

**U MICROFINANCE BANK LIMITED  
CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE PERIOD**

**January 01,2021**

**to**

**September 30, 2021**

**U MICROFINANCE BANK LIMITED**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)**  
**AS AT 30 SEPTEMBER 2021**

	Note	(Un-audited) September 30, 2021 Rupees	(Audited) December 31, 2020 Rupees
<b>ASSETS</b>			
Cash and balances with SBP and NBP	4	3,538,901,964	3,160,116,831
Balances with other Banks/ NBFIs/ MFBs	5	287,474,446	1,908,209,748
Lending to Financial Institutions	6	1,191,147,225	450,000,000
Investments - net of provisions	7	29,727,518,270	24,074,499,338
Advances - net of provisions	8	32,848,620,540	30,006,298,899
Operating fixed assets	9	2,628,067,801	2,917,413,581
Other assets	10	9,626,023,208	7,797,247,350
Deferred tax asset	11	625,631,883	399,616,598
<b>Total Assets</b>		<b>80,473,385,337</b>	<b>70,713,402,345</b>
<b>LIABILITIES</b>			
Deposits and other accounts	12	50,581,617,890	46,104,640,853
Borrowings	13	16,509,793,880	13,274,190,642
Subordinated Debt	14	2,799,040,000	2,799,160,000
Other liabilities	15	4,142,981,011	2,860,212,627
<b>Total Liabilities</b>		<b>74,033,432,781</b>	<b>65,038,204,122</b>
<b>NET ASSETS</b>		<b>6,439,952,556</b>	<b>5,675,198,223</b>
<b>REPRESENTED BY:</b>			
Share capital	16	4,085,714,290	3,085,714,290
Discount on issue of share capital		(25,714,290)	(25,714,290)
Advance against issue of shares		-	1,000,000,000
Statutory and other reserve		410,876,256	410,876,256
Depositors' protection fund		102,719,064	102,719,064
Accumulated Profit		1,953,512,927	1,099,564,241
<b>Share capital</b>		<b>6,527,108,247</b>	<b>5,673,159,561</b>
Deficit on revaluation of assets		(91,254,991)	628,774
Deferred grants		4,099,300	1,409,888
<b>Total Capital</b>		<b>6,439,952,556</b>	<b>5,675,198,223</b>
<b>MEMORANDUM / OFF BALANCE SHEET ITEMS</b>	17		

The annexed notes from 1 to 30 form an integral part of these financial statements.

**PRESIDENT / CHIEF EXECUTIVE**

**CHAIRMAN**

**DIRECTOR**

**DIRECTOR**

**U MICROFINANCE BANK LIMITED**  
**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021**

	Note	Period Ended	
		September 30, 2021	September 30, 2020
		Rupees	Rupees
Mark-up/ return/ interest earned	18	8,905,503,324	7,053,184,368
Mark-up/ return/ interest expensed	19	(4,016,768,166)	(3,226,122,344)
Net mark-up/ interest income		4,888,735,158	3,827,062,024
Provision against non-performing advances		(1,044,096,080)	(965,458,889)
Net mark-up/ interest income after provisions		3,844,639,078	2,861,603,135
<b>NON MARK-UP/ NON INTEREST INCOME</b>			
Fee commission & brokerage income	20	719,421,859	789,850,610
Other income	21	59,265,714	43,492,628
Gain on Sale of AFS Investments		113,033,415	66,217,272
		891,720,988	899,560,510
		4,736,360,066	3,761,163,645
<b>NON MARK-UP/ NON INTEREST EXPENSES</b>			
Administrative expenses	22	3,712,228,924	3,016,501,539
Other charges	22.1	14,000	5,477,000
		3,712,242,924	3,021,978,539
<b>PROFIT BEFORE TAXATION &amp; WWF</b>		1,024,117,142	739,185,106
Workers Welfare Fund		(20,482,305)	(14,783,513)
<b>PROFIT BEFORE TAXATION</b>		1,003,634,837	724,401,593
<b>TAXATION</b>			
Current		(359,545,469)	(123,972,608)
Prior years		-	-
Deferred		209,859,318	(34,086,790)
	23	(149,686,151)	(158,059,398)
<b>PROFIT AFTER TAXATION</b>		853,948,686	566,342,195
<b>EARNINGS PER SHARE</b>	27	2.28	2.05
<b>MEMORANDUM / OFF BALANCE SHEET ITEMS</b>	17		

