income	25	983,912	1,149,636	1,866,961	2,195,756
Dividend income		35,330	131,208	94,310	174,712
Foreign exchange income		636,072	272,445	975,746	538,465
(Loss) / income from derivatives		(15,942)	(3,863)	(75,579)	4,761
(Loss) / gain on securities	26	(194,798)	(53,980)	194,334	37,657
Share of (loss) / profit from associates		(6,608)	9,807	327	13,905
Other income	27	40,302	5,107	66,943	16,975
Total non mark-up / interest income		1,478,268	1,510,360	3,123,042	2,982,231
Total Income		4,851,042	4,602,271	9,807,800	8,888,500
NON MARK-UP / INTEREST EXPENSES					
Operating expenses	28	4,612,559	3,516,755	8,352,170	6,830,323
Workers' welfare fund	29	6,245	9,285	20,282	25,978
Other charges	30	85,590	177	85,590	202
Total non-mark-up / interest expenses		4,704,394	3,526,217	8,458,042	6,856,503
Profit before provisions		146,648	1,076,054	1,349,758	2,031,997
Provisions and write offs - net	31	(128,785)	695,076	184,493	800,790
Extraordinary / unusual items		-	-	-	-
PROFIT BEFORE TAXATION		275,433	380,978	1,165,265	1,231,207
Taxation	32	309,562	190,094	581,819	512,689
(LOSS) / PROFIT AFTER TAXATION		(34,129)	190,884	583,446	718,518
Attributable to:					
Equity holders of the Bank		(28,450)	193,271	559,818	699,052
Non-controlling interest		(5,679)	(2,387)	23,628	19,466
		(34,129)	190,884	583,446	718,518
----- Rupee -----					
Basic and diluted earnings per share	33	(0.02)	0.15	0.43	0.54

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

**President and
Chief Executive Officer**

Chief Financial Officer

Director

Director

Chairman

JS BANK LIMITED
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED JUNE 30, 2022

	----- Un-audited -----			
	Quarter Ended		Half Year Ended	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
	----- Rupees in '000 -----			
(Loss) / profit after taxation for the period	(34,129)	190,884	583,446	718,518
Other comprehensive (loss) / income				
Items that may be reclassified to profit and loss account in subsequent periods				
Effect of translation of net investment in foreign branch	98,161	20,045	137,395	(7,451)
Movement in fair value of investments at FVOCI - net of tax (Pakistan operations)	(339,440)	410,474	(1,272,751)	1,001,235
Movement in fair value of debt investments at FVOCI - net of tax (Bahrain Operations)	(62,047)	27,884	(234,296)	(44,070)
	(401,487)	438,358	(1,507,047)	957,165
Items that will not be reclassified to profit and loss account in subsequent periods:				
Movement in surplus on revaluation of operating fixed assets - net of tax	(32,007)	(47,687)	(32,007)	(224,557)
Movement in surplus on revaluation of non-banking assets - net of tax	(98)	(5,404)	(98)	(48,662)
Movement in fair value of equity investments at FVOCI - net of tax (Bahrain operations)	(23,931)	(715)	(42,116)	(5,382)
	(56,036)	(53,806)	(74,221)	(278,601)
Total other comprehensive (loss) / income	(359,362)	404,597	(1,443,873)	671,113
Total comprehensive (loss) / income	(393,491)	595,481	(860,427)	1,389,631
Attributable to:				
Equity holders of the Bank	(378,271)	579,668	(838,858)	1,378,102
Non-controlling interest	(15,220)	15,813	(21,569)	11,529
	(393,491)	595,481	(860,427)	1,389,631

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

**President and
Chief Executive Officer**

Chief Financial Officer

Director

Director

Chairman

JS BANK LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED JUNE 30, 2022

	Attributable to shareholders of the Bank								Non-controlling interest	Total
	Share capital	Reserve		Surplus / (deficit) on revaluation of			Unappropriated profit	Sub-total		
		Statutory reserve *	Capital reserve exchange translation	Investments	Fixed assets	Non banking assets				
Rupees in '000										
Balance as at January 01, 2021	10,119,242	1,876,179	114,990	1,590,895	1,525,618	131,080	7,029,251	22,387,255	528,446	22,915,701
Total comprehensive income for the half year ended June 30, 2021 - Un-audited										
Profit after taxation	-	-	-	-	-	-	699,052	699,052	19,466	718,518
Other comprehensive (loss) / income - net of tax	-	-	(7,451)	959,721	(224,557)	(48,662)	-	679,051	(7,937)	671,114
	-	-	(7,451)	959,721	(224,557)	(48,662)	699,052	1,378,103	11,529	1,389,632
Transfer to statutory reserve	-	113,999	-	-	-	-	(113,999)	-	-	-
Transfer from surplus on revaluation of assets to unappropriated profit - net of tax										
Fixed assets	-	-	-	-	(19,672)	-	19,672	-	-	-
Non-banking assets acquired in satisfaction of claims	-	-	-	-	-	(26)	26	-	-	-
Balance as at June 30, 2021 - Un-audited	10,119,242	1,990,178	107,539	2,550,616	1,281,389	82,392	7,634,002	23,765,358	539,975	24,305,333
Total comprehensive income for the half year ended December 31, 2021 - Un-audited										
Profit after taxation	-	-	-	-	-	-	495,643	495,643	3,271	498,914
Other comprehensive income / (loss) - net of tax	-	-	86,473	(1,165,017)	489,843	37,366	(128,508)	(679,843)	(16,339)	(696,182)
	-	-	86,473	(1,165,017)	489,843	37,366	367,135	(184,200)	(13,068)	(197,268)
Transfer to statutory reserve	-	146,879	-	-	-	-	(146,879)	-	-	-
Transfer from surplus on revaluation of assets to unappropriated profit - net of tax										
Fixed assets	-	-	-	-	(19,673)	-	19,673	-	-	-
Non-banking assets acquired in satisfaction of claims	-	-	-	-	-	(44)	44	-	-	-
Buy-back of shares by subsidiary from NCI and others adjustments	-	-	-	-	-	-	(137,078)	(137,078)	(109,298)	(246,376)
Gain on disposal of equity investments at FVOCI transferred to retained earnings	-	-	-	(27,943)	-	-	27,943	-	-	-
Interim cash dividend to non-controlling interest by subsidiary company @ Rs. 15 per share	-	-	-	-	-	-	-	-	(29,282)	(29,282)
Balance as at December 31, 2021 - Audited	10,119,242	2,137,057	194,012	1,357,656	1,751,559	119,714	7,764,840	23,444,080	388,327	23,832,407
Total comprehensive income for the half year ended June 30, 2022 - Un-audited										
Profit after taxation	-	-	-	-	-	-	559,818	559,818	23,628	583,446
Other comprehensive income / (loss) - net of tax	-	-	137,395	(1,503,966)	(32,007)	(98)	-	(1,398,676)	(45,197)	(1,443,873)
	-	-	137,395	(1,503,966)	(32,007)	(98)	559,818	(838,858)	(21,569)	(860,427)
Transfer to statutory reserve	-	85,111	-	-	-	-	(85,111)	-	-	-
Transfer from surplus on revaluation of assets to unappropriated profit - net of tax										
Fixed assets	-	-	-	-	(22,585)	-	22,585	-	-	-
Non-banking assets acquired in satisfaction of claims	-	-	-	-	-	(12,495)	12,495	-	-	-
Loss on disposal of equity investments at FVOCI transferred to retained earnings	-	-	-	12,317	-	-	(12,317)	-	-	-
Balance as at June 30, 2022 - Un-audited	10,119,242	2,222,168	331,407	(133,993)	1,696,967	107,121	8,262,310	22,605,222	366,758	22,971,980

* This represents reserve created under Section 21(i)(a) of the Banking Companies Ordinance, 1962.

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

President and
Chief Executive Officer

Chief Financial Officer

Director

Director

Chairman

JS BANK LIMITED
CONDENSED INTERIM CONSOLIDATED CASH FLOW STATEMENT
FOR THE HALF YEAR ENDED JUNE 30, 2022

		----- Un-audited -----	
		June 30, 2022	June 30, 2021
		----- Rupees in '000 -----	
Note			
CASH FLOWS FROM OPERATING ACTIVITIES			
	Profit before taxation	1,165,265	1,231,207
	Less: Dividend income	(94,310)	(174,712)
	Less : Share of profit from associates	(327)	(13,905)
		1,070,628	1,042,590
Adjustments:			
	Depreciation	465,820	416,613
	Depreciation on non-banking assets	28 9,240	3,455
	Depreciation - right of use assets	28 562,408	461,816
	Amortisation of intangible assets	28 81,287	65,838
	Charge for defined benefit plan	46,615	111,551
	Unrealised loss on revaluation of investments classified as held-for-trading - net	26 12,474	77,906
	Unrealised gain on revaluation of forward foreign exchange contracts	(891,064)	(115,264)
	Unrealised loss / (gain) on revaluation of derivative instruments - net	40,716	(12,422)
	Provisions and write offs - net	31 184,493	800,790
	Provision for workers' welfare fund	29 20,282	25,978
	Mark-up / return / interest expense on lease liability against right-of-use assets	24 205,077	206,571
	Gain on sale of fixed assets - net	27 (37,355)	(4,256)
	Gain on sale of non-banking assets - net	27 1,167	-
	Gain on termination of leases	27 (4,742)	2,829
		696,418	2,041,405
		1,767,046	3,083,995
Decrease / (increase) in operating assets			
	Lendings to financial institutions	(14,821,414)	17,131,536
	Held-for-trading securities	(7,592,945)	7,725,570
	Advances	10,744,532	3,417,444
	Other assets (excluding advance taxation)	(4,430,162)	(1,147,352)
		(16,099,989)	27,127,198
Increase / (decrease) in operating liabilities			
	Bills payable	(720,497)	1,269,413
	Borrowings	82,816,482	3,411,708
	Deposits and other accounts	20,568,229	15,184,921
	Other liabilities	2,453,616	(721,596)
		105,117,830	19,144,446
		90,784,887	49,355,639
	Gratuity paid	-	(3,062)
	Income tax paid	(681,967)	(742,030)
	Net cash generated from operating activities	90,102,920	48,610,547
CASH FLOW FROM INVESTING ACTIVITIES			
	Net investments in available-for-sale securities	(18,080,995)	(36,295,167)
	Net investments in held-to-maturity securities	(71,261,926)	(5,360,983)
	Dividend received	94,310	175,815
	Investments in fixed assets	(801,285)	(898,302)
	Investments in intangible assets	(300,303)	(142,453)
	Proceeds from sale of fixed assets	90,594	18,555
	Effect of translation of net investment in foreign branch	137,395	(7,451)
	Net cash used in investing activities	(90,123,377)	(42,509,986)
CASH FLOW FROM FINANCING ACTIVITIES			
	Payment of lease liability against right of use assets	(588,966)	(559,522)
	Subordinated debt	(900)	(1,000)
	Shares bought back from non-controlling interest	-	(246,376)
	Net cash used in financing activities	(589,866)	(806,898)
		(610,323)	5,293,663
	Decrease / (increase) in cash and cash equivalents	(610,323)	5,293,663
	Cash and cash equivalents at beginning of the period	35,188,140	31,406,546
	Cash and cash equivalents at end of the period	34 34,577,817	36,700,209

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

President and
Chief Executive Officer

Chief Financial Officer

Director

Director

Chairman

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED JUNE 30, 2022

1. STATUS AND NATURE OF BUSINESS

1.1 The "Group" consists of:

1.1.1 Holding Company: JS Bank Limited

JS Bank Limited (the Bank / JSBL) is a banking company incorporated in Pakistan as a public limited company on March 15, 2006. The Bank is a subsidiary company of Jahangir Siddiqui & Co. Ltd. (JSCL) and its shares are listed on Pakistan Stock Exchange Limited (PSX). The Bank commenced its banking operations on December 30, 2006 and its registered office is situated at Shaheen Commercial Complex, Dr. Ziauddin Ahmed Road, Karachi.

