



SINDH MICROFINANCE BANK LTD
سندھ مائیکرو فائنانس بینک لمیٹڈ

Condensed Interim Quarterly Account
(January – September 2017)

DIRECTOR'S REVIEW

For the Nine Months Ended September 30, 2017

On behalf of the Board of Directors, I am pleased to present the financial results of Sindh Microfinance Bank Limited for the nine months ended September 30, 2017

Operational & Financial Performance

Sindh Microfinance bank (SMFB) was issued province based license by State Bank of Pakistan on October 16, 2015 and obtained certificate of commencement to start microfinance banking on April 15, 2016. The Mission of the bank is to reduce social and economic poverty by creating opportunities for low income households especially women through cost effective and financially sustainable products and services. SMFB operates with a network of Eight (8) Branches and Thirty one (31) Service Centers in Eleven (11) districts of Sindh province.

Financial Highlights

| | Nine month Ended September 30,2017 | Nine Months Ended September 30, 2016 | Growth % |
|-----------------------|---|---|-------------|
| | ----- (Rupees in Million) ----- | | |
| Interest / Mark up | 82.32 | 42.77 | 92% |
| Admin Expenses | 57.12 | 25.88 | 121% |
| Profit After Taxation | 15.24 | 10.84 | 41% |
| Advances | 245.55 | 20.34 | 1,107% |
| No. of Borrowers. | 17,360 | 1,110 | 1,464% |
| No. of Br./Sc. | 39 | 12 | 225% |

SMFB has been able to achieve healthy growth in various operating and financial parameters and put up a solid performance in a competitive market by achieving increased revenues, higher operating profits and covering more than 17,360 clients with Rs.245.54 million loan portfolio at the end of September 30, 2017.

The pre-tax profit of SMFB is Rs. 23.15 million as compared to corresponding period profit of PKR 16.68 and accumulated profit stands at Rs. 32.18 million as of September 30, 2017. With strength of 16 staff at Head office, 21 at Branches and 146 at Service Centers, the return on funds, placements and interest on advances stood at Rs.82.32. Overall, performance reflects the banks' strength and ability

to demonstrate efficient use of its resources and make reasonably significant profit.

Future Strategy

SMFB is marching ahead to render best financial services through customer friendly products at client's door step while keeping in mind that these services should be provided in financially sustained manner. We realize that there is still tremendous potential to improve and better our efforts horizontally & vertically in serving our customers across the Sindh province. In the last quarter of this year the Bank will open two more Branches (one each in Sakrand & Shahdadpur) and nine Micro-credit centers in rural & semi-urban area like Daur, Hala, Tando Mohammad Khan etc.

We are committed to expand our operations while ensuring the high levels of ethical standards, professional integrity, corporate governance and regulatory compliance.

Acknowledgement

The Board of Directors would like to place on record the gratitude for all the guidance and co-operation received from the State bank of Pakistan, SECP, regulatory agencies and Sindh Bank Ltd. The Board would also like to place on record its appreciation for the hard work, dedication and sincere efforts of the senior management, officers and staff of the bank at all levels.

On behalf of the Board.

Shoaib Arif
President & CEO

SINDH MICROFINANCE BANK LIMITED
CONDENSED INTERIM BALANCE SHEET - (UN-AUDITED)
AS AT SEPTEMBER 30, 2017

| | | September 30, 2017 (Un-audited) | December 31, 2016 (Audited) |
|--|------|---------------------------------------|-----------------------------------|
| | Note | -----Rupees----- | |
| ASSETS | | | |
| Cash and balances with SBP and NBP | | 1,054,219 | 1,949,600 |
| Balances with other banks | | 496,426,375 | 580,005,055 |
| Lending to financial institutions | | - | 100,000,000 |
| Investment - net of provisions | | - | - |
| Advances - net of provisions | 6 | 245,553,890 | 68,657,071 |
| Operating fixed assets | 7 | 9,051,578 | 7,399,608 |
| Other assets | 8 | 43,746,961 | 22,680,807 |
| Deferred tax asset - net | | - | - |
| Total assets | | 795,833,023 | 780,692,141 |
| LIABILITIES | | | |
| Deposits and other accounts | 9 | 185,834 | 1,138,626 |
| Borrowings | | - | - |
| Subordinated debt | | - | - |
| Other liabilities | 10 | 2,590,964 | 1,472,269 |
| Deferred tax liabilities - net | 11 | 145,080 | 407,907 |
| Total liabilities | | 2,921,878 | 3,018,802 |
| NET ASSETS | | 792,911,145 | 777,673,339 |
| REPRESENTED BY: | | | |
| Share capital | 12 | 750,000,000 | 750,000,000 |
| Statutory and General Reserves | 13 | 8,582,228 | 5,534,666 |
| Depositors' protection fund | 14 | 2,145,557 | 1,383,667 |
| Unappropriated profit | | 32,183,360 | 20,755,006 |
| | | 792,911,145 | 777,673,339 |
| Surplus/(deficit) on revaluation of assets | | - | - |
| Deferred grants | | - | - |
| TOTAL EQUITY | | 792,911,145 | 777,673,339 |

