

LCR Disclosure as of Dec 31, 2018

| <i>(in local currency)</i> | | TOTAL UNWEIGHTED VALUE (average) | TOTAL WEIGHTED VALUE (average) |
|-----------------------------------|--|-------------------------------------|-----------------------------------|
| HIGH QUALITY LIQUID ASSETS | | | |
| 1 | Total high quality liquid assets (HQLA) | 653 | 653 |
| CASH OUTFLOWS | | | |
| 2 | Retail deposits and deposits from small business customers of which: | | |
| 2.1 | stable deposit | - | - |
| 2.2 | Less stable deposit | - | - |
| 3 | Unsecured wholesale funding of which: | | |
| 3.1 | Operational deposits (all counterparties) | - | - |
| 3.2 | Non-operational deposits (all counterparties) | | |
| 3.3 | Unsecured debt | - | - |
| 4 | Secured wholesale funding | - | - |
| 5 | Additional requirements of which: | | |
| 5.1 | Outflows related to derivative exposures and other collateral requirements | | |
| 5.2 | Outflows related to loss of funding on debt products | | |
| 5.3 | Credit and Liquidity facilities | | |
| 6 | Other contractual funding obligations | | |
| 7 | Other contingent funding obligations | 1,850 | 1,850 |
| 8 | TOTAL CASH OUTFLOWS | 1,850 | 1,850 |
| CASH INFLOWS | | | |
| 9 | Secured lending | - | - |
| 10 | Inflows from fully performing exposures | 912 | 912,000 |
| 11 | Other Cash inflows | 504,566 | 500,000 |
| 12 | TOTAL CASH INFLOWS | 505,478 | 1,412,000 |
| TOTAL ADJUSTED VALUE | | | |
| 21 | TOTAL HQLA | | 653 |
| 22 | TOTAL NET CASH OUTFLOWS | | 463 |
| 23 | LIQUIDITY COVERAGE RATIO | | 141% |

NSFR Disclosure as of Dec 31, 2018

LR IX

| | | unweighted value by residual maturity | | | | weighted value |
|-------------------------------------|---|---------------------------------------|------------|--------------------|-----------|------------------|
| | | No Maturity | < 6 months | 6 months to < 1 yr | ≥ 1 yr | |
| <i>(Amount in PKR in thousands)</i> | | | | | | |
| ASF Item | | | | | | |
| 1 | Capital: | | | | | |
| 2 | Regulatory capital | 3,701,981 | | | | 3,701,981 |
| 3 | Other capital instruments | - | | | | - |
| 4 | Retail deposits and deposit from small business customers: | | | | | |
| 5 | Stable deposits | - | | | | - |
| 6 | Less stable deposits | - | | | | - |
| 7 | Wholesale funding: | | | | | |
| 8 | Operational deposits | - | | | | - |
| 9 | Other wholesale funding | | | - | | - |
| 10 | Other liabilities: | | | | | |
| 11 | NSFR derivative liabilities | | | | - | - |
| 12 | All other liabilities and equity not included in other categories | 36,588 | - | - | - | - |
| 13 | Total ASF | | | | | 3,701,981 |
| RSF item | | | | | | |
| 14 | Total NSFR high-quality liquid assets (HQLA) | | | | 1,010,286 | - |
| 15 | Deposits held at other financial institutions for operational purposes | 4,566 | | | | 2,283 |
| 16 | Performing loans and securities: | | | | | |
| 17 | Performing loans to financial institutions secured by Level 1 HQLA | - | | | | - |
| 18 | Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions | | 928,190 | 17,138 | | 147,798 |
| 19 | Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which: | | | | | |
| 20 | With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk | | | | - | - |
| 21 | Securities that are not in default and do not qualify as HQLA including exchange-traded equities. | | | | - | - |
| 22 | Other assets: | | | | | |
| 23 | Physical traded commodities, including gold | | | | | |
| 24 | Assets posted as initial margin for derivative contracts | | | | | |
| 25 | NSFR derivative assets | | | | - | - |
| 26 | NSFR derivative liabilities before deduction of variation margin posted | | | | - | - |
| 27 | All other assets not included in the above categories | | 1,289,501 | 500,000 | - | 1,539,501 |
| 28 | Off-balance sheet items | | - | | | - |
| 29 | Total RSF | | | | | 1,689,582 |
| 30 | Net Stable Funding Ratio (%) | | | | | 219.11% |