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**U MICROFINANCE BANK LIMITED**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021**

	September 30, 2021 Rupees	September 30, 2020 Rupees
Profit after Taxation for the period	853,948,686	566,342,195
Other comprehensive income/(loss) for period	-	-
	<u>853,948,686</u>	<u>566,342,195</u>
<b>Comprehensive income transferred to equity</b>	<b>853,948,686</b>	<b>566,342,195</b>
<b>Items that may be subsequently reclassified to profit and loss in subsequent periods:</b>		
Profit/(Loss) on revaluation of assets transferred to profit and loss	113,033,415	(66,217,272)
Surplus/(Deficit) on revaluation of assets	(242,447,168)	106,019,379
Tax Impact	37,529,988	(30,745,629)
	(91,883,765)	9,056,478
<b>Total comprehensive income for the period</b>	<b>762,064,921</b>	<b>575,398,673</b>

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**U MICROFINANCE BANK LIMITED**  
**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021**

	Capital reserve				Revenue reserve		
	Share capital	Advance against issue of shares	Discount on issue of share capital	Statutory reserve	Depositors' protection fund	Unappropriated profit	Total
	-----Rupees-----						
<b>Balance as at December 31, 2019 (Audited)</b>	<b>2,285,714,290</b>	<b>-</b>	<b>(25,714,290)</b>	<b>229,644,265</b>	<b>57,411,066</b>	<b>512,586,043</b>	<b>3,059,641,374</b>
Profit for the year ended December 31,2020	-	-	-	-	-	906,159,954	906,159,954
Other Comprehensive Income	-	-	-	-	-	7,358,233	7,358,233
<b>Total Comprehensive Income</b>						913,518,187	913,518,187
Transfer to:							
Statutory reserve	-	-	-	181,231,991	-	(181,231,991)	-
Depositors' Protection Fund	-	-	-	-	45,307,998	(45,307,998)	-
<b>Transaction with owners, recorded directly in equity</b>							
<b>Contributions and distributions</b>							
Interim cash dividend Rs. 0.32 paisa per share	-	-	-	-	-	(100,000,000)	(100,000,000)
Share Issuance	800,000,000	-	-	-	-	-	800,000,000
Conversion of subordinated debt as advance against issue of preference shares	-	1,000,000,000	-	-	-	-	1,000,000,000
Issue of ordinary shares	-	-	-	-	-	-	-
<b>Balance as at December 31, 2020 (Audited)</b>	<b>3,085,714,290</b>	<b>1,000,000,000</b>	<b>(25,714,290)</b>	<b>410,876,256</b>	<b>102,719,064</b>	<b>1,099,564,241</b>	<b>5,673,159,561</b>
<b>Balance as at 31 December 2020, as previously reported (Audited)</b>	<b>3,085,714,290</b>	<b>1,000,000,000</b>	<b>(25,714,290)</b>	<b>410,876,256</b>	<b>102,719,064</b>	<b>1,099,564,241</b>	<b>5,673,159,561</b>
Profit for the period ended Septemeber 30, 2021			-	-	-	853,948,686	853,948,686
Other Comprehensive Income	-	-	-	-	-	-	-
<b>Total Comprehensive Income</b>						853,948,686	853,948,686
Transfer to:							
Statutory reserve	-	-	-	-	-	-	-
Depositors' Protection Fund	-	-	-	-	-	-	-
<b>Transaction with owners, recorded directly in equity</b>							
<b>Contributions and distributions</b>							
Conversion of subordinated debt as advance against issue of preference shares	1,000,000,000	(1,000,000,000)	-	-	-	-	-
<b>Balance as at September 30,2021 (Un-audited)</b>	<b>4,085,714,290</b>	<b>-</b>	<b>(25,714,290)</b>	<b>410,876,256</b>	<b>102,719,064</b>	<b>1,953,512,927</b>	<b>6,527,108,247</b>

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**U MICROFINANCE BANK LIMITED**  
**CONDENSED INTERIM STATEMENT OF CASHFLOW (UN-AUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021**