MEMORANDUM / OFF BALANCE SHEET ITEMS

15

The annexed notes from 1 to 19 form an integral part of these condensed interim financial information.



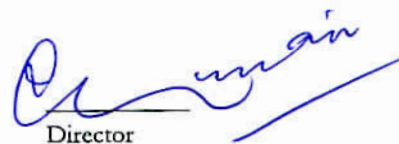
 President / Chief Executive



 Chairman



 Director



 Director

SINDH MICROFINANCE BANK LIMITED
CONDENSED INTERIM PROFIT & LOSS ACCOUNT (UN-AUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017

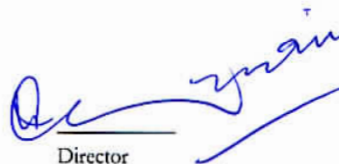
| | Nine months Ended | | Quarter ended | |
|---|---------------------|---------------------|---------------------|--------------------|
| | September 30, 2017 | September 30, 2016 | September 30, 2017 | September 30, 2016 |
| Note | -----Rupees----- | | | |
| Mark-up / return / interest earned | 16 82,320,457 | 42,776,450 | 32,595,905 | 16,041,612 |
| Mark-up / return / interest expensed | - | - | - | - |
| Net mark-up / interest income | 82,320,457 | 42,776,450 | 32,595,905 | 16,041,612 |
| Provision against non-performing loans and advances | (1,786,846) | (205,510) | (639,593) | (159,641) |
| Provision for diminution in the value of investments | - | - | - | - |
| Bad debts written off directly | (264,735) | - | (174,863) | - |
| Net mark-up / interest income after provisions | 80,268,876 | 42,570,940 | 31,781,449 | 15,881,971 |
| NON MARK-UP/ NON INTEREST INCOME | | | | |
| Fee, commission and brokerage income | - | - | - | - |
| Dividend income | - | - | - | - |
| Other income | 8,925 | - | 8,800 | - |
| | 8,925 | - | 8,800 | - |
| Total non mark-up / non interest income | 80,277,801 | 42,570,940 | 31,790,249 | 15,881,971 |
| NON MARKUP/ NON INTEREST EXPENSE | | | | |
| Administrative expenses | (57,121,336) | (25,888,909) | (21,150,332) | (9,161,427) |
| Other provisions/write offs | - | - | - | - |
| Other charges | - | - | - | - |
| Total non mark-up / non interest expenses | (57,121,336) | (25,888,909) | (21,150,332) | (9,161,427) |
| Extra ordinary / unusual items | - | - | - | - |
| Profit before taxation | 23,156,465 | 16,682,031 | 10,639,917 | 6,720,544 |
| Taxation | | | | |
| - current | (8,181,485) | (5,774,262) | (3,800,236) | (2,393,580) |
| - prior | - | - | - | - |
| - deferred | 262,827 | (61,146) | 262,827 | - |
| | (7,918,658) | (5,835,408) | (3,537,409) | (2,393,580) |
| Profit after taxation | 15,237,807 | 10,846,623 | 7,102,508 | 4,326,964 |
| Unappropriated profit - brought forward | 20,755,006 | 11,409,618 | - | - |
| Profit available for appropriation | 35,992,813 | 22,256,241 | 7,102,508 | 4,326,964 |
| APPROPRIATIONS : | | | | |
| Transfer to | | | | |
| - statutory reserve | 3,047,561 | 2,173,506 | 1,420,502 | - |
| - capital reserve | - | - | - | - |
| - contribution to depositors' protection fund | 761,890 | 542,331 | 355,125 | - |
| - revenue reserve | - | - | - | - |
| - proposed dividend | - | - | - | - |
| Unappropriated profit - carried forward | 32,183,362 | 19,540,404 | 5,326,881 | 4,326,964 |
| EARNINGS PER SHARE | 0.20 | 0.14 | 0.09 | 0.06 |

The annexed notes from 1 to 19 form an integral part of these condensed interim financial information.