Capital Adequacy Ratio

The capital to risk weighted assets ratio, calculated in accordance with the SBP guidelines on capital adequacy, under Basel III and Pre-Basel III treatment using Standardized Approach for Credit and Market Risks and Basic Indicator Approach for Operational Risk is presented below:

| Particulars | 2018 |
|--|-------------------------|
| | Amount |
| | ----- Rupees '000 ----- |
| Common Equity Tier 1 capital (CET1): Instruments and reserves | |
| - Fully paid-up capital / capital deposited with the SBP | 3,658,506 |
| - Balance in share premium account | - |
| - Reserve for issue of bonus shares | - |
| - Discount on issue of shares | - |
| - General / statutory reserves | 11,008 |
| - Gain / (losses) on derivatives held as cash flow hedge | - |
| - Unappropriated profit | 43,579 |
| - Minority interests arising from CET1 capital instruments issued to third party by consolidated bank subsidiaries (amount allowed in CET1 capital of the consolidation group) | - |
| CET 1 before regulatory adjustments | 3,713,093 |
| Total regulatory adjustments applied to CET1 | 11,112 |
| Common Equity Tier 1 (a) | 3,701,981 |
| Additional Tier 1 (AT 1) Capital | |
| - Qualifying Additional Tier-1 instruments plus any related share premium of which: | |
| - classified as equity | - |
| - classified as liabilities | - |
| - Additional Tier-1 capital instruments issued by consolidated subsidiaries and held by third parties of which: | |
| - instrument issued by subsidiaries subject to phase out | - |
| AT1 before regulatory adjustments | - |
| Total regulatory adjustment applied to AT1 capital | - |
| Additional Tier 1 capital after regulatory adjustments | - |
| Additional Tier 1 capital recognised for capital adequacy (b) | - |
| Tier 1 Capital (CET1 + admissible AT1) (c=a+b) | 3,701,981 |
| Tier 2 Capital | |
| - Qualifying Tier 2 capital instruments under Basel III | - |
| - Tier 2 capital instruments subject to phase out arrangement | - |
| - Tier 2 capital instruments issued to third party by consolidated subsidiaries of which: | |
| - instruments issued by subsidiaries subject to phase out | - |
| - General provisions or general reserves for loan losses-up to maximum of 1.25% of credit risk weighted assets | - |
| - Revaluation reserves of which: | |
| - revaluation reserves on fixed assets | - |
| - unrealized gain / (loss) on AFS | - |
| - Foreign exchange translation reserves | - |
| - Undisclosed / other reserves (if any) | - |
| T2 before regulatory adjustments | - |
| Total regulatory adjustment applied to T2 capital | - |
| Tier 2 capital (T2) after regulatory adjustments | - |
| Portion of Tier 1 capital recognised in Tier 2 capital | - |
| Total Tier 2 capital admissible for capital adequacy (d) | - |
| TOTAL CAPITAL (T1 + admissible T2) (e=c+d) | 3,701,981 |
| Total risk weighted assets | 683,043 |
| Capital ratios and buffers (in percentage of risk weighted assets) | |
| - CET1 to total RWA (a / i) | 541.98% |
| - Tier-1 capital to total RWA (c / i) | 541.98% |
| - Total capital to RWA (e / i) | 541.98% |
| - Bank specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus any other buffer requirement) of which: | 7.90% |
| - capital conservation buffer requirement | 1.90% |
| - counter cyclical buffer requirement | - |
| - Domestic Systemically Important Banks (SIB) or Global SIB buffer requirement | - |
| - CET1 available to meet buffers (as a percentage of risk weighted assets) | 534.08% |
| National minimum capital requirements prescribed by SBP | |
| - CET1 minimum ratio | 6.00% |
| - Tier 1 minimum ratio | 7.50% |
| - Total capital minimum ratio | 11.90% |

Regulatory Adjustments

| Particulars | 2018 | |
|-------------|--------|----------------------------|
| | Amount | Pre - Basel III treatment* |