	September 30, 2021	September 30, 2020
Note	Rupees	Rupees
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	1,003,634,837	724,401,593
Less: Dividend income	-	-
Adjustments for non-cash charges		
Depreciation	297,646,170	276,353,515
Amortization	40,188,283	28,484,633
Provisions against non-performing advances	1,044,096,080	965,458,889
Depreciation of right of use assets	204,234,936	-
Advances written off against provision	(468,304,124)	(1,193,595,621)
Provision for gratuity	36,513,993	28,935,250
Loss on sale of fixed assets	3,332,445	134,359
Finance charges on leased assets	113,022,509	4,152,425
	<b>1,270,730,293</b>	<b>109,923,450</b>
	<b>2,274,365,130</b>	<b>834,325,043</b>
(Increase)/decrease in operating assets		
Advances	(3,418,113,598)	(6,293,641,827)
Other assets (excluding advance taxation)	(1,828,775,858)	(2,697,698,792)
Increase/ (decrease) in operating liabilities		
Deposits and other accounts	4,476,977,037	7,077,614,154
Other liabilities (excluding current tax, finance lease and provision for gratuity)	1,313,962,768	393,051,870
	<b>544,050,349</b>	<b>(1,520,674,595)</b>
Cash generated from / (used in) operations	<b>2,818,415,479</b>	<b>(686,349,552)</b>
Gratuity paid	(24,677,064)	(27,643,031)
Income taxes paid	(212,473,085)	(124,312,276)
Net cash generated from/(used in) operating activities	<b>2,581,265,330</b>	<b>(838,304,859)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Net investments in available for sale securities - Government securities	(5,864,902,697)	2,989,879,890
Net investments in term deposits receipts	120,000,000	-
Investments in operating fixed assets	(243,490,916)	(291,638,273)
Sale proceeds from property and equipment disposed-off	3,647,578	-
Net cash (Outflows)/ inflow from investing Activities	<b>(5,984,746,035)</b>	<b>2,698,241,618</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Borrowings obtained during the period	3,235,483,238	730,608,666
Lending to Financial Institutions	(741,147,225)	-
Payments of lease obligations	(332,805,478)	31,377,238
	<b>2,161,530,535</b>	<b>761,985,904</b>
Net cash inflow from financing activities	<b>2,161,530,535</b>	<b>761,985,904</b>
Net Increase/ (decrease) in cash and cash equivalents	<b>(1,241,950,170)</b>	<b>2,621,922,663</b>
Cash and cash equivalents at beginning of the period	<b>5,068,326,579</b>	<b>4,737,031,876</b>
<b>Cash and cash equivalents at the end of period</b>	<b>3,826,376,409</b>	<b>7,358,954,539</b>

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**U Microfinance Bank Limited**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021**

**1 STATUS AND NATURE OF BUSINESS**

On 30 August 2012, Pakistan Telecommunication Company Limited (PTCL) acquired 100% shareholding of Rozgar Microfinance Bank Limited, incorporated in Karachi on 29 October 2003 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017), and its name was changed to U Microfinance Bank Limited (the Bank) with effect from 07 December 2012. On 31 January 2013, the Bank was granted license by State Bank of Pakistan (SBP) for commencement of nationwide microfinance banking operations.

On 11 July 2013, approval for the nationwide commercial launch of Branchless Banking Services (BBS) was received from SBP. The Bank commenced commercial operations of BBS on 23 July 2013.

The Bank's principle business is to assist in stimulating progress, prosperity and social piece in society through creation of income generating opportunities for the small entrepreneur under the Microfinance Institutions Ordinance, 2001. The Bank also provides branchless banking services. The Bank's head office and the principal place of business is located at Jinnah Super Market, F-7 Islamabad Pakistan.

**2. BASIS OF PRESENTATION**

**2.1** Condensed interim financial information has been prepared in accordance with the directives issued by SBP, the requirements of the Microfinance Institutions Ordinance 2001 (the IMF Ordinance), the Companies Act, 2017 (the Companies Act), the International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) and the Interpretation issued by the Standards Interpretation Committee of IASB as adopted in Pakistan. In case where provisions of directives issued by the SBP, the MFI Ordinance and the Companies Ordinance differ with the requirements of these standards, such provisions of SBP directives, the MFI ordinance and the companies' ordinance shall take precedence.

SBP vide BSD Circular no. 10 dated August 26, 2002 has deferred the applicability of International Accounting Standard 39, "Financial instruments: Recognition and Measurement" and International Accounting Standard 40, till further instructions. Accordingly, the requirements of these standards have not been considered in the preparation of these financial statements. However, investments have been measured in accordance with the requirements of SBP BSD Circular no. 11 dated December 30, 2003 and prudential Regulations for Microfinance banks (the Regulations). Further, the SECP vide its S.R.O No. 411(I) / 2008 dated April 28, 2008 has deferred the applicability of International Financial Reporting Standards (IFRS) 7 'Financial Instruments' till further orders, which is applicable for annual years beginning on or after July 1, 2009.

