

# FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2020

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2020	BANK (AUDITED)		GROUP (AUDITED)	
	LKR		PKR	
	In Rupees Thousand			
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
<b>Assets</b>				
Cash and cash equivalents	818,568	1,594,367	223,977,669	216,935,356
Balances with central banks	30,570	77,238	151,302,451	150,656,361
Placements with banks	101,042	1,001,397	86,688,022	86,551,753
Derivative financial instruments	1,415	5,545	4,284,867	6,761,789
Financial assets at amortised cost - Investments	3,407,939	2,704,808	265,146,998	202,767,306
Financial assets at amortised cost - Loans & Advances	2,902,815	2,892,644	1,223,510,222	1,166,956,994
Financial assets measured at fair value through other comprehensive income	3,541,177	217,867	1,651,631,461	1,146,478,070
Income Tax Receivable	30,203	90,186	-	-
Investments in associates and joint ventures	-	-	31,798,363	30,362,003
Property, plant and equipment	287,349	263,279	89,190,210	80,462,410
Goodwill and Intangible assets	-	-	10,412,880	9,089,345
ROU Asset	26,294	22,890	-	-
Deferred tax assets	82,140	37,987	111,119,675	130,109,010
Other assets	-	-	-	-
<b>Total assets</b>	<b>11,232,242</b>	<b>8,908,208</b>	<b>3,849,062,818</b>	<b>3,227,132,937</b>
<b>Liabilities</b>				
Due to banks	58,996	50,653	-	-
Derivative financial instruments	-	-	-	-
Due to other customers	4,081,192	2,537,214	2,830,371,390	2,437,597,169
Borrowing	562,041	-	544,107,826	382,206,306
Current tax liabilities	-	-	7,073,633	7,510,391
Deferred tax liabilities	56,917	12,417	10,387,859	6,189,687
Employee benefit liabilities	49,565	42,565	8,676,703	8,147,229
Subordinated loan	-	-	22,356,000	22,360,000
Other liabilities	104,012	66,069	160,592,160	138,730,104
<b>Total liabilities</b>	<b>4,912,723</b>	<b>2,708,918</b>	<b>3,583,567,571</b>	<b>3,002,380,885</b>
<b>Equity</b>				
Stated capital/Assigned capital	4,938,390	4,938,390	14,668,525	14,668,525
Statutory reserve fund	75,628	69,670	38,063,377	34,703,072
Retained earnings	1,078,071	869,865	138,208,223	114,550,097
Other reserves	227,430	321,364	200,033,562	56,432,822
Total shareholders' equity	6,319,519	6,199,289	286,943,687	220,354,516
Non Controlling Interest	-	-	4,551,500	4,396,906
<b>Total equity</b>	<b>6,319,519</b>	<b>6,199,289</b>	<b>286,943,687</b>	<b>220,354,516</b>
<b>Total equity and liabilities</b>	<b>11,232,242</b>	<b>8,908,208</b>	<b>3,849,062,818</b>	<b>3,227,132,937</b>
<b>Contingent liabilities and commitments</b>	<b>2,942,991</b>	<b>1,341,863</b>	<b>986,195,047</b>	<b>1,002,271,021</b>
<b>Memorandum Information</b>				
Number of Employees	61	62	20,795	21,005
Number of Branches	4	6	1,697	1,712

INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2020	BANK (AUDITED)		GROUP (AUDITED)	
	LKR		PKR	
	In Rupees Thousand			
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
Interest income	702,346	704,963	271,237,258	258,113,896
Interest expenses	151,282	141,488	141,322,940	156,790,596
<b>Net interest income</b>	<b>551,064</b>	<b>563,474</b>	<b>130,104,318</b>	<b>101,323,300</b>
Fee and commission income	3,754	1,211	18,795,739	20,447,851
Net fee and commission income	3,754	1,211	18,795,739	20,447,851
Net gain/(Loss) from trading	-	-	7,054,874	(2,857,256)
Net fair value gain/(Loss) from financial instruments	-	-	-	-
Net gain/(Loss) on derecognition of financial assets	-	-	-	-
Other Operating Income (net)	21,999	18,510	4,744,247	6,370,984
<b>Total operating income</b>	<b>21,999</b>	<b>18,510</b>	<b>11,799,121</b>	<b>3,713,728</b>
Impairment for loans and other losses	(24,490)	35,045	(2,219,614)	3,314,081
<b>Net operating income</b>	<b>601,277</b>	<b>546,151</b>	<b>148,479,564</b>	<b>122,170,788</b>
Personnel expenses	234,291	228,650	33,639,523	29,757,054
Depreciation and amortisation	33,117	43,512	9,405,619	8,211,992
Other expenses	90,920	113,655	55,403,786	55,270,820
Operating profit/(loss) before value added tax (VAT)	242,949	162,333	53,030,636	28,880,922
Value added tax (VAT) on financial services	61,193	52,177	-	-
Nation Building tax (NBT) on financial services	44	6,291	-	-
<b>Profit/(Loss) before tax</b>	<b>181,712</b>	<b>103,865</b>	<b>53,030,636</b>	<b>28,880,922</b>
Tax expenses	(82,548)	(72,903)	(2,117,287)	(1,381,127)
<b>Profit/(Loss) for the period</b>	<b>119,164</b>	<b>30,962</b>	<b>30,913,349</b>	<b>15,499,795</b>
Profit attributable to:				
Owners of the parent	119,164	30,962	30,892,271	15,332,782
Non-controlling interests	-	-	21,078	167,003
Earnings per share on profit	-	-	21.06	10.45
Basic earnings per ordinary share	-	-	21.06	10.45
Diluted earnings per ordinary share	-	-	21.06	10.45