 President / Chief Executive


 Chairman

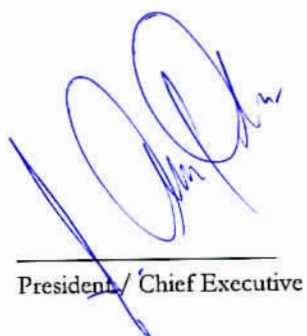

 Director


 Director

SINDH MICROFINANCE BANK LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017

| | Nine months ended | | Quarter ended | |
|--|-------------------|-------------------|------------------|------------------|
| | Sep 30, 2017 | Sep 30, 2016 | Sep 30, 2017 | Sep 30, 2016 |
| -----Rupees----- | | | | |
| Profit after taxation for the period | 15,237,807 | 10,846,623 | 7,102,508 | 4,326,964 |
| Other comprehensive income: | | | | |
| Components of comprehensive income transferred to equity | | | | |
| - Items that will not be reclassified to profit and loss account in subsequent periods | - | - | - | - |
| - Items that will be subsequently reclassified to profit and loss subsequent periods | - | - | - | - |
| Total Comprehensive income for the period transferred to equity | <u>15,237,807</u> | <u>10,846,623</u> | <u>7,102,508</u> | <u>4,326,964</u> |
| Components of comprehensive income not reflected in equity | | | | |
| - Surplus/ (deficit) on revaluation of assets | - | - | - | - |
| - Deferred grants | - | - | - | - |
| Total comprehensive income for the period | <u>15,237,807</u> | <u>10,846,623</u> | <u>7,102,508</u> | <u>4,326,964</u> |

The annexed notes from 1 to 19 form an integral part of these condensed interim financial information.



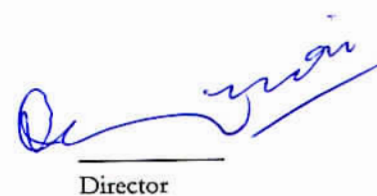
 President/ Chief Executive



 Chairman



 Director



 Director

SINDH MICROFINANCE BANK LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017

| | Reserve | | | | Total |
|--|-------------------------------|-----------------------------|------------------------------|-------------------|--------------------|
| | Capital | | Revenue | | |
| | Statutory and general reserve | Depositors' protection fund | Unappropriated profit/(loss) | | |
| Share capital | | | | | |
| -----Rupees----- | | | | | |
| Balance as at June 30, 2016 (Un-audited) | 750,000,000 | 4,346,494 | 1,086,624 | 16,299,362 | 771,732,480 |
| Total comprehensive income for the period | | | | | |
| Profit after tax for the period | - | - | - | 5,940,859 | 5,940,859 |
| Other comprehensive income - net of tax | - | - | - | - | - |
| Total comprehensive income for the period | - | - | - | 5,940,859 | 5,940,859 |
| Transfer to statutory reserve (note 13) | - | 1,188,172 | - | (1,188,172) | - |
| Transfer to depositors' protection fund (note 14) | - | - | 297,043 | (297,043) | - |
| Balance as at December 31, 2016 (Audited) | 750,000,000 | 5,534,666 | 1,383,667 | 20,755,006 | 777,673,339 |
| Total comprehensive income for the period | | | | | |
| Profit after tax for the period | - | - | - | 8,135,298 | 8,135,298 |
| Other comprehensive income - net of tax | - | - | - | - | - |
| Total comprehensive income for the period | - | - | - | 8,135,298 | 8,135,298 |
| Transfer to statutory reserve (note 13) | - | 1,627,060 | - | (1,627,060) | - |
| Transfer to depositors' protection fund (note 14) | - | - | 406,765 | (406,765) | - |
| Balance as at June 30, 2017 (Un-audited) | 750,000,000 | 7,161,726 | 1,790,432 | 26,856,479 | 785,808,637 |
| Total comprehensive income for the period | | | | | |
| Profit after taxation for the period | - | - | - | 7,102,508 | 7,102,508 |
| Other comprehensive income - net of tax | - | - | - | - | - |
| Total comprehensive income for the period | - | - | - | 7,102,508 | 7,102,508 |
| Transfer to statutory reserve (note 13) | - | 1,420,502 | - | (1,420,502) | - |
| Transfer to depositors' protection fund (note 14) | - | - | 355,125 | (355,125) | - |
| Balance as at September 30, 2017 (Un-audited) | 750,000,000 | 8,582,228 | 2,145,557 | 32,183,360 | 792,911,145 |

The annexed notes from 1 to 19 form an integral part of these condensed interim financial information.