**2.2** The SBP vide BSD Circular No. 10, dated 26 August 2002 has deferred the applicability of the International Accounting Standard (IAS) 39, "Financial Instruments: Recognition and Measurement" and IAS 40, "Investment Property" for banking companies till further instructions. Further, the SECP vide its SRO 633 (I)/ 2014, dated 10 July 2014 has deferred the applicability of International Accounting Standard (IAS) 39, "Financial Instruments: Recognition and Measurement", IAS 40, "Investment Property" and International Financial Reporting Standard (IFRS) 7, "Financial Instruments: Disclosures" for banking companies till further instructions. 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 through various circulars /regulations.

State Bank of Pakistan (SBP) through its BPRD circular No. 4 of 2019 dated 23 October 2019 had decided that the effective date of IFRS 9 implementation was 01 January 2021 for banks/DFIs/MFBs. Further, keeping in view the prevalent COVID-19 (Corona Virus Disease 2019) pandemic situation, SBP through its BPRD circular No. 15 of 2020 dated 26 March 2020 had decided to extend the timeline of the tasks related to IFRS 9 implementation till periods beginning on or after 01 July 2020. However, keeping in view of COVID-19 impact and banking industry representations, SBP vide circular no. 24 of 2021 dated 05 July 2021 has decided to implement IFRS 9 from 01 January 2022.

**2.3** The disclosures in this condensed interim financial information do not include that reported for full audited annual financial statements and should therefore be read in conjunction with the audited annual financial statements for the year ended December 31, 2020. Comparative statement of financial position is extracted from the audited annual financial statements as of December 31, 2020, whereas comparative condensed statement of profit and loss account, condensed interim statement of other comprehensive income, condensed interim cash flow statement and condensed interim statement of changes in equity are stated from unaudited condensed interim financial information for the nine months period ended September 30, 2021.

U Microfinance Bank Limited  
 NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
 FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

**3. SIGNIFICANT ACCOUNTING POLICIES AND FINANCIAL RISK MANAGEMENT**

- 3.1** The accounting policies, significant judgments made in the application of accounting policies, key sources of estimations, the methods of computation adopted in preparation of this condensed interim financial information and financial risk management are the same as those applied in preparation of audited annual financial statements for the year ended December 31, 2020 and June 30, 2021 half year review..
- 3.2** The financial risk management objectives and policies adopted by the bank are consistent with those disclosed in the annual financial statements.

	Note	(Un-audited) September 30, 2021 Rupees	(Audited) December 31, 2020 Rupees
<b>4. CASH AND BALANCES WITH SBP AND NBP</b>			
Cash in hand			
Local currency		936,083,436	920,790,506
Balances with State Bank of Pakistan (SBP)			
Local currency current accounts		2,602,042,342	2,238,550,139
Balances with National Bank of Pakistan (NBP)			
Local currency current accounts		776,186	776,186
		3,538,901,964	3,160,116,831

**5. BALANCES WITH OTHER BANKS/ NBFIs/ MFBs**

In Pakistan - Local currency			
Current accounts	5.1	11,821,766	11,702,453
Deposit accounts	5.2	275,652,680	1,896,507,295
		287,474,446	1,908,209,748

**5.1** This includes Rs. 10,600,000 (2020: Rs. 10,600,000) held as deposit under lien in respect of standby letter of guarantee issued to China Union Pay International.

**5.2** Deposit accounts carried interest at rates ranging from 5.50% to 8.25% (2020: 5.50% to 8.25%) per annum.

		(Un-audited) September 30, 2021 Rupees	(Audited) December 31, 2020 Rupees
<b>6. LENDING TO FINANCIAL INSTITUTIONS</b>			
Call Money Lending		1,191,147,225	450,000,000
		1,191,147,225	450,000,000

**7. INVESTMENTS**

Available for Sale			
Market Treasury Bills (T-Bills)		9,856,848,875	10,352,699,370
Pakistan Investment Bonds (PIBs)		5,978,892,260	7,601,060,234
Mutual Funds		7,999,077,135	-
Unrealised loss on revaluation of investments		(107,300,000)	739,734
Add: Interest Receivable		-	-
		23,727,518,270	17,954,499,338

**Held to maturity**

<b>7.1</b> Term deposit receipts		6,000,000,000	6,120,000,000
Less: Provision for diminution in value of investments		-	-
		29,727,518,270	24,074,499,338

**7.1.1** Term Deposit Receipts (TDR) carries markup at rate ranging between 8% to 9.5% (2020: 8.50% to 12%) per annum with maturities upto 1 year.