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2020	Reserves						
	Share capital	Assigned capital	Reserve fund	Revaluation reserve	Retained earnings	Other reserves	Total equity
	BANK (Audited)						
Balance as at 01/01/2020 (Opening balance)	-	4,938,390	69,670	204,912	868,865	116,452	6,199,289
Total comprehensive income for the year	-	-	-	-	119,164	-	119,164
Profit/(loss) for the year	-	-	-	(4,058)	95,001	(89,877)	1,067
Other comprehensive income (net of tax)	-	-	-	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	-	<b>(4,058)</b>	<b>214,165</b>	<b>(89,877)</b>	<b>120,230</b>
Transaction with equity holders, recognised directly in equity	-	-	-	-	-	-	-
Share issue/increase of assigned capital	-	-	-	-	-	-	-
Share options exercised	-	-	-	-	-	-	-
Bonus issue	-	-	-	-	-	-	-
Right issue	-	-	-	-	-	-	-
Transfers to reserves during the period	-	-	5,958	(5,958)	-	-	-
Dividend to equity holders	-	-	-	-	-	-	-
Profit transferred to head office	-	-	-	-	-	-	-
Profit capitalisation during the year	-	-	-	-	-	-	-
<b>Total transaction with equity holders</b>	-	-	-	-	-	-	-
Balance as at 31/12/2020 (Closing Balance)	-	<b>4,938,390</b>	<b>75,628</b>	<b>200,854</b>	<b>1,078,072</b>	<b>26,576</b>	<b>6,319,519</b>

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2020	BANK (AUDITED)		GROUP (AUDITED)	
	LKR		PKR	
	In Rupees Thousand			
	12/31/2020	31/12/2019	31/12/2020	31/12/2019
Profit/(Loss) for the period	119,164	30,962	30,913,349	15,499,795
Other Comprehensive Income, net of tax	-	-	-	-
Changes in revaluation surplus/Actuarial gains and losses on defined benefit plans	436	7,496	(148,840)	90,861
Gains and losses arising from translating the financial statements of foreign operation	-	-	2,448,082	6,428,768
Exchange differences & realization of foreign currency capital & reserve	4,228	(23,463)	-	-
Realization of exchange equalisation of capital	(94,686)	(182,485)	-	-
Income tax on Other Comprehensive Income	(43,114)	(8,787)	-	-
Share of surplus on revaluation of investments/operating fixed assets of associates	-	-	6,204,914	(93,367)
Gain/(Loss) on revaluation of investments	898	23,886	5,032,330	10,903,168
Deficit on revaluation of fixed assets	38,708	-	(308,323)	553,088
<b>Other comprehensive income for the period, net of taxes</b>	<b>(93,620)</b>	<b>(183,353)</b>	<b>13,537,486</b>	<b>17,324,430</b>
<b>Total comprehensive income for the period</b>	<b>25,544</b>	<b>(152,391)</b>	<b>44,450,835</b>	<b>32,824,225</b>
Attributable to:				
Owners of the parent	25,544	(152,391)	44,295,707	32,437,135
Non-controlling interests	-	-	155,128	387,080