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

Common Equity Tier 1 capital: Regulatory adjustments

| | | |
|--|---------------|----------|
| Goodwill (net of related deferred tax liability) | - | - |
| All other intangibles (net of any associated deferred tax liability) | 11,112 | - |
| Shortfall in provisions against classified assets | - | - |
| Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability) | - | - |
| Defined-benefit pension fund net assets | - | - |
| Reciprocal cross holdings in CET1 capital instruments of banking, financial and insurance entities | - | - |
| Cash flow hedge reserve | - | - |
| Investment in own shares / CET1 instruments | - | - |
| Securitization gain on sale | - | - |
| Capital shortfall of regulated subsidiaries | - | - |
| Deficit on account of revaluation from bank's holdings of fixed assets / AFS | - | - |
| Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold) | - | - |
| Significant investments in the common stocks of banking, financial and insurance entities that are outside the scope of regulatory consolidation (amount above 10% threshold) | - | - |
| Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability) | - | - |
| Amount exceeding 15% threshold | - | - |
| of which: significant investments in the common stocks of financial entities | - | - |
| of which: deferred tax assets arising from temporary differences | - | - |
| National specific regulatory adjustments applied to CET1 capital | - | - |
| Investments in TFCs of other banks exceeding the prescribed limit | - | - |
| Any other deduction specified by SBP (mention details) | - | - |
| Adjustment to CET1 due to insufficient AT1 and Tier 2 to cover deductions | - | - |
| Total regulatory adjustments applied to CET1 | 11,112 | - |

Additional Tier-1 & Tier-1 Capital: regulatory adjustments

| | | |
|--|----------|----------|
| Investment in mutual funds exceeding the prescribed limit [SBP specific adjustment] | - | - |
| Investment in own AT1 capital instruments | - | - |
| Reciprocal cross holdings in Additional Tier 1 capital instruments of banking, financial and insurance entities | - | - |
| Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold) | - | - |
| Significant investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation | - | - |
| Portion of deduction applied 50:50 to Tier-1 and Tier-2 capital based on pre-Basel III treatment which, during transitional period, remain subject to deduction from additional tier-1 capital | - | - |
| Adjustments to additional Tier 1 due to insufficient Tier 2 to cover deductions | - | - |
| Total regulatory adjustment applied to AT1 capital | - | - |

Tier 2 Capital: regulatory adjustments

| | | |
|--|----------|----------|
| Portion of deduction applied 50:50 to Tier-1 and Tier-2 capital based on pre-Basel III treatment which, during transitional period, remain subject to deduction from tier-2 capital | - | - |
| Reciprocal cross holdings in Tier 2 instruments of banking, financial and insurance entities | - | - |
| Investment in own Tier 2 capital instrument | - | - |
| Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold) | - | - |
| Significant investments in the capital instruments issued by banking, financial and insurance entities that are outside the scope of regulatory consolidation | - | - |
| Total regulatory adjustment applied to T2 capital | - | - |

Additional Information

2018
----- Rupees '000 -----

"Risk Weighted Assets" subject to pre-Basel III treatment

| | |
|--|---|
| Risk weighted assets in respect of deduction items (which during the transitional period will be risk weighted subject to Pre-Basel III Treatment) | - |
| of which: deferred tax assets | - |
| of which: defined-benefit pension fund net assets | - |
| of which: recognized portion of investment in capital of banking, financial and insurance entities where holding is less than 10% of the issued common share capital of the entity | - |
| of which: recognized portion of investment in capital of banking, financial and insurance entities where holding is more than 10% of the issued common share capital of the entity | - |

Amounts below the thresholds for deduction (before risk weighting)

| | |
|---|---|
| Non-significant investments in the capital of other financial entities | - |
| Significant investments in the common stock of financial entities | - |
| Deferred tax assets arising from temporary differences (net of related tax liability) | - |

Applicable caps on the inclusion of provisions in Tier 2

| | |
|--|---|
| Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardized approach (prior to application of cap) | - |
| Cap on inclusion of provisions in Tier 2 under standardized approach | - |
| Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap) | - |
| Cap for inclusion of provisions in Tier 2 under internal ratings-based approach | - |