U Microfinance Bank Limited  
 NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
 FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

8. ADVANCES - NET OF PROVISIONS

Loan type	(Un-audited) September 30, 2021		(Audited) December 31, 2020	
	Number of loans outstanding	Amount outstanding Rupees	Number of loans outstanding	Amount outstanding Rupees
Micro credit				
Secured	99,554	17,223,191,270	86,949	14,648,994,902
Unsecured	251,808	17,528,875,148	259,309	16,670,366,873
	351,362	34,752,066,418	346,258	31,319,361,775
Provisions held				
Specific provision	22,644	(526,490,786)	516	(7,247,107)
General provision	8.1	(1,376,955,091)		(1,305,815,769)
		(1,903,445,877)		(1,313,062,876)
Advances - net of provisions		32,848,620,540		30,006,298,899

8.1 General provision is maintained at the rate of 1% (2020: 1%) of unsecured micro credit balance net of specific provision amounting Rs. 526.490 million (2020: Rs. 7.24 million) and risk coverage by SBP under credit guarantee for small and marginalized farmers (CGSMF) amounting to Rs. 600 million (2020: Rs. 520 million), in accordance with the Regulations.

8.2 Particulars of non-performing advances

Category of classification	Provision rate	September 30, 2021		December 31, 2020		
		Provisions required	Provisions held	Amount outstanding	Provisions required	Provisions held
-----Rupees-----						
OAEM	-	181,067,668	-	15,371,672	-	-
Sub-standard	25%	123,839,913	22,234,946	9,018,144	2,022,961	2,022,961
Doubtful	50%	713,433,402	339,345,998	8,464,804	3,174,302	3,174,302
Loss	100%	169,521,752	164,909,842	3,016,744	2,049,844	2,049,844
		1,187,862,735	526,490,786	35,871,364	7,247,107	7,247,107

U Microfinance Bank Limited  
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

	Note	(Un-audited) September 30, 2021 Rupees	(Audited) December 31, 2020 Rupees
<b>9. OPERATING FIXED ASSETS</b>			
Capital work-in-progress	9.1	105,931,105	75,560,939
Property and equipment	9.2	1,267,912,820	1,435,956,474
Intangible assets	9.3	240,720,011	201,790,196
Right of use Asset (ROU)	9.4	1,013,503,865	1,204,105,972
		<u>2,628,067,801</u>	<u>2,917,413,581</u>
<b>9.1 Capital work-in-progress</b>			
Advances to suppliers/ contractors		28,852,186	27,926,998
Leasehold improvements		77,078,919	47,633,941
		<u>105,931,105</u>	<u>75,560,939</u>
<b>9.2 Right of use Asset (ROU)</b>			
Right of use Asset (ROU)		1,204,105,972	1,429,341,831
Additions		16,317,715	50,023,228
Disposals		(2,684,885)	(10,283,591)
Depreciation		(204,234,936)	(264,975,496)
		<u>1,013,503,866</u>	<u>1,204,105,972</u>