The Bank is a scheduled bank, engaged in commercial banking and related services as described in the Banking Companies Ordinance, 1962 and is operating through 281 (December 31, 2021: 281) branches / sub-branches in Pakistan and one wholesale banking branch in Bahrain (December 31, 2021: one). The Pakistan Credit Rating Agency Limited (PACRA) has assigned the long-term entity rating of the Bank to AA- (Double A Minus) whereas short-term rating is maintained at 'A1+' (A One Plus), which is the highest possible short-term rating. The ratings denote a very low expectation of credit risk and indicate very strong capacity for timely repayment of financial commitments.

1.1.2 Jahangir Siddiqui Investment Bank Limited, JSIBL, (formerly Citicorp Investment Bank Limited which was acquired by JSCL on February 01, 1999), and its holding company, JSCL, entered into a Framework Agreement with American Express Bank Limited, New York (AMEX) on November 10, 2005 for acquisition of its American Express Bank Limited - Pakistan Branches, (AEBL). Consequently, a new banking company, JSBL was incorporated on March 15, 2006 and a restricted Banking License was issued by the State Bank of Pakistan (SBP) on May 23, 2006.

A Transfer Agreement was executed on June 24, 2006 between JSIBL and JSBL for the transfer of entire business and undertaking of JSIBL to JSBL and a separate Transfer Agreement was also executed on June 24, 2006, between AMEX and JSBL for the transfer of AEBL's commercial banking business in Pakistan with all assets and liabilities (other than certain excluded assets and liabilities) (AEBL business). The shareholders of JSIBL and JSBL, in their respective extra-ordinary general meetings held on July 31, 2006, approved a Scheme of Amalgamation (the Scheme) under Section 48 of the Banking Companies Ordinance, 1962. The Scheme was initially approved by the Securities and Exchange Commission of Pakistan (SECP) vide its letter No. SC/NBFC(J)-R/JSIBL/2006/517 dated September 28, 2006. Subsequently, the Scheme was sanctioned by the SBP vide its order dated December 02, 2006 and, in accordance therewith, the effective date of amalgamation was fixed at December 30, 2006.

The ultimate parent of the Group is Jahangir Siddiqui & Co. Ltd. which holds 75.02% shares of the Holding Company.

1.1.3 Composition of the Group

	Ownership interest and voting power held by			
	June 30, 2022		December 31, 2021	
	The Group	NCI	The Group	NCI
Subsidiaries				
JS Global Capital Limited	92.90%	7.10%	92.90%	7.10%
JS Investments Limited	84.56%	15.44%	84.56%	15.44%

1.1.4 Composition of the Associated Companies

	Ownership interest and voting power held by Bank	
	June 30, 2022	December 2021
Associates		
Omar Jibran Engineering Industries Limited	9.60%	9.60%
Veda Transit Solutions (Private) Limited	3.92%	3.92%
Intercity Touring Company (Private) Limited	9.12%	9.12%

1.1.5 During the period, the shareholders of the Bank in their meeting held on March 30, 2022 approved to acquire, as per the requirements of section 199 of the Companies Act, 2017, 86,316,954 ordinary shares of BankIslami Pakistan Limited (BIPL) (an associated company of JSCL), constituting 7.79% of the paid-up capital of BIPL, from Emirates NBD Bank PJSC at a price of upto Rs. 13.24 per share making the aggregate consideration upto Rs. 1,142 million. The acquisition is subject to approval from the State Bank of Pakistan (SBP) and other regulatory bodies.

2. BASIS OF PRESENTATION

- 2.1** These condensed interim consolidated financial statements include financial statements of JS Bank Limited and its subsidiary companies, (the "Group") and share of the profit / reserves of associates.

These condensed interim consolidated financial statements have been presented in Pakistan Rupees (PKR), which is the currency of the primary economic environment in which the Group operates and functional currency of the Holding Company, in that environment as well.

2.2 Statement of Compliance

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

- International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) 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 SBP and the Securities & Exchange Commission of Pakistan (SECP) from time to time.

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

The disclosures made in these condensed interim consolidated financial statements have been limited based on the format prescribed by the SBP vide BPRD circular letter No. 5 dated March 22, 2019 and IAS 34.

These condensed interim consolidated financial Statements do not include all the information and disclosures required for annual consolidated financial statements and should be read in conjunction with the consolidated financial statements for the year ended December 31, 2021.

The SBP has deferred the applicability of International Accounting Standard (IAS) 39, 'Financial Instruments: Recognition and Measurement' and International Accounting Standard (IAS) 40, 'Investment Property' for banking companies vide BSD Circular Letter No. 10 dated August 26, 2002 till further instructions. Further, the SECP has deferred the applicability of International Financial Reporting Standard (IFRS) 7, 'Financial Instruments: Disclosures' on banks vide its notification S.R.O 411(I)/2008 dated April 28, 2008. Accordingly, the requirements of these standards have not been considered in the preparation of these condensed interim unconsolidated financial statements. However, investments have been classified and valued in accordance with the requirements prescribed by the SBP through various circulars.

IFRS 10 "Consolidated Financial Statements" was made applicable from period beginning on or after January 01, 2015 vide S.R.O 633(I)/2014 dated July 10, 2014 by SECP. However, SECP has directed through S.R.O 56(I)/2016 dated January 28, 2016, that the requirement of consolidation under section 228 of the Companies Act, 2017 and IFRS 10 "Consolidated Financial Statements" is not applicable in case of investment by companies in mutual funds established under trust structure. Accordingly, the requirements of these standards have not been considered in the preparation of these condensed interim consolidated financial statements.

The application of the IFRS 9 'Financial Instruments' for all companies to prepare their financial statements in accordance with the requirements of IFRS 9 was implemented by SECP for reporting period / year ending on or after June 30, 2019 through its S.R.O. 229 (I)/2019 dated February 14, 2019. However, State Bank of Pakistan (SBP) has extended the effective date of applicability of IFRS 9 from January 01, 2023 through its BPRD Circular No. 03 dated July 05, 2022 in case of banks having assets size of PKR 500 billion or above. The said circular contained application instructions for quarterly, half yearly and annually parallel run reporting of IFRS 9 for year 2022 and 2023 within given timelines.

As of reporting date, the impact of the application of IFRS 9 on the Bank's financial statements is being assessed. Further, till the implementation of IFRS 9 the Bank has continued to fulfil the requirements of Prudential Regulations and other SBP directives which currently providing the accounting framework for the measurement and valuation of assets and provisions / impairment against non-performing assets.

2.3 BASIS OF CONSOLIDATION

2.3.1 The Group

- The condensed interim consolidated financial statements include the financial statements of the Bank (The Holding Company) and its subsidiary companies together - "the Group".
- Subsidiaries are entities controlled by the Group. Control exists when the Group is exposed, or has rights, to variable returns from its investment with investee and has the ability to effect those return through its power over the investee, except investment in mutual funds established under trust structure where IFRS 10 'Consolidated Financial Statements' is not applicable in case of investment by companies in mutual funds established under Trust structure.
- These condensed interim consolidated financial statements incorporate the financial statements of subsidiaries from the date that control commences until the date that control ceases.
- The assets, liabilities, income and expenses of subsidiary companies have been consolidated on a line by line basis.
- Non-controlling interests are that part of the net results of operations and of net assets of subsidiaries attributable to interest which are not owned by the holding company.
- Material intra-group balances and transactions are eliminated.

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

There are certain new and amended standards, interpretations of and amendments that are mandatory for the Bank's accounting periods beginning on or after January 01, 2022 but are considered not to be relevant or do not have any significant effect on the Bank's operations.

2.5 The following annual improvements to IFRS Standards 2018-2020 are effective for annual reporting periods beginning on or after 1 January 2023:

As per SBP's BPRD Circular Letter no. 03 dated July 05, 2022, the applicability of IFRS 9 'Financial Instruments' has been deferred to accounting periods beginning on or after January 01, 2023. Certain requirements of this standard will be applicable from January 01, 2024. The impact of application of IFRS 9 in Pakistan on the condensed interim consolidated financial statements is being assessed.

There are various amendments to existing accounting and reporting standards as applicable in Pakistan that are not yet effective. These are not likely to have a material effect on the condensed interim consolidated financial statements.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

4. SIGNIFICANT ACCOUNTING POLICIES

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

5. FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies adopted by the Group are consistent with those disclosed in the annual consolidated 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	Note		
In hand:			
Local currency		7,147,634	7,286,506
Foreign currencies		995,410	957,434
		8,143,044	8,243,940
With State Bank of Pakistan in:			
Local currency current account		18,787,717	19,934,402
Foreign currency current account - non remunerative		1,101,051	1,085,558
Foreign currency deposit account - remunerative		169,837	2,616,420
		20,058,605	23,636,380
With National Bank of Pakistan in:			
Local currency current accounts		2,538,827	2,345,795
		4,135	41,065
National Prize Bonds		30,744,611	34,267,180
7. BALANCES WITH OTHER BANKS			
In Pakistan			
In current accounts		51,322	146,826
In deposit accounts		546,178	23,879
		597,500	170,705
Outside Pakistan			
In current accounts		4,189,943	1,056,918
		4,787,443	1,227,623
Less: General provision under IFRS 9	7.1	(32)	(17)
Balances with other banks - net of provision		4,787,411	1,227,606
7.1	This represents general provision held under IFRS 9 by Bahrain branch of the Holding Company.		
8. LENDINGS TO FINANCIAL INSTITUTIONS			
Repurchase agreement lendings (Reverse Repo)		46,760,458	31,939,044
8.1 Particulars of lendings - gross			
In local currency		46,760,458	31,939,044