Capital Structure Reconciliation

Reconciliation of each financial statement line item to item under regulatory scope of reporting

| Particulars | 2018 | |
|---|-----------------------|-------------------------------------|
| | Balance sheet | Under regulatory scope of reporting |
| | -----Rupees '000----- | |
| Assets | | |
| Cash and balances with treasury banks | 653 | 653 |
| Balances with other banks | 504,566 | 504,566 |
| Lendings to financial institutions | 912,000 | 912,000 |
| Investments | 1,009,632 | 1,009,632 |
| Advances | 1,200,000 | 1,200,000 |
| Operating fixed assets | 56,179 | 56,179 |
| Deferred tax assets - net | - | - |
| Other assets | 66,651 | 66,651 |
| Total assets | 3,749,681 | 3,749,681 |
| Liabilities and equity | | |
| Bills payable | - | - |
| Borrowings | - | - |
| Deposits and other accounts | - | - |
| Sub-ordinated loans | - | - |
| Liabilities against assets subject to finance lease | - | - |
| Deferred tax liabilities - net | - | - |
| Other liabilities | 36,588 | 36,588 |
| Total liabilities | 36,588 | 36,588 |
| Represented by: | | |
| Share capital | 3,658,506 | 3,658,506 |
| Reserves | 11,008 | 11,008 |
| Unappropriated profit | 43,579 | 43,579 |
| Surplus on revaluation of assets - net of tax | - | - |
| | 3,713,093 | 3,713,093 |
| Total liabilities and equity | 3,749,681 | 3,749,681 |

Reconciliation of balance sheet to eligible regulatory capital

| Particulars | Reference | Balance sheet as in published financial statements | Under regulatory scope of reporting |
|--|-----------|--|-------------------------------------|
| -----Rupees '000----- | | | |
| Assets | | | |
| Cash and balances with treasury banks | | 653 | 653 |
| Balances with other banks | | 504,566 | 504,566 |
| Lendings to financial institutions | | 912,000 | 912,000 |
| Investments of which: | | 1,009,632 | 1,009,632 |
| - non-significant capital investments in capital of other financial institutions exceeding 10% threshold | a | - | - |
| - significant capital investments in financial sector entities exceeding regulatory threshold | b | - | - |
| - mutual funds exceeding regulatory threshold | c | - | - |
| - reciprocal crossholding of capital instrument | d | - | - |
| - others | e | - | - |
| Advances | | 1,200,000 | 1,200,000 |
| - shortfall in provisions / excess of total EL amount over eligible provisions under IRB | f | - | - |
| - general provisions reflected in Tier 2 capital | g | - | - |
| Operating fixed assets of which: | | 56,179 | 56,179 |
| - Intangibles | k | 11,112 | 11,112 |
| Deferred tax assets of which: | | - | - |
| - DTAs that rely on future profitability excluding those arising from temporary differences | h | - | - |
| - DTAs arising from temporary differences exceeding regulatory threshold | i | - | - |
| Other assets of which: | | 66,651 | 66,651 |
| - goodwill | j | - | - |
| - defined-benefit pension fund net assets | l | - | - |
| Total assets | | 3,749,681 | 3,749,681 |
| Liabilities and Equity | | | |
| Bills payable | | - | - |
| Borrowings | | - | - |
| Deposits and other accounts | | - | - |
| Sub-ordinated loans of which: | | - | - |
| - eligible for inclusion in AT1 | m | - | - |
| - eligible for inclusion in Tier 2 | n | - | - |
| Liabilities against assets subject to finance lease | | - | - |
| Deferred tax liabilities of which: | | - | - |
| - DTLs related to goodwill | o | - | - |
| - DTLs related to intangible assets | p | - | - |
| - DTLs related to defined pension fund net assets | q | - | - |
| - other deferred tax liabilities | r | - | - |
| Other liabilities | | 36,588 | 36,588 |
| Total liabilities | | 36,588 | 36,588 |
| Share capital | | 3,658,506 | 3,658,506 |
| - of which: amount eligible for CET1 | s | 3,658,506 | 3,658,506 |
| - of which: amount eligible for AT1 | t | - | - |
| Reserves of which: | | 11,008 | 11,008 |
| - portion eligible for inclusion in CET1 - Statutory reserves | u | 11,008 | 11,008 |
| - portion eligible for inclusion in CET1 - General and other reserves | | - | - |
| - portion eligible for inclusion in Tier 2 | v | - | - |
| Unappropriated profit | w | 43,579 | 43,579 |
| Minority Interest of which: | | - | - |
| - portion eligible for inclusion in CET1 | x | - | - |
| - portion eligible for inclusion in AT1 | y | - | - |
| - portion eligible for inclusion in Tier 2 | z | - | - |
| Surplus on revaluation of assets of which: | | - | - |
| - Revaluation reserves on fixed assets | | - | - |
| - Revaluation reserves on Non-banking assets acquired in satisfaction of claims | | - | - |
| - Unrealized gains / (losses) on AFS securities | aa | - | - |
| - In case of deficit on revaluation (deduction from CET1) | ab | - | - |
| Total liabilities and equity | | 3,749,681 | 3,749,681 |