	(Un-audited) September 30, 2021									Book value as at September 30, 2021	Rate of depreciation % (per annum)
	Cost				Depreciation						
	As at January 1, 2021	Addition	Disposal/ Transfers	Transfers	As At September 30, 2021	As at January 1, 2021	Charge for the period	Disposal/ Transfers	As At September 30, 2021		
	-----Rupees-----										
<b>Owned Assets</b>											
Furniture and fixture	205,768,045	15,830,733	(5,465,567)	-	216,133,211	62,626,997	16,859,212	(1,853,282)	77,632,927	138,500,284	10.00%
Computers	383,778,928	31,963,897	(2,224,860)	-	413,517,965	214,761,095	118,549,433	(2,210,096)	331,100,432	82,417,533	33.33%
Electrical equipment	1,194,316,122	47,895,033	(5,831,723)	-	1,236,379,432	423,636,719	124,445,606	(5,369,102)	542,713,223	693,666,209	20.00%
Vehicle	31,597,740	-	-	-	31,597,740	26,030,433	2,715,174	-	28,745,607	2,852,133	20.00%
Office improvement	488,235,042	38,312,989	(605,569)	-	525,942,462	140,684,159	35,076,745	(295,103)	175,465,801	350,476,661	10.00%
	<u>2,303,695,877</u>	<u>134,002,652</u>	<u>(14,127,719)</u>	<u>-</u>	<u>2,423,570,810</u>	<u>867,739,403</u>	<u>297,646,170</u>	<u>(9,727,583)</u>	<u>1,155,657,990</u>	<u>1,267,912,820</u>	
	(Audited) December 31, 2020										
	Cost				Depreciation						
	As at January 1, 2020	Additions	Disposals	Transfers	As at December 31, 2020	As at January 1, 2020	Charge for the year	Disposal/ Transfers	As at December 31, 2020	Book value as at December 31, 2020	Rate of depreciation % (per annum)
	-----Rupees-----										
Furniture and fixture	188,359,184	17,413,324	(4,463)	-	205,768,045	41,799,387	20,830,176	(2,566)	62,626,997	143,141,048	10.00%
Computers	200,257,510	104,982,182	(387,456)	78,926,692	383,778,928	139,307,999	75,840,552	(387,456)	214,761,095	169,017,833	33.33%
Electrical equipment	1,105,358,505	202,536,886	-	(113,579,269)	1,194,316,122	209,931,259	213,705,460	-	423,636,719	770,679,403	20.00%
Vehicle	31,597,740	-	-	-	31,597,740	21,525,721	4,504,712	-	26,030,433	5,567,307	20.00%
Office improvement	454,119,198	34,560,614	(444,770)	-	488,235,042	95,932,168	44,937,312	(185,321)	140,684,159	347,550,883	10.00%
	<u>1,979,692,137</u>	<u>359,493,006</u>	<u>(836,689)</u>	<u>(34,652,577)</u>	<u>2,303,695,877</u>	<u>508,496,534</u>	<u>359,818,212</u>	<u>(575,343)</u>	<u>867,739,403</u>	<u>1,435,956,474</u>	

9.3.1 The cost of fully depreciated property and equipment that are still in use is Rs.293,869,032 (2020: Rs.181,061,268).

U Microfinance Bank Limited  
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9.4 Intangible assets

(Un-audited) September 30, 2021										
	Cost			Amortization				Book value as at September 30, 2021	Rate of amortization % (per annum)	
	As at January 1, 2021	Additions	Disposal/ Transfers	As At September 30, 2021	As at January 1, 2020	Charge for the period	On deletions			As At September 30, 2021
-----Rupees-----										
Branchless banking software	330,656,491	79,118,098	-	409,774,589	128,866,295	40,188,283	-	169,054,578	240,720,011	10.00%
Licenses	-	-	-	-	-	-	-	-	-	20.00%
Mail server	-	-	-	-	-	-	-	-	-	33.33%
	<u>330,656,491</u>	<u>79,118,098</u>	<u>-</u>	<u>409,774,589</u>	<u>128,866,295</u>	<u>40,188,283</u>	<u>-</u>	<u>169,054,578</u>	<u>240,720,011</u>	

(Audited) December 31, 2020										
	Cost			Amortization				Book value as at December 31, 2020	Rate of amortization % (per annum)	
	As at January 1, 2020	Additions	Transfers	As at December 31, 2020	As at January 1, 2020	Charge for the year	Transfers			As at December 31, 2019
-----Rupees-----										
Branchless banking software	217,484,528	66,046,269	34,652,577	318,183,374	80,745,960	35,647,218	-	116,393,178	201,790,196	10.00%
Licenses	12,394,739	-	-	12,394,739	12,394,739	-	-	12,394,739	-	20.00%
Mail server	78,378	-	-	78,378	78,378	-	-	78,378	-	33.33%
	<u>229,957,645</u>	<u>66,046,269</u>	<u>34,652,577</u>	<u>330,656,491</u>	<u>93,219,077</u>	<u>35,647,218</u>	<u>-</u>	<u>128,866,295</u>	<u>201,790,196</u>	