		(Un-audited) June 30, 2022				(Audited) December 31, 2021			
		Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value	Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value
9.	INVESTMENTS - NET	Rupees in '000							
9.1	Investments by type								
Held-for-trading securities									
Federal Government Securities		9,160,863	-	486	9,161,349	1,109,466	-	(62)	1,109,404
Shares		615,463	-	(13,288)	602,175	1,391,004	-	1,505	1,392,509
Open end mutual funds		483,385	-	328	483,713	190,357	-	(74,659)	115,698
		10,259,711	-	(12,474)	10,247,237	2,690,827	-	(73,216)	2,617,611
Available-for-sale securities									
Federal Government Securities		178,304,963	-	(863,899)	177,441,064	159,686,158	-	(370,270)	159,315,888
Shares		1,947,182	(136,589)	1,213,613	3,024,206	1,939,952	(136,589)	2,289,154	4,092,517
Non Government Debt Securities		3,173,228	(758,800)	3,487	2,417,915	3,448,813	(718,067)	2,501	2,733,247
Open end mutual funds		1,887,404	-	(42,500)	1,844,904	3,044,620	-	269,958	3,314,578
Foreign Securities		2,708,599	(102,122)	(530,851)	2,075,626	1,844,989	(68,232)	(63,097)	1,713,660
		188,021,376	(997,511)	(220,150)	186,803,715	169,964,532	(922,888)	2,128,246	171,169,890
Held-to-maturity securities									
Federal Government Securities		129,405,869	-	-	129,405,869	58,143,943	-	-	58,143,943
Associates		289,957	-	-	289,957	289,630	-	-	289,630
Total Investments		327,976,913	(997,511)	(232,624)	326,746,778	231,088,932	(922,888)	2,055,030	232,221,074
		(Un-audited) June 30, 2022				(Audited) December 31, 2021			
		Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value	Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value
9.2	Investments by segments:	Rupees in '000							
Held-for-trading securities									
Federal Government Securities:									
Market Treasury Bills		9,160,863	-	486	9,161,349	1,109,264	-	(61)	1,109,203
Pakistan Investment Bonds		-	-	-	-	202	-	(1)	201
		9,160,863	-	486	9,161,349	1,109,466	-	(62)	1,109,404
Shares:									
Listed Companies									
Ordinary shares	9.2.2	615,463	-	(13,288)	602,175	1,391,004	-	1,505	1,392,509
Open End Mutual Funds		483,385	-	328	483,713	190,357	-	(74,659)	115,698
		10,259,711	-	(12,474)	10,247,237	2,690,827	-	(73,216)	2,617,611
Available-for-sale securities									
Federal Government Securities:									
Market Treasury Bills		65,428,790	-	(162,642)	65,266,148	125,616,353	-	(370,699)	125,245,654
Pakistan Investment Bonds		112,876,173	-	(701,257)	112,174,916	34,069,805	-	429	34,070,234
GoP Ijara Sukkuk		-	-	-	-	-	-	-	-
		178,304,963	-	(863,899)	177,441,064	159,686,158	-	(370,270)	159,315,888
Shares:									
Listed Companies									
Ordinary shares	9.2.2	1,799,593	-	1,213,613	3,013,206	1,792,363	-	2,289,154	4,081,517
Preference shares		136,589	(136,589)	-	-	136,589	(136,589)	-	-
Unlisted Companies									
Ordinary shares		11,000	-	-	11,000	11,000	-	-	11,000
		1,947,182	(136,589)	1,213,613	3,024,206	1,939,952	(136,589)	2,289,154	4,092,517
Non Government Debt Securities:									
Listed									
Term Finance Certificates	9.2.3	526,041	(143,446)	139	382,734	436,745	(151,867)	592	285,470
Sukuk Certificates		353,050	-	3,348	356,398	241,490	-	1,909	243,399
Unlisted									
Term Finance Certificates	9.2.4	678,021	(587,621)	-	90,400	1,083,301	(538,467)	-	544,834
Sukuk Certificates		1,290,726	-	-	1,290,726	1,307,393	-	-	1,307,393
Commercial Paper Certificates	9.2.5	297,657	-	-	297,657	352,151	-	-	352,151
Preference shares		27,733	(27,733)	-	-	27,733	(27,733)	-	-
		3,173,228	(758,800)	3,487	2,417,915	3,448,813	(718,067)	2,501	2,733,247
Open End Mutual Funds		1,887,404	-	(42,500)	1,844,904	3,044,620	-	269,958	3,314,578
Foreign Securities									
Government Debt Securities *	9.2.7	1,822,003	(100,834)	(463,718)	1,257,451	1,372,854	(67,856)	(63,011)	1,241,987
Non Government Debt Securities *		615,583	(1,288)	(16,839)	597,456	376,486	(376)	(1,942)	374,168
Ordinary shares		271,013	-	(50,294)	220,719	95,649	-	1,856	97,505
		2,708,599	(102,122)	(530,851)	2,075,626	1,844,989	(68,232)	(63,097)	1,713,660
		188,021,376	(997,511)	(220,150)	186,803,715	169,964,532	(922,888)	2,128,246	171,169,890
Held-to-maturity securities									
Federal Government Securities:									
Market Treasury Bills		82,905,654	-	-	82,905,654	11,463,014	-	-	11,463,014
Pakistan Investment Bonds	9.2.8	46,500,215	-	-	46,500,215	46,680,929	-	-	46,680,929
		129,405,869	-	-	129,405,869	58,143,943	-	-	58,143,943
Associates									
Omar Jibran Engineering Industries Limited		244,669	-	-	244,669	237,192	-	-	237,192
Veda Transit Solutions (Private) Limited		45,288	-	-	45,288	52,438	-	-	52,438
		289,957	-	-	289,957	289,630	-	-	289,630
Total Investments		327,976,913	(997,511)	(232,624)	326,746,778	231,088,932	(922,888)	2,055,030	232,221,074

* Provision for diminution against foreign debt securities represents expected credit loss provisioning under IFRS 9 on portfolio pertaining to Bahrain Branch.

9.2.1 This represents the investments in related parties of the Group.

9.2.2 Included herein are the investments in related parties amounting to Rs. 1,598.682 million (December 31, 2021: Rs. 1,464.379 million) having market value of Rs. 2,887.284 million (December 31, 2021: 3,721.884 million).

9.2.3 Included herein are the investments in related parties amounting to Rs. 7.734 million (December 31, 2021: Rs. 9.866 million) having market value of Rs. 7.595 million (December 31, 2021: Rs. 10.095 million).

9.2.4 Included herein is the investment of Rs. 437.761 million in a related party. Due to weak financial position of the investee, the Group has recognised full impairment loss on these Term Finance Certificates.

9.2.5 The Bank has fully provided its investments held in Intercity Touring Company (Private) limited (an associated Company) i.e. Rs. 27.733 million (December 31, 2021: Rs. 27.733 million) against preference shares.

- 9.2.6** This represents the investments in related parties amounting to Rs. 1,117.644 million (December 31, 2021: Rs. 2,009.890 million) having market value of Rs. 1,073.130 million (December 31, 2021: Rs. 2,177.372 million).
- 9.2.7** Included herein is the life time expected credit loss under IFRS 9 on investment in bonds issued by Government of Sri Lanka amounting to Rs. 93.766 million held by Bahrain branch on account of default by Government of Srilanka in respect of loan commitments with its international lenders.
- 9.2.8** The market value of Market Treasury Bills and Pakistan Investment Bond classified as held-to-maturity as at amounted to Rs. 81,336.059 million and Rs. 45,784.242 million (December 31, 2021: Rs. 11,323.221 million and Rs. 45,940.114 million) respectively.

9.3 Investments given as collateral

Available-for-sale securities

Federal Government Securities:

Market Treasury Bills

Pakistan Investment Bonds

Foreign Securities

Government Debt Securities

Non Government Debt Securities

(Un-audited) June 30, 2022		(Audited) December 31, 2021	
Cost	Market value	Cost	Market value
----- Rupees in '000 -----			
27,559,054	27,450,766	19,922,016	19,852,789
91,586,242	91,426,177	15,063,158	15,073,822
119,145,296	118,876,943	34,985,174	34,926,611
-	-	842,316	814,484
615,583	597,456	-	-
615,583	597,456	842,316	814,484
119,760,879	119,474,399	35,827,490	35,741,095

9.4 Provision for diminution in value of investments

Note

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

9.4.1 Opening balance

Charge during the period / year

Reversal during the period / year

Impairment under IFRS 9 in Bahrain branch

(Reversal) / charge during the period / year

Exchange Gain

Additions against conversion of markup suspension

Closing balance

31

31

9.2.2

922,888	1,231,220
-	27,733
(8,421)	(281,540)
(8,421)	(253,807)
20,822	(62,148)
13,068	7,623
33,890	(54,525)
49,154	-
997,511	922,888

9.4.2 Particulars of provision against debt securities

Category of classification

Domestic

Other assets especially mentioned

Substandard

Doubtful

Loss

(Un-audited) June 30, 2022		(Audited) December 31, 2021	
NPI	Provision	NPI	Provision
----- Rupees in '000 -----			
-	-	-	-
-	-	-	-
-	-	-	-
758,800	758,800	718,067	718,067
758,800	758,800	718,067	718,067

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 -----					
218,990,986	232,178,096	15,557,881	13,926,269	234,548,867	246,104,365
15,737,110	15,144,516	-	-	15,737,110	15,144,516
234,728,096	247,322,612	15,557,881	13,926,269	250,285,977	261,248,881
(189,755)	(87,787)	-	-	(189,755)	(87,787)
(20,093)	(25,193)	-	-	(20,093)	(25,193)
-	-	(6,429,580)	(6,569,829)	(6,429,580)	(6,569,829)
(209,848)	(112,980)	(6,429,580)	(6,569,829)	(6,639,428)	(6,682,809)
234,518,248	247,209,632	9,128,301	7,356,440	243,646,549	254,566,072

10.1 Particulars of advances (gross)

In local currency

In foreign currencies

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

236,858,127	247,352,862
13,427,850	13,896,019
250,285,977	261,248,881

10.2 Advances include Rs. 15,557.881 million (December 31, 2021: Rs. 13,926.269 million) which have been placed under non-performing status as detailed below:

Category of classification	(Un-audited) June 30, 2022		(Audited) December 31, 2021	
	Non Performing Loans	Provision	Non Performing Loans	Provision
----- Rupees in '000 -----				
Domestic				
Other Assets Especially Mentioned	396,848	1,909	789,192	2,013
Substandard	941,808	62,108	814,434	91,936
Doubtful	3,960,150	393,102	1,930,747	435,448
Loss	10,259,075	5,972,461	10,391,896	6,040,432
Total	15,557,881	6,429,580	13,926,269	6,569,829

10.3 Particulars of provision against non-performing advances

Note	(Un-audited) June 30, 2022				(Audited) December 31, 2021			
	Specific	General	General provision under IFRS-9	Total	Specific	General	General provision under IFRS-9	Total
----- Rupees in '000 -----								
Opening balance	6,569,829	87,787	25,193	6,682,809	4,181,836	-	21,327	4,203,163
Exchange adjustments	-	-	3,201	3,201	-	-	2,350	2,350
Charge for the period / year	478,755	101,968	-	580,723	3,147,572	87,787	1,516	3,236,875
Reversals for the period / year	(400,631)	-	(8,301)	(408,932)	(758,874)	-	-	(758,874)
	78,124	101,968	(8,301)	171,791	2,388,698	87,787	1,516	2,478,001
Amount written off from the opening balance	(218,373)	-	-	(218,373)	(705)	-	-	(705)
Closing Balance	6,429,580	189,755	20,093	6,639,428	6,569,829	87,787	25,193	6,682,809

10.3.1 This includes reversal of provision of Rs. 44.8 million (December 31, 2021: Rs. 294.822 million) against reduction in non-performing loans of Rs. 60 million (December 31, 2021: 1,475.823 million) of AH Grains under 'Debt Property Swap' transactions, as disclosed in note 13.1.