Basel III Disclosure (with added column)

| Particulars | Source based on reference number | Component of regulatory capital reported by the Bank |
|--|----------------------------------|--|
| | | Rupees '000 |
| Common equity Tier 1 capital (CET1): instruments and reserves | | |
| 1 Fully paid-up capital | | 3,658,506 |
| 2 Balance in share premium account | (s) | - |
| 3 Reserve for issue of bonus shares | | - |
| 4 General / statutory reserves | (u) | 11,008 |
| 5 Gain / (losses) on derivatives held as cash flow hedge | (w) | - |
| 6 Unappropriated profit | (x) | 43,579 |
| 7 Minority interests arising from CET1 capital instruments issued to third party by consolidated bank subsidiaries (amount allowed in CET1 capital of the consolidation group) | (x) | - |
| 8 CET 1 before Regulatory Adjustments | | 3,713,093 |
| Common Equity Tier 1 capital: Regulatory adjustments | | |
| 9 Goodwill (net of related deferred tax liability) | (j) - (s) | - |
| 10 All other intangibles (net of any associated deferred tax liability) | (k) - (p) | 11,112 |
| 11 Shortfall of provisions against classified assets | (f) | - |
| 12 Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability) | (h) - (r) * x% | - |
| 13 Defined-benefit pension fund net assets | (l) - (q) * x% | - |
| 14 Reciprocal cross holdings in CET1 capital instruments | (d) | - |
| 15 Cash flow hedge reserve | | - |
| 16 Investment in own shares / CET1 instruments | | - |
| 17 Securitization gain on sale | | - |
| 18 Capital shortfall of regulated subsidiaries | | - |
| 19 Deficit on account of revaluation from bank's holdings of fixed assets / AFS securities | (ab) | - |
| 20 Investments in the capital instruments of banking, financial and insurance - entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold) | (a) - (ac) - (ae) | - |
| 21 Significant investments in the capital instruments issued by banking, - financial and insurance entities that are outside the scope of regulatory consolidation (amount above 10% threshold) | (b) - (ad) - (af) | - |
| 22 Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability) | (i) * x% | - |
| 23 Amount exceeding 15% threshold of which: - significant investments in the common stocks of financial entities - deferred tax assets arising from temporary differences | | - - - |
| 24 National specific regulatory adjustments applied to CET1 capital of which: - investment in TFCs of other banks exceeding the prescribed limit - any other deduction specified by the SBP | | - - - |
| 25 Regulatory adjustment applied to CET1 due to insufficient AT1 and - Tier 2 to cover deductions | | - - |
| 26 Total regulatory adjustments applied to CET1 | | 11,112 |
| Common equity tier 1 | | 3,701,981 |
| Additional Tier 1 (AT 1) Capital | | |
| 27 Qualifying additional Tier-1 instruments plus any related share premium of which: - classified as equity - classified as liabilities | (t) (m) | - - |
| 28 Additional Tier-1 capital instruments issued by consolidated subsidiaries and held by third parties - of which: instrument issued by subsidiaries subject to phase out | (y) | - - |
| 29 AT1 before regulatory adjustments | | - |