 President / Chief Executive



 Chairman



 Director



 Director

SINDH MICROFINANCE BANK LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017

| | September 30, 2017 | September 30, 2016 |
|---|-----------------------|-------------------------|
| CASH FLOW FROM OPERATING ACTIVITIES | Note | -----Rupees----- |
| Profit before taxation | 23,156,465 | 16,682,031 |
| Adjustments for non - Cash Items : | | |
| Depreciation and amortisation | 1,284,035 | 652,945 |
| Provision against non-performing advances | 1,786,846 | 205,510 |
| Operating cash flows before changes in working capital | 26,227,346 | 17,540,486 |
| (Increase) / decrease in operating assets | | |
| Lending to financial institutions | 100,000,000 | 100,000,000 |
| Advances | (178,683,665) | (20,550,999) |
| Other assets (excluding advance taxation) | (21,426,626) | (13,525,962) |
| | (100,110,291) | 65,923,039 |
| (Decrease) / increase in operating liabilities | | |
| Deposits and other accounts | (952,792) | 11,101 |
| Other liabilities (excluding current taxation) | 1,118,695 | (766,937) |
| | 165,903 | (755,836) |
| Cash (used in) / generated from operations | (73,717,042) | 82,707,689 |
| Income tax paid | (7,821,014) | (5,694,617) |
| Net cash (used in) / flow from operating activities | (81,538,056) | 77,013,072 |
| CASH FLOW FROM INVESTING ACTIVITIES | | |
| Acquisition of operating fixed assets | 7.1 (2,936,005) | (5,069,632) |
| Net cash used in investing activities | (2,936,005) | (5,069,632) |
| CASH FLOW FROM FINANCING ACTIVITIES | | |
| Proceeds from issue of share capital | - | - |
| Net cash flow from financing activities | - | - |
| Net (decrease) / increase in cash and cash equivalents | (84,474,061) | 71,943,440 |
| Cash and cash equivalents at the beginning of the period | 581,954,655 | 555,853,749 |
| Cash and cash equivalents at the end of the period | 497,480,594 | 627,797,189 |

The annexed notes from 1 to 19 form an integral part of these condensed interim financial information.




 President / Chief Executive



 Chairman



 Director



 Director

SINDH MICROFINANCE BANK LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE HALF YEAR ENDED SEPTEMBER 30, 2017

1 STATUS AND NATURE OF BUSINESS

Sindh Microfinance Bank Limited ('the Bank') was incorporated on March 27, 2015 as a public Company limited by shares under the Companies Ordinance, 1984. The Bank has obtained Microfinance banking license from SBP on October 16, 2015, to operate in the province of Sindh. Subsequently the Bank has received the certificate of commencement of business from Securities & Exchange Commission of Pakistan (SECP) on November 30, 2015, and received Letter for Commencement of Microfinance Banking Business on April 15, 2016 from SBP. The Bank registered office is situated at 39/F 2nd Floor, Muhammad Ali Cooperative Housing Society, Karachi.

The Bank principal business is to provide microfinance services to the poor and underserved segment of the society with a view to alleviate poverty under the Microfinance Institution Ordinance, 2001.

The Bank is a wholly owned subsidiary of Sindh Bank Limited.

2 BASIS OF PRESENTATION

This condensed interim financial information has been presented in accordance with the requirements of Banking Surveillance Department Circular No.11 dated December 30, 2003 issued by the State Bank of Pakistan (SBP).

3 STATEMENT OF COMPLIANCE

This condensed interim financial information have been prepared, in accordance with the requirements of the International Accounting Standard 34 - 'Interim Financial Reporting', provisions of the Companies Ordinance, 1984, the Microfinance Institutions Ordinance, 2001, the Prudential Regulation for Microfinance Banks and directives issued by the Securities and Exchange Commission of Pakistan (SECP) and the State Bank of Pakistan (SBP). In case where requirements differ, the provisions of the Companies Ordinance, 1984, the Microfinance Institution Ordinance, 2001, the Prudential Regulation for Microfinance Banks and the said directives have been followed.