10.3.2 The State Bank of Pakistan through various circulars has allowed benefit of the forced sale value (FSV) of Plant and Machinery under charge, pledged stock and mortgaged residential, commercial and industrial properties (land and building only) held as collateral against non-performing loans (NPLs) for a maximum of five years from the date of classification. As at June 30, 2022, the Holding Company has availed cumulative FSV benefit under the directives of the SBP of Rs. 6,050.243 million (December 31, 2021: Rs. 5,019.150 million).

The additional profit arising from availing the FSV benefit - net of tax amounts to Rs. 3,085.624 million (December 31, 2021: Rs. 3,061.682 million). The additional impact on profitability arising from availing the benefit of FSV shall not be available for payment of cash or stock dividend to shareholders or bonus to employees under the requirement of Regulation R-8 of Corporate/Commercial Banking of SBP.

10.3.3 This represents general provision held under IFRS 9 by Bahrain branch of the Holding company.

11. FIXED ASSETS	Note	(Un-audited) June 30, 2022	(Audited) December 31, 2021
		----- Rupees in '000 -----	
Capital work-in-progress	11.1	1,135,421	1,316,790
Property and equipment	11.2	7,602,006	7,135,467
Right-of-use assets		2,788,419	3,052,072
		11,525,846	11,504,329
11.1 Capital work-in-progress			
Advance for building		-	199,556
Civil works		377,886	600,786
Advance for purchase of furniture and fixtures		26,429	20,122
Advance for purchase of vehicles		696,307	496,326
Advance for purchase of equipment and software		34,799	-
		1,135,421	1,316,790

11.2 The following additions, book value of disposals and write offs have been made to fixed assets during the period:

Note	(Un-audited)					
	Additions		Disposal		Write offs / (back) - net	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
----- Rupees in '000 -----						
Capital work-in-progress - net	562,714	599,751	-	-	-	-
Property and equipment						
Building on leasehold land	213,947	74,219	-	-	-	-
Leasehold improvements	416,525	80,194	15,887	1,991	-	-
Furniture and fixture	93,136	18,216	3,237	1,312	-	2,390
Electrical, office and computer equipment	323,031	284,559	20,432	5,310	-	20,589
Vehicles	7,755	13,773	13,683	5,686	-	1,941
	1,054,394	470,961	53,239	14,299	-	24,920
Right-of-use assets						
Additional impact or adjustments arisen during the period	320,556	814,996	-	-	-	-
	1,937,664	1,885,708	53,239	14,299	-	24,920

11.2.1 This includes transfer from capital work in progress during the period of Rs. 747.996 million (June 30, 2021: Rs. 204.497 million.)

JS BANK LIMITED

		(Un-audited) June 30, 2022	(Audited) December 31, 2021
	Note	----- Rupees in '000 -----	
12. INTANGIBLE ASSETS			
Capital work-in-progress	12.1	697,413	711,192
Computer software	12.2	1,209,189	976,394
Goodwill		1,463,624	1,463,624
		<u>3,370,226</u>	<u>3,151,210</u>
12.1 Capital work-in-progress			
Advance for purchase of software		<u>697,413</u>	<u>711,192</u>
12.2 Additions to intangible assets			
The following additions have been made to intangible assets during the period:			
Capital work-in-progress - net		299,541	109,147
Computer software		313,572	148,513
		<u>613,113</u>	<u>257,660</u>

12.2.1 This includes transfer from capital work in progress during the period of 313.068 million (June 30, 2021: Rs. 146.858 million).

		(Un-audited) June 30, 2022	(Audited) December 31, 2021
	Note	----- Rupees in '000 -----	
13. OTHER ASSETS			
Income / mark-up accrued in local currency		8,674,146	7,184,845
Income/ mark-up accrued in foreign currencies		143,809	93,851
Trade receivable from brokerage and advisory business - net		(528,689)	1,895,846
Advances, deposits, advance rent and other prepayments		1,155,327	1,439,495
Acceptances		3,911,680	3,689,343
Taxation (payments less provision)		972,233	865,822
Net defined benefit plan		271,704	318,319
Balances due from funds under management		104,103	105,157
Receivable against bancassurance / bancatakaful		59,635	20,889
Stationery and stamps in hand		21,786	22,864
Receivable in respect of home remittance		36,522	27,549
Due from State Bank of Pakistan		623,293	179,197
Rebates receivable from SBP and others		192,346	68,142
Non-banking assets acquired in satisfaction of claims	13.1	2,577,022	2,537,863
Mark to market gain on derivative instruments		58,003	51,215
Mark to market gain on forward foreign exchange contracts		1,318,758	467,017
Advance against investments in securities	13.2	581,198	705,198
BLB fund settlement		271,556	229,652
Inter bank fund transfer settlement		5,375,956	88,237
Debit card settlement		-	-
Credit card settlement		339,615	283,370
Insurance		299	75,884
Others		505,677	412,533
		<u>26,665,979</u>	<u>20,762,288</u>
Less: Provision held against other assets		(444,439)	(430,569)
Other assets (net of provisions)		<u>26,221,540</u>	<u>20,331,719</u>
Surplus on revaluation of non-banking assets acquired in satisfaction of claims		<u>107,441</u>	<u>120,674</u>
		<u>26,328,981</u>	<u>20,452,393</u>

13.1 During the period, the Holding Company has acquired properties of Rs. 60 million (December 31, 2021: Rs. 1,529.159 million) against debt swap transactions with borrowers resulting in reversal of provision of Rs. 44.8 million (December 31, 2021: Rs. 294.822 million) against reduction in non-performing loans of Rs. 60 million (December 31, 2021: Rs. 1,475.823 million) (refer note 10.3.1).

13.2 This represents advance against purchase of TFC amounting Nil (December 31, 2021: Rs. 250 million), ordinary shares and preference shares of foreign companies amounting Rs. 331.75 million and Rs. 249.448 million (December 31, 2021: Rs. 205.75 million and Rs. 249.448 million) respectively.

		(Un-audited) June 30, 2022	(Audited) December 31, 2021
		----- Rupees in '000 -----	
14. BILLS PAYABLE			
In Pakistan		6,028,976	6,786,643
Outside Pakistan		289,413	252,243
		<u>6,318,389</u>	<u>7,038,886</u>

15. BORROWINGS

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

Secured

Borrowings from State Bank of Pakistan under:

Export refinancing scheme (ERF)	20,699,412	20,775,516
Long-Term Finance Facility (LTFF)	2,408,164	2,558,982

Other borrowings

Financing Facility for Storage of Agricultural Produce (FFSAP)	165,175	246,691
Financing Facility for Renewable Energy Projects	1,248,741	1,322,204
Refinance and credit guarantee scheme for women entrepreneurs	92,861	448,799
Refinance for Wages & Salaries	2,746,774	5,428,540
Refinance facility for modernization of Small and Medium Enterprises (SMEs)	21,520	5,439
Refinance facility for combating COVID-19	268,948	72,171
Temporary economic refinance facility (TERF)	3,872,085	724,109
Small Enterprise Financing and Credit Guarantee Scheme for Special Persons	3,569	9,029
SME Asaan Finance Scheme	1,434,587	-
	9,854,260	8,256,982
	32,961,836	31,591,480
Repurchase agreement borrowings	101,091,686	13,500,000
	134,053,522	45,091,480

Borrowing from financial institutions

Repurchase agreement borrowings	18,812,416	22,160,140
Refinancing facility for mortgage loans	1,072,222	2,916,027
Long term financing	630,885	630,885
	20,504,901	25,707,052

Total secured

154,558,423	70,798,532
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Unsecured

Overdrawn nostro accounts

954,237	306,663
155,512,660	72,048,604

15.1 Particulars of borrowings

In local currency	154,074,438	71,154,003
In foreign currencies	1,438,222	894,601
	155,512,660	72,048,604

16. DEPOSITS AND OTHER ACCOUNTS

	(Un-audited) June 30, 2022			(Audited) December 31, 2021		
	In Local currency	In Foreign currencies	Total	In Local currency	In Foreign currencies	Total
----- Rupees in '000 -----						
Customers						
Current deposits	123,993,937	7,569,612	131,563,549	103,471,600	7,672,420	111,144,020
Savings deposits	100,704,452	6,314,539	107,018,991	94,411,562	5,055,750	99,467,312
Term deposits	185,331,189	15,261,659	200,592,848	197,382,108	13,980,936	211,363,044
Margin deposits	13,024,319	456,961	13,481,280	8,847,107	3,408	8,850,515
	423,053,897	29,602,771	452,656,668	404,112,377	26,712,514	430,824,891
Financial Institutions						
Current deposits	895,271	658,085	1,553,356	1,035,444	504,985	1,540,429
Savings deposits	10,019,093	1,950	10,021,043	14,024,408	31,231	14,055,639
Term deposits	15,687,209	-	15,687,209	12,929,088	-	12,929,088
	26,601,573	660,035	27,261,608	27,988,940	536,216	28,525,156
	449,655,470	30,262,806	479,918,276	432,101,317	27,248,730	459,350,047

17. SUB-ORDINATED DEBT

	Note	(Un-audited) June 30, 2022	(Audited) December 31, 2021
----- Rupees in '000 -----			
Term Finance Certificates - Second Issue	17.1	1,996,400	1,996,800
Term Finance Certificates - Third Issue	17.2	2,500,000	2,500,000
Term Finance Certificates - Fourth Issue	17.3	2,499,500	2,500,000
		6,995,900	6,996,800

17.1 In 2017, the Holding company has issued Rs. 2 billion of rated, over the counter listed, unsecured and subordinated term finance certificates ("TFCs" or "the Issue") as an instrument of redeemable capital under Section 66 of the Companies Act, 2017 and as outlined by State Bank of Pakistan, SBP, under the BPRD circular No. 06 dated August 15, 2013 and Basel III guidelines. Summary of terms and conditions of the issue are:

Purpose:	To contribute towards the Bank's Tier II Capital for complying with the capital adequacy requirement and to utilize the funds in the Bank's business operations as permitted by its Memorandum & Articles of Association.
Issue date:	December 29, 2017
Tenure:	Up to Seven years from the issue date.
Maturity Date:	December 29, 2024
Rating:	A + (Single A Plus)
Profit Rate:	Floating rate of return at Base rate + 1.4 percent per annum; Base rate is defined as the average six months KIBOR prevailing on the Base Rate setting date. The Base Rate will be set for the first time on the last working day prior to the Issue Date and subsequently on the immediately preceding business day before the start of each six monthly period.
Profit payment:	Semi-annual
Redemption:	The instrument is structured to redeem 0.24% of the Issue amount during the first six years after the issue date and the remaining Issue amount of 99.76% in two equal semi-annual installments of 49.88% each in the last year.
Security:	The Issue is unsecured and subordinated as to payment of Principal and profit to all other indebtedness of the Bank, including deposits, and will not be redeemable before maturity without prior approval of SBP.
Call Option:	Exercisable in part or in full on or after the 10th redemption, subject to SBP's approval.
Lock-in-clause:	Principal and profit will be payable subject to compliance with MCR or CAR set by SBP.
Loss absorbency	Upon the occurrence of a Point of Non-Viability event as defined under SBP BPRD Circular # 6 of 2013 dated August 15, 2013, SBP may at its option, fully and permanently convert the TFCs into common shares of the Bank and/or have them immediately written off (either partially or in full). Number of shares to be issued to TFC holders at the time of conversion will be equal to the 'Outstanding Face Value of the TFCs' divided by market value per share of the Bank's common share on the date of trigger of Point of Non-Viability (PONV) as declared by SBP, subject to a cap of 319,982,544 shares.