| Particulars | Source based on reference number | Component of regulatory capital reported by the Bank |
|--|--|--|
| | | Rupees '000 |
| Additional Tier 1 Capital: regulatory adjustments | | |
| 30 | Investment in mutual funds exceeding the prescribed limit (SBP specific adjustment) | - |
| 31 | Investment in own AT1 capital instruments | - |
| 32 | Reciprocal cross holdings in additional Tier 1 capital instruments | - |
| 33 | Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the Bank does not own more than 10% of the issued share capital (amount above 10% threshold) | - |
| | (ac) | |
| 34 | Significant investments in the capital instruments issued by banking, financial and insurance entities that are outside the scope of regulatory consolidation | - |
| | (ad) | |
| 35 | Portion of deduction applied 50:50 to core capital and supplementary capital based on pre-Basel III treatment which, during transitional period, remain subject to deduction from tier-1 capital | - |
| 36 | Regulatory adjustments applied to additional Tier 1 due to insufficient Tier 2 to cover deductions | - |
| 37 | Total of regulatory adjustment applied to AT1 capital | - |
| 38 | Additional Tier 1 capital | - |
| 39 | Additional Tier 1 capital recognised for capital adequacy | - |
| | Tier 1 Capital (CET1 + admissible AT1) | 3,701,981 |
| Tier 2 Capital | | |
| 40 | Qualifying Tier 2 capital instruments under Basel III | - |
| 41 | Capital instruments subject to phase out arrangement from Tier 2 | - |
| | (n) | |
| 42 | Tier 2 capital instruments issued to third party by consolidated subsidiaries - of which: instruments issued by subsidiaries subject to phase out | - |
| | (z) | |
| 43 | General Provisions or general reserves for loan losses-up to maximum of 1.25% of Credit Risk Weighted Assets | - |
| | (g) | |
| 44 | Revaluation reserves eligible for Tier 2 of which: - portion pertaining to fixed assets - portion pertaining to AFS securities | - |
| | | - |
| | | - |
| 45 | Foreign exchange translation reserves | - |
| | (v) | |
| 46 | Undisclosed / other reserves (if any) | - |
| 47 | T2 before regulatory adjustments | - |
| Tier 2 Capital: regulatory adjustments | | |
| 48 | Portion of deduction applied 50:50 to core capital and supplementary capital based on pre-Basel III treatment which, during transitional period, remain subject to deduction from tier-2 capital | - |
| 49 | Reciprocal cross holdings in Tier 2 instruments | - |
| | (d) | |
| 50 | Investment in own Tier 2 capital instruments | - |
| 51 | Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the Bank does not own more than 10% of the issued share capital (amount above 10% threshold) | - |
| | (ae) | |
| 52 | Significant investments in the capital instruments issued by banking, financial and insurance entities that are outside the scope of regulatory consolidation | - |
| | (af) | |
| 53 | Amount of regulatory adjustment applied to T2 capital | - |
| 54 | Tier 2 capital (T2) | - |
| 55 | Tier 2 capital recognised for capital adequacy | - |
| 56 | Excess additional Tier 1 capital recognised in Tier 2 capital | - |
| 57 | Total Tier 2 capital admissible for capital adequacy | - |
| | TOTAL CAPITAL (T1 + admissible T2) | 3,701,981 |

Main features of regulatory capital instruments

| S.No | Main Features | Common Shares |
|------|---|---|
| 1 | Issuer | Pakistan Mortgage Refinance Company Limited |
| 2 | Unique identifier (eg KSE Symbol or Bloomberg identifier etc.) | N/A |
| 3 | Governing law(s) of the instrument | Laws of Pakistan (SBP & SECP) |
| | Regulatory treatment | |
| 4 | Transitional Basel III rules | Common Equity Tier 1 |
| 5 | Post-transitional Basel III rules | Common Equity Tier 1 |
| 6 | Eligible at solo / group / group & solo | Group & Standalone |
| 7 | Instrument type | Ordinary Shares |
| 8 | Amount recognised in regulatory capital (Currency in PKR thousands, as of reporting date) | 3,658,506 |
| 9 | Par value of instrument | Rs 10 |
| 10 | Accounting classification | Shareholders' equity |
| 11 | Original date of issuance | Various |
| 12 | Perpetual or dated | Perpetual |
| 13 | Original maturity date | N/A |
| 14 | Issuer call subject to prior supervisory approval | No |
| 15 | Optional call date, contingent call dates and redemption amount | N/A |
| 16 | Subsequent call dates, if applicable | N/A |
| | Coupons / dividends | |
| 17 | Fixed or floating dividend / coupon | N/A |
| 18 | Coupon rate and any related index / benchmark | N/A |
| 19 | Existence of a dividend stopper | No |
| 20 | Fully discretionary, partially discretionary or mandatory | Fully discretionary |
| 21 | Existence of step up or other incentive to redeem | No |
| 22 | Non-cumulative or cumulative | N/A |
| 23 | Convertible or non-convertible | N/A |
| 24 | If convertible, conversion trigger (s) | N/A |
| 25 | If convertible, fully or partially | N/A |
| 26 | If convertible, conversion rate | N/A |
| 27 | If convertible, mandatory or optional conversion | N/A |
| 28 | If convertible, specify instrument type convertible into | N/A |
| 29 | If convertible, specify issuer of instrument it converts into | N/A |
| 30 | Write-down feature | N/A |
| 31 | If write-down, write-down trigger(s) | N/A |
| 32 | If write-down, full or partial | N/A |
| 33 | If write-down, permanent or temporary | N/A |
| 34 | If temporary write-down, description of write-up mechanism | N/A |
| 35 | Position in subordination hierarchy in liquidation | N/A |
| 36 | Non-compliant transitioned features | No |
| 37 | If yes, specify non-compliant features | N/A |