The State Bank of Pakistan has deferred the applicability of International Accounting Standard (IAS) 39, 'Financial Instruments: Recognition and Measurement' and International Accounting Standard (IAS) 40, 'Investment Property'. Further, the SECP has deferred the applicability of International Financial Reporting Standard (IFRS) 7, 'Financial Instruments : Disclosures' through its notification S.R.O. No. 411(I)/2008 dated April 28, 2008. Accordingly the requirements of these standards have not been considered in the preparation of these financial statements. However, investments have been classified and valued in accordance with the requirements prescribed by SBP BSD through various circulars / regulations.

4 BASIS OF MEASUREMENT

4.1 Accounting convention

These condensed interim financial information have been prepared under the historical cost convention.

Critical accounting estimates and judgments

The preparation of these condensed interim financial information in conformity with approved accounting standards requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and income and expenses. It also requires management to exercise judgment in the application of its accounting policies. The estimates and assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. The estimates and assumptions are viewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

The significant judgments made by management in applying its accounting policies and the key sources of estimation uncertainty were the same as those applied in the preparation of the annual audited financial statements for the year ended December 31, 2016.

SINDH MICROFINANCE BANK LIMITED
 NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
 FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- 5.1 The accounting policies adopted in the preparation of these condensed interim financial information are consistent with those applied in the preparation of financial statements of the Bank for the year ended December 31, 2016.
- 5.2 The financial risk management objectives and policies adopted by the Bank are consistent with those disclosed with the annual audited financial statements for the year ended December 31, 2016.

| 6 | ADVANCES - NET OF PROVISIONS | September 30, 2017 (Un-audited) | | December 31, 2016 (Audited) | |
|-----|--|------------------------------------|-----------------------|---------------------------------------|-----------------------------------|
| | | Number of loans outstanding | Amount outstanding | Number of loans outstanding | Amount outstanding |
| | | ---Rupees--- | | ---Rupees--- | |
| | Loan type | | | | |
| | Micro credit | 17,360 | 248,034,242 | 3,837 | 69,350,577 |
| | Micro lease | - | - | - | - |
| | Less: Provision held | | | | |
| | - Specific provision | | - | | - |
| | - General provision | | (2,480,352) | | (693,506) |
| | | | (2,480,352) | | (693,506) |
| | | | <u>245,553,890</u> | | <u>68,657,071</u> |
| | | | | September 30, 2017 (Un-audited) | December 31, 2016 (Audited) |
| | | | | -----Rupees----- | |
| 7 | OPERATING FIXED ASSETS | | | | |
| | Fixed assets | | | 7,909,312 | 6,002,342 |
| | Intangible asset | | | 1,142,266 | 1,397,266 |
| | | | | <u>9,051,578</u> | <u>7,399,608</u> |
| 7.1 | Additions during the period - at cost | | | | |
| | Office equipments | | | 1,995,953 | 3,763,545 |
| | Office improvements | | | 560,052 | 316,750 |
| | Furniture and fixtures | | | 380,000 | 164,000 |
| | Intangibles | | | - | 1,710,938 |
| | | | | <u>2,936,005</u> | <u>5,955,233</u> |
| 8 | OTHER ASSETS | | | | |
| | Security deposit, prepayments & others | | | 10,137,492 | 8,310,714 |
| | Interest receivable on placement | | | 24,951,667 | 8,671,035 |
| | Interest receivable on advances | | | 4,496,030 | 1,176,814 |
| | Advance tax - net of provision | | | 4,161,772 | 4,522,244 |
| | | | | <u>43,746,961</u> | <u>22,680,807</u> |
| 9 | DEPOSITS | | | | |
| | Current | | | 75 | 1,100,100 |
| | Saving | | | 185,759 | 38,526 |
| | | | | <u>185,834</u> | <u>1,138,626</u> |
| 10 | OTHER LIABILITIES | | | | |
| | Accrued expenses | | | 1,997,343 | 1,002,654 |
| | EOBI payable | | | 115,499 | 70,979 |
| | Employee provident fund payable | | | 398,122 | 251,636 |
| | Audit fee payable | | | 80,000 | 147,000 |
| | | | | <u>2,590,964</u> | <u>1,472,269</u> |