17.2 In 2018, the Holding company has issued Rs. 2.5 billion of rated, privately placed, unsecured, subordinated, perpetual and non-cumulative term finance certificates ("TFCs" or "the Issue") as an instrument of redeemable capital under Section 66(1) of the Companies Act, 2017 and as outlined by State Bank of Pakistan, SBP, under the BPRD circular No. 06 dated August 15, 2013 (the "Circular") and Basel III guidelines. Summary of terms and conditions of the issue are:

Purpose:	To contribute towards the Bank's Tier I Capital for complying with the capital adequacy requirement and to utilize the funds in the Bank's business operations as permitted by its Memorandum & Articles of Association.
Issue date:	December 31, 2018
Maturity Date:	Perpetual
Rating:	A (Single A)
Profit Rate:	Floating rate of return at Base rate + 2.25 percent per annum; Base rate is defined as the average six months KIBOR prevailing on the Base Rate setting date. The Base Rate will be set for the first time on the last working day prior to the Issue Date and subsequently on the immediately preceding business day before the start of each six monthly period
Profit payment frequency:	Semi-annually on a non-cumulative basis
Redemption:	Not applicable
Security:	The Issue is unsecured
Subordination:	The Issue is subordinated as to payment of Principal and profit to all other claims except common shares.
Call Option:	Exercisable in part or in full at a par value on or after five years from the issue date, with prior approval of SBP. The Bank shall not exercise the call option unless the called instrument is replaced with capital of same or better quality.
Lock-in-clause:	Payment of profit will be made from current year's earning and subject to compliance with MCR and / or CAR or LR set by SBP.

Loss absorbency clause:

Pre-Specified Trigger ("PST") Upon the occurrence of a Pre-Specified Trigger as defined under SBP BPRD Circular # 6 of 2013 dated August 15, 2013 which stipulates that if an issuer's Common Equity Tier 1 ("CET 1") ratio falls to or below 6.625% of Risk Weighted Assets ("RWA"), the Issuer will have full discretion to determine the amount of TFCs to be permanently converted into common shares or written off, subject to SBP regulations / instructions, and the cap specified below. The Bank will be able to exercise this discretion subject to:

- If and when Bank's CET 1 reaches the loss absorption trigger point, the aggregate amount of Additional Tier-1 capital to be converted must at least be the amount sufficient to immediately return the CET 1 ratio to above 6.625% of total RWA (if possible);
- The converted amount should not exceed the amount needed to bring the CET 1 ratio to 8.5% of RWA (i.e. minimum CET 1 of 6.0% plus capital conservation buffer of 2.5%);
- In case, conversion of Additional Tier-1 capital Instrument is not possible following the trigger event, the amount of the Instrument must be written off in the accounts resulting in increase in CET 1 of the issuer;

Point of Non-Viability Upon the occurrence of a Point of Non-Viability event as defined under SBP BPRD Circular # 6 of 2013 dated August 15, 2013, which stipulates that SBP may, at its option, fully and permanently convert the TFCs into common shares of the Issuer and / or have them immediately written off (either partially or in full). Number of shares to be issued to TFC holders at the time of conversion will be equal to the 'Outstanding Value of the TFCs' divided by market value per share of the Issuer's common / ordinary share on the date of the PONV trigger event as declared by SBP, subject to the cap specified below;

The PONV trigger event is the earlier of:

- A decision made by SBP that a conversion or temporary / permanent write-off is necessary without which the Issuer would become non-viable;
- The decision to make a public sector injection of capital, or equivalent support, without which the Issuer would have become non-viable, as determined by SBP.
- The maximum number of shares to be issued to TFC holders at the Pre-Specified Trigger and / or Point of Non Viability (or otherwise as directed by SBP) will be subject to a specified cap of 329,595,476 ordinary shares, or such other number as may be agreed to in consultation with SBP.

17.3 In 2021, the Holding Company has issued Rs. 2.5 billion of rated, privately placed and listed, unsecured and subordinated term finance certificates ("TFCs" or "the Issue") as an instrument of redeemable capital under Section 66 of the Companies Act, 2017 and as outlined by State Bank of Pakistan, SBP, under the BPRD circular No. 06 dated August 15, 2013 and Basel III guidelines. Summary of terms and conditions of the issue are:

Purpose: To contribute towards the Bank's Tier II Capital for complying with the capital adequacy requirement and to utilize the funds in the Bank's business operations as permitted by its Memorandum & Articles of Association.

Issue date: December 28, 2021

Tenure: Up to Seven years from the issue date.

Maturity Date: December 28, 2021

Rating: A + (Single A Plus)

Profit Rate: Floating rate of return at Base rate + 2 percent per annum;

Base rate is defined as the average six months KIBOR prevailing on the Base Rate setting date. The Base Rate will be set for the first time on the last working day prior to the Issue Date and subsequently on the immediately preceding business day before the start of each six monthly period.

Profit payment: Semi-annual

Redemption: The instrument is structured to redeem 0.24% of the Issue amount during the first six years after the issue date and the remaining Issue amount of 99.76% in two equal semi-annual installments of 49.88% each in the last year.

Security: The Issue is unsecured

Subordination: The Issue is subordinated all other indebtedness of the Bank including depositors, however, senior to the claims of investors in instruments eligible for inclusion in Tier I Capital

Call Option: Exercisable in part or in full on or after the 10th redemption, subject to SBP's approval.

Lock-in-clause: Payment of profit will be made from current year's earning and subject to compliance with MCR and / or CAR or LR set by SBP.

Loss absorbency Upon the occurrence of a Point of Non-Viability event as defined under SBP BPRD Circular # 6 of 2013 dated August 15, 2013, SBP may at its option, fully and permanently convert the TFCs into common shares of the Bank and/or have them immediately written off (either partially or in full). Number of shares to be issued to TFC holders at the time of conversion will be equal to the 'Outstanding Face Value of the TFCs' divided by market value per share of the Bank's common share on the date of trigger of Point of Non-Viability (PONV) as declared by SBP, subject to a cap of 400,647,739 shares.

18. DEFERRED TAX LIABILITIES

Note

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

Deductible Temporary Differences on:

Provision against investments	(70,212)	(63,680)
Provision against loans and advances	(364,532)	(346,047)
Other assets	(226,397)	(90,880)
Intangible other than Goodwill	(4,138)	(2,615)
Unrealised gain on revaluation of investments classified as held for trading	119,867	(28,846)
	(545,412)	(532,068)

Taxable Temporary Differences on:

Operating fixed assets	213,647	187,195
Goodwill	629,358	570,813
Surplus on revaluation of operating fixed assets	335,937	312,070
Surplus on revaluation of non-banking assets acquired in satisfaction of claims	320	960
Liability against assets subject to finance lease - net	(59,646)	4,839
Government Grant	(183)	550
Surplus on revaluation of investments classified assets as available for sale	(78,840)	732,710
	1,040,593	1,809,137
	495,181	1,277,069

19. OTHER LIABILITIES

Mark-up / return / interest payable in local currency	3,850,208	3,391,010
Mark-up / return / interest payable in foreign currencies	76,561	26,668
Unearned commission income on guarantees	287,682	261,377
Accrued expenses	498,180	500,369
Acceptances	3,911,680	3,689,343
Trade payable from brokerage business	1,289,366	2,170,742
Unclaimed dividends	7,576	7,576
Mark to market loss on derivative instruments	98,719	59,584
Mark to market loss on forward foreign exchange contracts	427,694	103,830
Dividend payable	4,946	4,946
Gratuity Payable to contractual staff	8,139	5,263
Withholding taxes payable	773,663	631,372
Government challan collection	93,826	50,758
Donation payable	21,460	43,433
Security deposits against leases, lockers and others	2,533,143	2,908,147
Provision for Workers' Welfare Fund	235,996	215,713
Payable in respect of home remittance	653,972	433,507
Retention money payable	60,123	44,294
Lease liability against right-of-use assets	3,282,667	3,415,585
Advance against sale of assets	-	26,000
Payable against short sell of securities	2,291,587	-
Insurance payable	149,122	27,180
Payable to vendors against SBS goods	301,056	206,925
Debit card settlement	115,283	58,711
Clearing and settlement accounts	338,282	209,683
Others	387,543	293,079
	21,698,474	18,785,095

JS BANK LIMITED

			(Un-audited) June 30, 2022	(Audited) December 31, 2021
	Note		----- Rupees in '000 -----	
20. SURPLUS ON REVALUATION OF ASSETS				
Surplus on revaluation of:				
Available-for-sale securities	9.1 & 20.1	(220,150)	2,128,246	
Operating fixed assets		2,032,904	2,063,629	
Non-banking assets acquired in satisfaction of claims		107,441	120,674	
		1,920,195	4,312,549	
Deferred tax on surplus on revaluation of:				
Available-for-sale securities		78,840	(732,710)	
Operating fixed assets		(335,937)	(312,070)	
Non-banking assets acquired in satisfaction of claims		(320)	(960)	
		(257,417)	(1,045,740)	
		1,662,778	3,266,809	
20.1 Group's share		1,670,095	3,228,929	
Non-controlling interest		(7,317)	37,880	
		1,662,778	3,266,809	
Available-for-sale securities				
Pakistan:				
- Equity securities		1,213,613	2,289,154	
- Open end mutual funds		(42,500)	269,958	
- Debt securities		(860,412)	(367,769)	
		310,701	2,191,343	
Bahrain:				
- Equity securities	20.1.1	(50,294)	1,856	
- Debt securities		(480,557)	(64,953)	
		(530,851)	(63,097)	
		(220,150)	2,128,246	
		78,840	(732,710)	
Related deferred tax liability		(141,310)	1,395,536	
20.1.1	As of June 30, 2022, the Holding Company has recognized expected credit loss of Rs. 102.122 million (December 31, 2021: Rs. 68.232 million) through profit and loss account under IFRS-9 on foreign debt securities held by the Bank's Wholesale Banking Branch in Bahrain. However, the loss allowance is adjusted in other comprehensive income without reducing the carrying amount of the said securities under the requirement of IFRS 9 para 5.5.2. Therefore, revaluation of those securities are adjusted accordingly condensed interim consolidated statements of financial position.			
			(Un-audited) June 30, 2022	(Audited) December 31, 2021
	Note		----- Rupees in '000 -----	
21. CONTINGENCIES AND COMMITMENTS				
Guarantees	21.1	59,148,797	49,835,924	
Commitments	21.2	88,670,850	54,937,231	
		147,819,647	104,773,155	
21.1 Guarantees:				
Financial guarantees		630,232	816,746	
Performance guarantees		24,962,548	25,611,507	
Other guarantees		33,556,017	23,407,671	
	21.1.1	59,148,797	49,835,924	
21.1.1	Included herein are outstanding guarantees of Rs. 26.419 million (December 31, 2021: Rs. 21.419 million) of related parties.			