Risk Weighted Assets

| | Capital Requirements | Risk Weighted Assets |
|--|-------------------------|-------------------------|
| | 2018 | |
| | ----- Rupees '000 ----- | |
| Credit risk | | |
| On-Balance sheet | | |
| <i>Portfolios subject to standardized approach (Comprehensive)</i> | | |
| Sovereign | - | - |
| Public Sector entities | - | - |
| Banks | 48,337 | 406,196 |
| Corporate | - | - |
| Retail | - | - |
| Residential Mortgages | - | - |
| Past Due loans | - | - |
| Operating Fixed Assets | 5,363 | 45,067 |
| Other assets | 1,389 | 11,674 |
| | 55,090 | 462,937 |
| Off-Balance sheet | | |
| Non-market related | | |
| Loan Repayment Guarantees | - | - |
| Purchase and Resale Agreements | - | - |
| Performance Bonds etc | - | - |
| Revolving underwriting Commitments | - | - |
| Stand By Letters of Credit | - | - |
| Market related | | |
| Derivative Instruments | - | - |
| Foreign Exchange Contracts | - | - |
| | - | - |
| Equity Exposure Risk in the Banking Book | | |
| <i>Under simple risk weight method</i> | | |
| Listed Shares | - | - |
| Unlisted Shares | - | - |
| | - | - |
| Total Credit Risk-Weighted Exposures | 55,090 | 462,937 |
| Market Risk - capital requirement for portfolios subject to standardised approach | | |
| Interest rate risk | - | - |
| Equity position risk | - | - |
| Foreign exchange risk | - | - |
| Total market risk | - | - |
| Operational Risk - Capital requirement for operational risks | | |
| Total operational risk | 17,608 | 220,106 |
| | 72,698 | 683,043 |
| Capital Adequacy Ratio | | |
| | | 2018 |
| Total Eligible Regulatory Capital held | | 3,701,981 |
| | Required | Actual |
| CET1 to total RWA | 6.00% | 541.98% |
| Tier-1 capital to total RWA | 7.50% | 541.98% |
| Total capital to total RWA | 11.90% | 541.98% |

Leverage Ratio

The leverage ratio of the Bank for the year ended December 31, 2018 stood at 99.28% (2017: 11.22%).

| Particulars | <u>2018</u> <u>--- Rupees '000 ---</u> |
|--|---|
| On balance sheet exposures | |
| On-balance sheet items (excluding derivatives but including collateral) | 3,728,972 |
| Derivatives | - |
| A) Total On balance sheet exposures | <u>3,728,972</u> |
| Off balance sheet exposures | |
| Off-balance sheet items (excluding derivatives) | - |
| Commitment in respect of derivatives (derivatives having negative fair value are also included) | - |
| B) Total Off balance sheet exposures | <u>-</u> |
| Capital and total exposures | |
| Tier 1 capital | <u>3,701,981</u> |
| Total Exposure (A+B) | <u>3,728,972</u> |
| Leverage ratio | <u>99.28%</u> |