SINDH MICROFINANCE BANK LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017

| | | September 30, 2017 (Un-audited) | December 31, 2016 (Audited) |
|--|---------------------------------------|--|-----------------------------------|
| -----Rupees----- | | | |
| 11 DEFERRED TAX LIABILITIES | | | |
| Opening balance | | 407,907 | (1,082,485) |
| Charge during the year | | <u>(262,827)</u> | <u>1,490,392</u> |
| Closing balance | | <u>145,080</u> | <u>407,907</u> |
| 12 SHARE CAPITAL | | | |
| | September 30, 2017 (Un-audited) | December 31, 2016 (Audited) | |
| | -----Number of shares----- | | |
| 12.1 Authorized capital | | | |
| | <u>100,000,000</u> | <u>100,000,000</u> | |
| | | Ordinary shares of Rs. 10/- each | <u>1,000,000,000</u> |
| | | | <u>1,000,000,000</u> |
| 12.2 Issued, subscribed and paid-up share capital | | | |
| | <u>75,000,000</u> | <u>75,000,000</u> | |
| | | Ordinary shares of Rs. 10/- each fully paid in cash | <u>750,000,000</u> |
| | | | <u>750,000,000</u> |

13 STATUTORY AND GENERAL RESERVES

In accordance with the requirements of the Microfinance Institution Ordinance, 2001 and the Prudential Regulations for Microfinance Banks issued by SBP (Prudential Regulations), the Bank has transferred an amount equivalent to 20% of profit after tax to the statutory and general reserves.

14 DEPOSITORS' PROTECTION FUND

In accordance with the requirements of the Microfinance Institution Ordinance, 2001 and the Prudential Regulations, the Bank has transferred an amount equivalent to 5% of profit after tax to the Depositors' protection fund.

15 MEMORANDUM/OFF BALANCE SHEET ITEMS

There are no memorandum/off balance sheet items as at the end of Sep 30, 2017 (December 31, 2016: Nil).

| | Nine months ended | | Quarter ended | |
|--|-----------------------|-----------------------|-----------------------|-----------------------|
| | September 30, 2017 | September 30, 2016 | September 30, 2017 | September 30, 2016 |
| | (Un-audited) | | (Un-audited) | |
| -----Rupees----- | | | | |
| 16 MARK-UP/RETURN/INTEREST EARNED | | | | |
| On deposits accounts and placements | 37,664,449 | 41,554,679 | 12,034,295 | 14,916,595 |
| On loans and advances | <u>44,656,008</u> | <u>1,221,771</u> | <u>20,561,610</u> | <u>1,125,017</u> |
| | <u>82,320,457</u> | <u>42,776,450</u> | <u>32,595,905</u> | <u>16,041,612</u> |

17 TRANSACTIONS WITH RELATED PARTIES

Related parties of the Bank comprises of Sindh Bank Limited (holding company), associates (including entities having directors in common with the Bank), major shareholders, directors and key management personnel and their close family members.

Balances with related parties have been disclosed in their respective notes. Transactions with related parties other than those disclosed elsewhere in the condensed interim financial information are summarized as follows:

SINDH MICROFINANCE BANK LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017

| | September 30, 2017 (Un-audited) | December 31, 2016 (Audited) |
|---|---------------------------------------|---------------------------------------|
| | -----Rupees----- | |
| <u>Balances with related parties</u> | | |
| Balances in deposit accounts - Sindh Bank Limited (holding company) | <u>39,380,406</u> | <u>180,005,055</u> |
| Prepaid insurance expense - other related party | <u>279,396</u> | <u>151,591</u> |
| | September 30, 2017 (Un-audited) | September 30, 2016 (Un-audited) |
| <u>Transactions with related parties</u> | | |
| Mark-up on deposits accounts - Sindh Bank Limited (holding company) | <u>3,956,652</u> | <u>9,679,004</u> |
| Directors' fee | <u>135,000</u> | <u>105,000</u> |
| Insurance expense - other related party | <u>383,554</u> | <u>78,608</u> |

18 GENERAL

Corresponding figures have been rearranged / reclassified for the purpose of better presentation / comparison. However, no material rearrangement / reclassification have been made in these financial statements.

Figures have been rounded off to the nearest rupee unless otherwise stated.

19 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial information were approved and authorized for issue by the Board of Directors on _____



 President / Chief Executive



 Chairman



 Director



 Director