		(Un-audited) June 30, 2022	(Audited) December 31, 2021
		----- Rupees in '000 -----	
21.2	Commitments:		
	Documentary credits and short-term trade-related transactions		
	- letters of credit	21.2.1 22,517,418	21,917,220
	Commitments in respect of:		
	- Forward foreign exchange contracts	21.2.2 57,479,477	26,688,581
	- Derivative instruments	21.2.3 7,783,286	4,835,903
	- Forward lending	21.2.4 296,066	639,565
	- Bank Guarantee from a commercial Bank in favor of National Clearing Company of Pakistan Limited	21.2.5 400,000	400,000
	- Outstanding settlements against margin financing contracts - net	21.2.6 -	-
	Commitments for acquisition of:		
	- Operating fixed assets	21.2.6 194,603	455,962
		88,670,850	54,937,231
21.2.1	Included herein are the outstanding letter of credits of Rs. 12.951 million (December 31, 2021: Rs. 201.246 million) of related parties.		
		(Un-audited) June 30, 2022	(Audited) December 31, 2021
		----- Rupees in '000 -----	
21.2.2	Commitments in respect of forward foreign exchange contracts		
	Purchase	33,707,999	17,655,035
	Sale	23,771,478	9,033,546
		57,479,477	26,688,581
21.2.2.1	The Holding company utilises foreign exchange instruments to meet the needs of its customers and as part of its asset and liability management activity to hedge its own exposure to currency risk. At period ended, all foreign exchange contracts have a remaining maturity of less than one year.		
		(Un-audited) June 30, 2022	(Audited) December 31, 2021
		----- Rupees in '000 -----	
21.2.3	Commitments in respect of derivative instruments		
	Purchase	3,059,350	1,737,404
	Sale	4,723,936	3,098,499
		7,783,286	4,835,903
21.2.3.1	Interest rate swaps (notional principal)		
	Purchase	234,300	370,039
	Sale	234,300	370,039
		468,600	740,078
21.2.3.2	Options (notional principal)		
	Purchase	136,011	1,367,365
	Sale	891,083	1,332,677
		1,027,094	2,700,042
21.2.3.3	Commitments in respect of forward securities		
	Purchase	2,689,039	-
	Sale	3,598,553	1,395,783
		6,287,592	1,395,783
21.2.4	Commitments in respect of forward lending		
	Undrawn formal standby facilities, credit lines and other commitments to lend	21.2.4.1 296,066	639,565
21.2.4.1	This represents commitments that are irrevocable because they cannot be withdrawn at the discretion of the bank without the risk of incurring significant penalty or expense.		

	Note	(Un-audited) June 30, 2022	(Audited) December 31, 2021
		----- Rupees in '000 -----	
21.2.5 Bank Guarantee from a commercial Bank in favor of National Clearing Company of Pakistan Limited		400,000	400,000
21.2.6 Commitments for acquisition of fixed assets and intangible assets	21.2.6.1	194,603	455,962
21.2.6.1 This represents commitments related to purchase of leasehold improvements, furniture and fixtures, hardware & network equipments and electrical equipments and computer software.			
21.2.7 Commitments of associated company			
There are no changes in commitments since the date of annual consolidated audited financial statements for the year ended December 31, 2021 except those as disclosed in note 21.2.8.			
21.2.8 Tax related contingencies are as disclosed in note 32.1.			

22. DERIVATIVE INSTRUMENTS

Derivative instruments, such as Forward Exchange Contracts, Interest Rate Swaps and Options, are forward transactions that provide market making opportunities / hedge against the adverse movement of interest and exchange rates. Derivatives business also provides risk solutions for the existing and potential customers of the Group.

The Group has entered into a Cross Currency Swap transaction with its customer on back-to-back basis with an Authorized Derivative Dealer (ADD) without carrying any open position in its books. Specific approvals for the transactions have been granted by State Bank of Pakistan. Policies in line with SBP instructions have been formulated and are operative.

The Holding Company has also entered into Foreign Currency & Commodity Options from its Wholesale Banking Branch Bahrain for market

These transactions cover the aspects of both market making and hedging. The risk management related to derivative is disclosed in note 45 to the annual consolidated financial statements for the year ended December 31, 2021.

Accounting policies in respect of derivative financial instruments are described in note 4.4.2 of the consolidated annual financial statements for the year ended December 31, 2021.

22.1 Product Analysis

(Un-audited) June 30, 2022					
Interest rate swaps		Options and Accumulators		Forward securities	
Notional principal	Mark to market	Notional principal	Mark to market	Notional principal	Mark to market
----- Rupees in '000 -----					

With Banks

Hedging	468,600	998	-	-	-
Market making	-	-	1,027,094	(51,435)	6,287,592
					9,721

With FIs other banks

Hedging	-	-	-	-	-
Market making	-	-	-	-	-

Total

Hedging	468,600	998	-	-	-
Market making	-	-	1,027,094	(51,435)	6,287,592
					9,721

(Audited)

December 31, 2021

Interest rate swaps		Options and Accumulators		Forward securities	
Notional principal	Mark to market	Notional principal	Mark to market	Notional principal	Mark to market
----- Rupees in '000 -----					

With Banks

Hedging	740,078	1,818	-	-	-
Market making	-	-	2,700,042	(6,758)	1,395,783
					(3,429)

With FIs other banks

Hedging	-	-	-	-	-
Market making	-	-	-	-	-

Total

Hedging	740,078	1,818	-	-	-
Market making	-	-	2,700,042	(6,758)	1,395,783
					(3,429)

		----- (Un-audited) -----	
		June 30, 2022	June 30, 2021
		----- Rupees in '000 -----	
23. MARK-UP / RETURN / INTEREST EARNED	Note		
On:			
Loans and advances		13,347,400	10,093,231
Investments		15,692,396	8,255,159
Lendings to financial institutions		54,859	31,446
Securities purchased under resale agreements		798,156	470,908
Balances with other banks		82,579	44,189
		<u>29,975,390</u>	<u>18,894,933</u>
24. MARK-UP / RETURN / INTEREST EXPENSED			
On:			
Deposits		15,557,446	10,513,222
Borrowings	24.1	6,641,744	1,687,673
Subordinated debt		454,990	336,021
Cost of foreign currency swaps against foreign currency deposits / borrowings		431,375	245,177
Lease liability against right-of-use assets		205,077	206,571
		<u>23,290,632</u>	<u>12,988,664</u>
24.1 Borrowings			
Export refinancing scheme (ERF)		209,325	197,984
Long-Term Finance Facility (LTFF)		24,679	24,155
Other Borrowings from State Bank of Pakistan		27,412	9,058
Securities sold under repurchase agreements		6,155,833	1,258,284
Other short term borrowings		224,495	198,192
		<u>6,641,744</u>	<u>1,687,673</u>
25. FEE, COMMISSION AND BROKERAGE INCOME			
Branch banking customer fees		50,947	67,112
Consumer finance related fees		77,071	25,507
Card related fees (debit and credit cards)		152,792	159,121
Credit related fees		159,994	187,046
Investment banking fees		35,462	46,841
Commission on trade		446,041	391,456
Commission on guarantees		279,350	211,378
Commission on cash management		7,714	2,819
Commission on remittances including home remittances		45,196	141,803
Commission on bancassurance		41,976	73,070
Commission on distribution of mutual funds		847	1,000
Commission on online Services		167,180	116,205
Postage & Courier income		8,989	12,094
Rebate income		118,736	127,097
Rebate on primary dealership		14,477	34,638
Brokerage income		192,128	518,364
Management fee		68,061	80,205
		<u>1,866,961</u>	<u>2,195,756</u>
26. GAIN ON SECURITIES - NET			
Realised	26.1	177,926	115,563
Unrealised - held for trading		(12,474)	(77,906)
Unrealised loss on payable against short sell of securities		28,882	-
		<u>194,334</u>	<u>37,657</u>
26.1 Realised gain on:			
Federal government securities			
Market treasury bills		(212,989)	4,708
Pakistan investment bonds		185,439	40,510
Ijara sukuk certificates		151	603
		<u>(27,399)</u>	<u>45,821</u>
Shares			
Listed companies		34,086	(95,605)
Non Government Debt Securities			
Term finance certificates		8,726	30,991
Mutual fund units		295,161	96,545
Foreign currency bonds		(132,648)	37,811
		<u>177,926</u>	<u>115,563</u>
27. OTHER INCOME			
Rent on Property		9,172	-
Gain on sale of fixed assets - net		37,355	4,256
Gain on termination of leases - net		4,742	(2,829)
Gain on sale of non-banking assets		1,167	-
Others		14,507	15,548
		<u>66,943</u>	<u>16,975</u>

		----- (Un-audited) -----	
		June 30, 2022	June 30, 2021
		----- Rupees in '000 -----	
28. OPERATING EXPENSES	Note		
Total compensation expense		3,613,012	3,209,315
Property expense			
Rent & taxes		18,126	32,007
Insurance		5,924	3,505
Utilities cost		244,151	180,004
Security (including guards)		153,363	132,626
Repair & maintenance (including janitorial charges)		135,269	142,304
Depreciation		148,259	130,360
Depreciation on right-of-use assets		562,408	461,816
Depreciation on non banking assets		9,240	3,455
		1,276,740	1,086,077
Information technology expenses			
Software maintenance		424,583	296,778
Hardware maintenance		157,506	104,006
Depreciation		147,564	122,093
Amortisation		81,287	65,838
Network charges		126,166	83,746
		937,106	672,461
Other operating expenses			
Directors' fees and allowances		8,801	9,975
Legal & professional charges		97,787	65,016
Insurance		187,063	153,596
Outsourced services costs		106,601	82,761
Travelling & conveyance		124,184	62,272
NIFT clearing charges		22,443	24,508
Depreciation		169,997	164,160
Training & development		42,783	19,048
Postage & courier charges		45,204	47,784
Communication		84,028	54,779
Stationery & printing		142,662	121,164
Marketing, advertisement & publicity		469,281	190,208
Donations		19,415	19,763
Auditors' remuneration		8,704	6,219
Staff auto fuel & maintenance		166,490	113,655
Bank charges		29,547	25,140
Stamp duty		18,833	17,260
Online verification charges		22,905	31,571
Brokerage, fee and commission		31,591	28,704
Card related fees (debit and credit cards)		248,388	160,983
CDC and other charges		22,889	18,465
Consultancy fee		3,555	18,750
Deposit protection premium	28.1	96,218	126,225
Entertainment expenses		55,086	50,260
Repair and maintenance		38,358	37,310
Cash handling charges		87,474	95,851
Fee and Subscription		85,438	68,176
Employees social security		3,759	2,693
Generator fuel & maintenance		64,542	42,689
Fee and allowances to Shariah Board		69	49
Royalty		17,500	15,000
Others		32,587	24,035
		2,554,182	1,898,069
		8,381,040	6,865,922
Less: Reimbursement of selling and distribution expenses		(28,870)	(35,599)
		8,352,170	6,830,323

28.1 Under the provision of section 5(2) of the Deposit Protection Corporation Act, 2016 (the Act), and DPC Circular No. 04 of 2018, the Bank is liable to pay annual premium, on quarterly basis, to the Deposit Protection Corporation, a subsidiary company of State Bank of Pakistan, @ 0.16% on eligible deposits as of December 31 of each preceding calendar year.