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2020	Reserves						
	Share capital	Assigned capital	Reserve fund	Revaluation reserve	Retained earnings	Other reserves	Total equity
	GROUP (Audited)						
Balance as at 01/01/2020 (Opening balance)	14,668,525	-	34,703,072	21,345,233	114,550,097	35,087,589	220,354,516
Total comprehensive income for the year	-	-	-	-	30,892,271	21,078	30,913,349
Profit/(loss) for the year	-	-	-	-	30,892,271	21,078	30,913,349
Other comprehensive income (net of tax)	-	-	-	6,187,217	(148,238)	7,385,545	134,050
<b>Total comprehensive income for the year</b>	<b>14,668,525</b>	<b>-</b>	<b>34,703,072</b>	<b>27,512,450</b>	<b>145,293,042</b>	<b>42,473,134</b>	<b>268,202,347</b>
Transaction with equity holders, recognised directly in equity	-	-	-	-	-	-	-
Transfers to reserves during the period	-	-	3,380,305	(3,380,305)	-	-	-
Transferred from surplus on revaluation of assets - net of tax	-	-	(50,869)	51,433	564	(564)	-
Dividend to equity holders	-	-	-	(3,667,130)	-	-	(3,667,130)
Exchange gain realized on capital reduction in subsidiary under liquidation - net of tax	-	-	-	(1,082,350)	(1,082,350)	-	(1,082,350)
Reversal of deferred tax asset recognised on subsidiary under liquidation	-	-	-	(108,817)	(108,817)	-	(108,817)
Exchange transaction realized on sale of Bank branches	-	-	3,380,305	(50,869)	(7,084,819)	68,847	(3,706,536)
<b>Total transaction with equity holders</b>	<b>-</b>	<b>-</b>	<b>3,380,305</b>	<b>(50,869)</b>	<b>(7,084,819)</b>	<b>68,847</b>	<b>(3,706,536)</b>
Balance as at 31/12/2020 (Closing Balance)	<b>14,668,525</b>	<b>-</b>	<b>38,083,377</b>	<b>27,461,581</b>	<b>138,208,223</b>	<b>42,541,981</b>	<b>268,495,247</b>

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2020	Bank (Audited)		Group (Audited)	
	2020	2019	2020	2019
	LKR	LKR	PKR	PKR
<b>Cash Flow from Operating Activities</b>				
Profit before tax	181,712	103,865	53,030,636	28,880,922
(Gain)/Loss on disposal of Property, plant & equipment	(288)	(23)	(86,080)	(266,807)
Share of profit of associates & joint venture	-	-	(2,963,090)	(3,483,593)
Depreciation & Amortisation	33,117	43,512	10,557,400	9,259,451
Provision for gratuity	33,117	43,512	12,059,829	3,376,099
Impairment charge for Loans & advances	8,164	9,191	-	-
(Increase)/Decrease in Interest Receivable	(24,490)	41,370	-	-
(Increase)/Decrease in interest payable	(48,304)	-	-	-
(Increase)/Decrease in accrued expenses	9,772	1,138	1,005,352	124,577
Impairment charge for Unfunded facilities and Investments	2,709	(4,895)	-	-
Gratuity payments made	(727)	(8,029)	1,989,759	1,857,880
Other non cash items	(2,588)	(3,604)	(489,303)	(586,353)
Dividend income	(2,580)	(2,139)	(185,219)	(327,684)
Exchange loss on subordinated loan/goodwill-net	(2,580)	(2,139)	(185,219)	(327,684)
Reversal against diminution in the value of investments	-	-	608,323	573,492
Workers Welfare Fund	-	-	1,109,330	573,492
<b>Operating Profit before changes in Operating Assets &amp; Liabilities</b>	<b>161,122</b>	<b>173,082</b>	<b>75,716,691</b>	<b>39,961,050</b>
(Increase)/Decrease in Operating Assets and Liabilities	(3,106,519)	(1,101,376)	95,815,460	(88,987,363)
(Increase)/Decrease in Operating Assets	2,119,236	417,630	573,028,338	140,997,672
(Increase)/Decrease in Operating Liabilities	(897,283)	(683,745)	668,844,789	(247,995,691)
<b>Net Cash from Operating Activities before Income Tax</b>	<b>(899)</b>	<b>(510,664)</b>	<b>14,500,850</b>	<b>7,277,314</b>
Income Tax (Paid) / Refunds	(827,061)	-	(730,000,684)	(205,261,374)
<b>Net Cash from Operating Activities</b>	<b>(827,061)</b>	<b>(510,664)</b>	<b>13,770,850</b>	<b>5,016,040</b>
<b>Cash Flow from Investing Activities</b>				
Dividends Received	2,580	2,139	474,277	590,796
Purchase of Property & Equipment	(4,951)	(9,508)	(8,747,096)	(7,452,347)
Proceeds from Sale of Property Plant & Equipment	2,656	142	251,130	2,006,636
Net cash flows from purchase of financial investments	-	-	(694,609,653)	288,771,929
Net cash flows on business combination	-	-	2,372,362	6,280,907
Effect of translation of net investment in foreign branches, subsidiaries & associates	-	-	1,584,077	2,130,187
Net investment in associates	-	-	-	-
<b>Net Cash from Investing Activities</b>	<b>365</b>	<b>(7,305)</b>	<b>(688,674,910)</b>	<b>292,308,288</b>
<b>Cash Flow from Financing Activities</b>				
Proceed from issuance of subordinated loans	-	-	-	12,374,000
Exchange adjustment on translation of non-controlling interest in subsidiary	-	-	76,720	126,561
Issuance (Repayment) of subordinated loan	-	-	(4,000)	(4,000)
Payment of Lease Liability against right of use	-	-	(4,762,581)	(5,264,295)
Dividend paid	-	-	(3,684,234)	(7,581,96