		(Un-audited) June 30, 2022	(Audited) December 31, 2021	(Un-audited) June 30, 2021
34. CASH AND CASH EQUIVALENTS	Note	----- Rupees in '000 -----		
Cash and balances with treasury banks	6	30,744,611	34,267,180	36,206,757
Balances with other banks	7	4,787,443	1,227,623	981,921
Overdrawn nostro accounts	15	(954,237)	(306,663)	(488,469)
		34,577,817	35,188,140	36,700,209

35. FAIR VALUE OF FINANCIAL INSTRUMENTS

IFRS 13 "Fair Value Measurement" defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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. Fair value of unquoted debt securities, fixed term loans, other assets, other liabilities and fixed term deposits cannot be calculated with sufficient reliability due to absence of current and active market for assets and liabilities and reliable data regarding market rates for similar instruments. The provision for impairment of loans and advances has been calculated in accordance with the Bank's accounting policy as stated in note 4.6 to the annual consolidated audited financial statements for the year ended December 31, 2021.

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

Fair value hierarchy

IFRS 13 requires the Bank to classify fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has following levels:

- Level 1:** Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2:** Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3:** Fair value measurements using unobservable inputs for the asset or liability.

35.1 Valuation techniques used in determination of fair values within level:

Item	Valuation approach and input used
Financial Instruments- Level 1	
Shares of listed companies	Fair values of investments in listed equity securities are valued on the basis of closing quoted market prices available at the Pakistan Stock Exchange.

Financial instruments - Level 2

Units of mutual funds	Fair values of investments in units of mutual funds are determined based on redemption prices disclosed at the Mutual Funds Association of Pakistan (MUFAP) as at the close of the business days.
Market Treasury Bills(MTB) / Pakistan Investment Bonds(PIB), and GoP Sukuks (GIS)	Fair values of Pakistan Investment Bonds and Market Treasury Bills are derived using PKRV and PKFRV rates (Reuters page).
Debt Securities (TFCs) and Sukuk other than Government	Investments in debt securities (comprising of Term Finance Certificates, Bonds and any other security issued by a company or a body corporate for the purpose of raising funds in the form of redeemable capital) are valued on the basis of the rates announced by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by the SECP.
Overseas Government Sukuks, Overseas and Euro Bonds	The fair value of Overseas Government Sukuks, and Overseas Bonds are valued on the basis of price available on Bloomberg.
Forward foreign exchange contracts	The valuation has been determined by interpolating the foreign exchange revaluation rates announced by the State Bank of Pakistan.
Derivatives	The fair values of derivatives which are not quoted in active markets are determined by using valuation techniques. The valuation techniques take into account the relevant underlying parameters including foreign currencies involved, interest rates, yield curves, volatilities, contracts duration, etc.

Financial instruments in level 3

Currently, no financial instruments are classified in level 3.

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.

Non- financial assets- Level 3

Fixed assets - Land and building	Fixed assets and Non-banking assets under satisfaction of claims are carried at revalued amounts determined by professional valuers based on their assessment of the market values as disclosed in note 11 and 13 of these annual consolidated financial statements. The valuations are conducted by the valuation experts appointed by the Bank which are also on the panel of State Bank of Pakistan. The valuation experts used a market based approach to arrive at the fair value of the Bank's properties.
Non-banking assets under satisfaction of claims	The market approach used prices and other relevant information generated by market transactions involving identical or comparable or similar properties. These values are adjusted to reflect the current condition of the properties. 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 financial statements.

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

35.3 The following table provides an analysis of financial assets that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

(Un-audited) June 30, 2022			
Level 1	Level 2	Level 3	Total
----- Rupees in '000 -----			

On balance sheet financial instruments**Financial assets - measured at fair value****Held-for-trading securities**

Investments

Federal Government Securities

Shares

Open end mutual funds

-	9,161,349	-	9,161,349
602,175	-	-	602,175
-	483,713	-	483,713
602,175	9,645,062	-	10,247,237

Available-for-sale securities

Investments

Federal Government Securities

Shares

Non Government Debt Securities

Foreign Securities

Open end mutual funds

-	177,441,064	-	177,441,064
3,233,925	-	-	3,233,925
-	739,132	-	739,132
-	1,854,907	-	1,854,907
-	1,844,904	-	1,844,904
3,233,925	181,880,007	-	185,113,932

Financial assets - disclosed but not measured at fair value

Investments

Federal Government Securities

-	129,405,869	-	129,405,869
3,836,100	320,930,938	-	324,767,038

Non-Financial assets - measured at fair value

Revalued fixed assets

Non-banking assets acquired in satisfaction of claims

-	-	3,794,586	3,794,586
-	-	2,684,463	2,684,463
-	-	6,479,049	6,479,049

Off balance sheet financial instruments**Commitments in respect of:****Forward foreign exchange contracts**

Purchase

Sale

-	34,807,335	-	34,807,335
-	23,980,210	-	23,980,210

Derivative instruments**Forward investments securities**

Purchase

Sale

-	2,688,170	-	2,688,170
6,297,313	3,567,911	-	9,865,224

Interest rate swaps (notional principal)

Purchase

Sale

-	247,439	-	247,439
-	248,437	-	248,437

Options

Purchase

Sale

-	112,977	-	112,977
-	862,682	-	862,682

(Audited)
December 31, 2021

Level 1	Level 2	Level 3	Total
Rupees in '000			

On balance sheet financial instruments**Financial assets - measured at fair value****Held-for-trading securities**

Investments

Federal Government Securities

Shares

Open end mutual funds

-	1,109,404	-	1,109,404
1,392,509	-	-	1,392,509
-	115,698	-	115,698
1,392,509	1,225,102	-	2,617,611

Available-for-sale securities

Investments

Federal Government Securities

Shares

Non Government Debt Securities

Foreign Securities

Open end mutual funds

-	159,315,888	-	159,315,888
4,179,022	-	-	4,179,022
-	528,869	-	528,869
-	1,616,155	-	1,616,155
-	3,314,578	-	3,314,578
4,179,022	164,775,490	-	168,954,512

Financial assets - disclosed but not measured at fair value

Investments

Federal Government Securities

-	58,143,943	-	58,143,943
5,571,531	224,144,535	-	229,716,066

Non-Financial assets - measured at fair value

Revalued fixed assets

Non-banking assets acquired in satisfaction of claims

-	-	3,696,407	3,696,407
-	-	2,658,537	2,658,537
-	-	6,354,944	6,354,944

Off balance sheet financial instruments**Commitments in respect of:****Forward foreign exchange contracts**

Purchase

Sale

-	18,064,443	-	18,064,443
-	9,079,267	-	9,079,267

Derivative instruments**Forward investments securities**

Purchase

Sale

-	-	-	-
1,392,354	-	-	1,392,354

Interest rate swaps (notional principal)

Purchase

Sale

-	402,137	-	402,137
-	403,955	-	403,955

Options

Purchase

Sale

-	1,363,325	-	1,363,325
-	1,329,959	-	1,329,959

36. SEGMENT INFORMATION

36.1. Segment Details with respect to Business Activities:

Corporate finance	Trading and sales	Retail banking	Commercial banking	Brokerage	Asset management	Others	Total
Rupees in '000							
151,128 (154,176)	9,280,354 (10,803,995)	(1,900,228) 8,519,742	(749,297) 2,438,429	12,544 -	(5,907) -	(103,836) -	6,684,758 -
72,323	962,403	854,111	558,067	326,073	336,746	13,319	3,123,042
69,275	(561,238)	7,473,625	2,247,199	338,617	330,839	(90,517)	9,807,800
19,921	81,204	5,153,642	464,524	346,195	180,060	2,212,496	8,458,042
8,001	82,902	1,766,586	395,712	-	-	(2,253,201)	-
27,922	164,106	6,920,228	860,236	346,195	180,060	(40,705)	8,458,042
-	-	156,874	31,727	-	-	(4,108)	184,493
41,353	(725,344)	396,523	1,355,236	(7,578)	150,779	(45,704)	1,165,265
-	21,713,319	10,679,457	2,886,655	255,484	(2,893)	-	35,532,022
2,671,399	314,157,316	-	2,073,215	654,115	1,198,240	5,992,493	326,746,778
-	-	196,709,410	79,395,865	-	-	-	276,105,275
-	46,760,458	-	-	-	-	-	46,760,458
230,180	-	77,729,071	150,985,592	693,642	2,863	5,086,748	234,728,096
-	-	4,950,008	10,294,938	-	-	312,935	15,557,881
-	-	(2,073,967)	(4,525,439)	-	-	(40,022)	(6,639,428)
230,180	-	80,605,112	156,755,091	693,642	2,863	5,359,661	243,646,549
-	-	-	-	349,333	581,087	40,294,633	41,225,053
2,901,579	382,631,093	287,993,978	241,110,826	1,952,574	1,779,297	51,646,787	970,016,134
-	117,618,445	6,539,049	30,734,903	630,884	(10,621)	-	155,512,660
-	-	-	-	-	-	6,995,900	6,995,900
102,464	-	273,877,544	205,937,884	-	-	384	479,918,276
2,799,115	266,857,962	-	743,832	-	-	5,704,366	276,105,275
-	55,151	7,577,383	1,317,282	1,515,777	412,241	17,644,059	28,521,893
2,901,579	384,531,558	287,993,976	238,733,901	2,146,661	401,620	30,344,709	947,054,004
-	-	-	-	-	-	22,605,222	22,605,222
-	-	-	-	-	-	366,758	366,758
2,901,579	384,531,558	287,993,976	238,733,901	2,146,661	401,620	53,316,689	970,025,984
-	72,452,464	53,226,730	21,557,047	424,604	-	158,802	147,819,647
Corporate finance	Trading and sales	Retail banking	Commercial banking	Brokerage	Asset management	Others	Total
Rupees in '000							
(497,707)	6,947,403	397,731	(913,802)	42,051	(13,212)	(56,195)	5,906,269
516,251	(6,880,925)	4,022,163	2,342,511	-	-	-	-
128,824	544,655	886,074	743,194	570,010	109,565	(91)	2,982,231
147,368	611,133	5,305,968	2,171,903	612,061	96,353	(56,286)	8,888,500
10,846	76,045	2,840,824	449,198	340,695	171,802	2,967,093	6,856,503
20,960	82,585	2,429,337	336,035	-	-	(2,868,917)	-
31,806	158,630	5,270,161	785,233	340,695	171,802	98,176	6,856,503
-	-	266,898	381,374	-	3,556	148,962	800,790
115,562	452,503	(231,091)	1,005,296	271,366	(79,005)	(303,424)	1,231,207
-	-	35,452,642	-	39,693	2,451	-	35,494,786
-	227,703,724	-	1,711,262	1,453,984	1,352,104	-	232,221,074
12,716,606	-	118,125,304	90,374,890	-	-	2,339,620	223,556,420
-	31,939,044	-	-	-	-	-	31,939,044
901,279	-	75,492,738	165,204,408	476,508	2,401	5,245,278	247,322,612
-	-	7,835,772	6,090,497	-	-	-	13,926,269
-	-	(3,430,477)	(3,252,332)	-	-	-	(6,682,809)
901,279	-	79,898,033	168,042,573	476,508	2,401	5,245,278	254,566,072
-	-	-	-	3,061,275	599,705	31,446,952	35,107,932
13,617,885	259,642,768	233,475,979	260,128,725	5,031,460	1,956,661	39,031,850	812,885,328
16,336	31,875,041	9,535,196	29,047,736	1,574,295	-	-	72,048,604
-	6,996,800	-	-	-	-	-	6,996,800
13,597,573	-	219,428,193	226,324,281	-	-	-	459,350,047
-	222,622,218	-	934,202	-	-	-	223,556,420
3,976	49,502	4,512,590	2,564,313	2,527,223	435,673	17,007,773	27,101,050
13,617,885	261,543,561	233,475,979	258,870,532	4,101,518	435,673	17,007,773	789,052,921
-	-	-	-	-	-	23,444,080	23,444,080
-	-	-	-	-	-	388,327	388,327
13,617,885	261,543,561	233,475,979	258,870,532	4,101,518	435,673	40,840,180	812,885,328
-	50,618,828	37,186,792	15,060,805	1,795,783	-	110,947	104,773,155

37. RELATED PARTY TRANSACTIONS

The Group has related party transactions with its parent, associates, directors & Key Management Personnel and other related parties.

The Group enters into transactions with related parties in the ordinary course of business and 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.

The details of transactions with related parties, other than those which have been specifically disclosed elsewhere in these consolidated financial statements are as follows:

	As at June 30, 2022 (Un-audited)					As at December 31, 2021 (Audited)				
	Parent	Directors	Key management personnel	Associates	Other related parties	Parent	Directors	Key management personnel	Associates	Other related parties
	Rupees in '000									
Statement of financial position										
Lendings to financial institutions										
Opening balance	-	-	-	-	-	-	-	-	-	-
Addition during the period / year	-	-	-	-	78,704,870	-	-	-	-	6,300,000
Repaid during the period / year	-	-	-	-	(78,704,870)	-	-	-	-	(6,300,000)
Closing balance	-	-	-	-	-	-	-	-	-	-
Investments										
Opening balance	9,866	-	-	269,800	3,883,316	12,500	-	-	269,800	4,527,652
Investment made during the period / year	-	-	-	-	4,234,006	-	-	-	-	3,029,006
Investment redeemed / disposed off during the period / year	(2,271)	-	-	-	(4,089,206)	(2,634)	-	-	-	(3,673,342)
Transfer in / (out) - net	-	-	-	-	49,154	-	-	-	-	-
Closing balance	7,595	-	-	269,800	4,077,270	9,866	-	-	269,800	3,883,316
Provision for diminution in value of investments	-	-	-	27,733	437,761	-	-	-	27,733	388,607
Advances										
Opening balance	-	125,769	483,696	442,315	5,229,319	-	122,106	791,027	370,768	4,093,430
Addition during the period / year	-	9,261	139,929	26,550	2,414,222	-	11,327	217,758	294,076	4,026,927
Repaid during the period / year	-	(2,660)	(94,648)	(142,339)	(2,314,943)	-	(39,222)	(188,022)	(222,529)	(3,193,931)
Transfer in / (out) - net	-	(120,174)	69,164	-	(23,027)	-	31,558	(337,067)	-	302,893
Closing balance	-	12,196	598,141	326,526	5,305,571	-	125,769	483,696	442,315	5,229,319
Other Assets										
Interest /mark-up accrued	298	57	4,973	10,904	76,058	284	3,588	505	10,917	79,089
Receivable against bancassurance / bancatakaful	-	-	-	-	59,635	-	-	-	-	20,889
Net defined benefit plan	-	-	-	-	220,932	-	-	-	-	318,319
Trade receivable	18	-	291	-	128,424	-	-	14	-	130,533
Other receivable	285	-	-	-	19,538	284	-	-	-	6,655
Provision against other assets	-	-	-	-	14,249	-	-	-	-	379
Borrowings										
Opening balance	-	-	-	-	474,283	-	-	-	-	-
Borrowings during the period / year	-	-	-	-	24,837,717	-	-	-	-	474,283
Settled during the period / year	-	-	-	-	(24,981,115)	-	-	-	-	-
Closing balance	-	-	-	-	330,885	-	-	-	-	474,283
Deposits and other accounts										
Opening balance	912,327	388,406	42,227	41,310	14,398,780	172,019	212,335	76,237	49,753	10,365,166
Received during the period / year	9,670,075	91,402	457,930	680,886	112,666,765	8,763,862	1,236,232	673,723	1,732,714	295,223,429
Withdrawn during the period / year	(10,221,347)	(80,185)	(449,177)	(719,492)	(115,110,283)	(8,023,554)	(1,098,789)	(667,310)	(1,741,157)	(291,943,860)
Transfer in / (out) - net	-	(384,376)	(2,998)	-	(654,422)	-	38,628	(40,423)	-	754,045
Closing balance	361,055	15,247	47,982	2,704	11,300,840	912,327	388,406	42,227	41,310	14,398,780

	As at June 30, 2022 (Un-audited)					As at December 31, 2021				
	Parent	Directors	Key management personnel	Associates	Other related parties	Parent	Directors	Key management personnel	Associates	Other related parties
	Rupees in '000									
Subordinated debt										
Opening balance	-	-	-	-	639,776	-	-	-	-	889,432
Issued during the period / year	-	-	-	-	-	-	-	-	-	-
Redeemed during the period / year	-	-	-	-	(18)	-	-	-	-	(199,746)
Transfer in / (out) - net	-	-	-	-	(539,920)	-	-	-	-	(49,910)
Closing balance	-	-	-	-	99,838	-	-	-	-	639,776
Other Liabilities										
Interest / return / mark-up payable on deposits	-	-	1	-	136,544	-	-	-	-	40,440
Interest / return / mark-up payable on borrowings	-	-	-	-	5,720	-	-	-	-	5,534
Interest / return / mark-up payable on subordinated debt	-	-	-	-	62	-	-	-	-	787
Trade payable	-	-	15,944	-	30,620	224,151	-	130,337	-	254,964
Donation Payable	-	-	-	-	21,709	-	-	-	-	43,433
Others payable	-	203	-	-	552	75	100	-	-	2,812
Represented By										
Share Capital	9,733,073	13,323	3,505	-	45,395	9,733,073	31,173	3,500	-	45,395
Contingencies and Commitments										
Letter of guarantee	-	-	-	-	26,419	-	-	-	-	21,419
Letter of Credit	-	-	-	-	12,951	-	-	-	-	201,246
Forward lending	-	-	-	5,924	-	-	-	-	-	-
	For the half year ended June 30, 2022 (Un-audited)					For the half year ended June 30, 2021 (Un-audited)				
	Parent	Directors	Key management personnel	Associates	Other related parties	Parent	Directors	Key management personnel	Associates	Other related parties
	Rupees in '000									
Profit and loss account										
Income										
Mark-up / return / interest earned	443	212	12,097	30,600	190,291	536	3,135	15,827	4,809	91,493
Fee, commission and brokerage income	4,071	16	594	-	111,593	7,604	44	12,049	25	182,270
Dividend income	-	-	-	-	60,050	-	-	-	-	163,672
Gain / (loss) on sale of securities - net	-	-	-	-	14,414	-	-	-	-	(86,899)
Reversals / (provisions) and write offs - net										
Reversal for diminution in value of Investments - net	-	-	-	-	-	-	-	-	-	215,305
Expense										
Mark-up / return / interest paid	59,814	259	747	746	493,305	21,805	7,422	714	2,478	379,778
Remuneration paid	-	63,243	381,537	-	-	-	41,533	286,585	-	-
Non-executive directors' fee	-	8,178	-	-	-	-	9,107	-	-	-
Net charge for defined contribution plans	-	-	-	-	141,819	-	-	-	-	136,700
Net charge for defined benefit plans	-	-	-	-	97,387	-	-	-	-	111,551
Donation	-	-	-	-	41,178	-	-	-	-	-
Rental expense	75	-	-	-	14,689	-	-	-	-	14,798
Advisory fee	-	-	-	-	3,643	-	-	-	-	-
Royalty	-	-	-	-	17,500	-	-	-	-	15,000
Other expenses	-	207	-	-	396	825	-	-	-	1,103
Reimbursement of expenses	21,396	119	1,419	-	45,549	25,323	298	1,777	-	12,601
Payments made during the period										
Insurance premium paid	-	-	-	-	220,150	-	-	-	-	365,104
Insurance claims settled	-	-	-	-	3,459	-	-	-	-	2,586
Other Transactions										
Sale of Government Securities	3,884,797	-	-	-	21,775,667	-	-	-	-	44,597,994
Purchase of Government Securities	-	-	-	-	11,656,570	-	-	-	-	2,896,977
Sale of Non Government Securities	-	-	-	-	924,054	-	-	-	-	-
Purchase of Non Government Securities	-	-	-	-	256,702	-	-	-	-	-
Sale of Foreign Currencies	-	-	-	-	38,624,704	-	-	-	-	28,860,440
Purchase of Foreign Currencies	-	-	-	-	30,870,083	-	-	-	-	10,423,056

38. CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

(Un-audited)
June 30,
2022

(Audited)
December 31,
2021

----- Rupees in '000 -----

Minimum Capital Requirement (MCR):

Paid-up capital (net of losses)	10,119,242	10,119,242
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Capital Adequacy Ratio (CAR):

Eligible Common Equity Tier 1 (CET 1) Capital	18,943,585	18,420,460
Eligible Additional Tier 1 (ADT 1) Capital	2,505,147	2,200,260
Total Eligible Tier 1 Capital	21,448,732	20,620,720
Eligible Tier 2 Capital	5,437,616	6,468,101
Total Eligible Capital (Tier 1 + Tier 2)	26,886,348	27,088,821

Risk Weighted Assets (RWAs):

Credit Risk	156,526,778	159,002,189
Market Risk	4,120,832	5,643,001
Operational Risk	28,476,546	28,489,224
Total	189,124,156	193,134,414

Common Equity Tier 1 Capital Adequacy ratio	10.02%	9.54%
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Tier 1 Capital Adequacy Ratio	11.34%	10.68%
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Total Capital Adequacy Ratio	14.22%	14.03%
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Leverage Ratio (LR):

Eligible Tier-1 Capital	21,448,732	20,620,720
Total Exposures	721,510,242	658,499,520
Leverage Ratio	2.97%	3.13%

Liquidity Coverage Ratio (LCR):

Total High Quality Liquid Assets	124,644,248	198,158,980
Total Net Cash Outflow	84,084,946	67,063,612
Liquidity Coverage Ratio	148.24%	295.48%

Net Stable Funding Ratio (NSFR):

Total Available Stable Funding	472,141,951	376,864,272
Total Required Stable Funding	353,904,856	298,941,131
Net Stable Funding Ratio	133.41%	126.07%

39. GENERAL

39.1 These condensed interim consolidated financial statements have been prepared in accordance with the revised format for financial statements of Banks issued by the SBP through BPRD Circular no. 5 dated March 22, 2019 and related clarifications / modifications.

39.2 Corresponding figures have been re-arranged / re-classified, wherever necessary, to facilitate comparison in the presentation in the current period. However, there are no material re-arrangements / re-classifications to report.

39.3 The figures in these condensed interim consolidated financial statements have been rounded off to the nearest thousand.

40. DATE OF AUTHORISATION FOR ISSUE

These condensed interim consolidated financial statements were authorised for issue by the Board of Directors of the Bank in their meeting held on August 24, 2022.

**President and
Chief Executive Officer**

Chief Financial Officer

Director

Director

Chairman



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