9.4.1 This includes operating system and microsoft office licenses.

U Microfinance Bank Limited  
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	Note	(Un-audited) September 30, 2021 Rupees	(Audited) December 31, 2020 Rupees
<b>10. OTHER ASSETS</b>			
Income/ mark-up accrued		8,461,042,035	6,724,115,659
Advances, deposits and other prepayments		328,799,541	208,483,161
Receivable from 1-Link		123,154,650	181,726,809
Inventory of ATM cards & Stationery		20,453,655	18,285,049
Advance to employees		123,978,969	92,403,524
Receivable from SBP	10.1	441,541,038	476,990,966
Insurance claims receivable		113,010,248	75,370,102
Receivable from staff retirement benefit - gratuity		-	7,849,721
Receivable from defined contribution plan - provident fund		-	1,391,950
Others		14,043,072	10,630,409
		<u>9,626,023,208</u>	<u>7,797,247,350</u>

**10.1** This represents the amount receivable from SBP in respect of insurance premium paid by Ubank for livestock and crop loans under AC&MFD circular no. 01 of 2013 dated November 01, 2013.

	(Un-audited) September 30, 2021 Rupees	(Audited) December 31, 2020 Rupees
<b>11. DEFERRED TAX ASSET</b>		
Deductable temporary differences arising in respect of		
Provision against advances	551,999,304	380,788,234
Deficit on revaluation of available for sale securities	16,045,012	-
Remeasurements of employees' retirement benefits	253,582	253,586
Minimum Tax over Normal tax	-	-
Lease finance facilities	78,917,314	50,994,492
Taxable temporary differences arising in respect of		
Accelerated tax depreciation / amortization	(8,796,493)	(24,254,668)
Gain on revaluation of available for sale securities	-	(110,960)
Treasury Bills	(12,786,836)	(8,054,086)
	<u>625,631,883</u>	<u>399,616,598</u>

U Microfinance Bank Limited  
 NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
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	(Un-audited) September 30, 2021		(Audited) December 31, 2020	
	Number of accounts	Rupees	Number of accounts	Rupees
<b>12. DEPOSITS</b>				
Fixed deposits	1,756	21,553,428,605	2,282	26,357,673,331
Saving deposits	15,567	26,621,150,966	14,785	16,802,040,082
Current deposits	2,377,237	2,407,038,319	1,461,867	2,944,927,440
	<u>2,394,560</u>	<u>50,581,617,890</u>	<u>1,478,934</u>	<u>46,104,640,853</u>

	Note	(Un-audited)	(Audited)
		September 30, 2021	December 31, 2020
<b>13. BOROWINGS</b>			
Borrowings from Banks/Financial Institutions in Pakistan			
Borrowings from Allied Bank Ltd	13.1	-	249,999,998
Borrowings from Faysal Bank Ltd	13.2	166,666,667	500,000,000
Allied Bank Ltd-II	13.3	2,000,000,000	2,666,666,667
NBP-Running Finance	13.4	500,000,000	500,000,000
Faysal Bank Ltd-II	13.5	499,999,000	666,665,334
Bank of Punjab	13.6	-	50,000,000
State Bank of Pakistan (LOC)	13.7	1,500,000,000	1,500,000,000
Repo Borrowing	13.8	4,408,188,500	6,154,540,000
Allied Bank Limited-RF	13.9	500,000,000	500,000,000
Repo Borrowing-PIB	13.10	1,996,378,000	-
Bank Al Falah (Cash Management)	13.11	338,561,713	486,318,643
PPTFC - BANK ALFALAH	13.12	3,500,000,000	-
BOP TF - HOUSING	13.13	600,000,000	-
PMRC- Housing Loan	13.14	500,000,000	-
		<u>16,509,793,880</u>	<u>13,274,190,642</u>

- 13.1 This represents outstanding balance of term finance facility under syndicate financing through Allied Bank Limited of Rs. 1,500 million carrying markup of 6-months KIBOR plus 1.10% (2020: 6-month KIBOR plus 1.10%) per annum payable semi-annually. This facility is secured against first pari passu charge over all present and future assets of the Bank with 25% margin. This loan is repayable in 6 equal semi-annual instalments of Rs. 250 million each. Repayments have started from September 2018.
- 13.2 This represent term finance loan of Rs. 1 billion carrying markup of 6-months KIBOR plus 1% (2020: 6-Months KIBOR plus 1%) per annum payable semi-annually. The loan is secured against first pari passu charge on book debts, advances and receivable of the Bank with 25% margin and Microfinance Credit Guarantee Facility from State Bank of Pakistan at 25%. This loan is repayable in 6 equal semi-annual instalments of Rs. 166.67 million each. Repayments have started from August 2019.
- 13.3 This represents term finance facility under syndicate financing through Allied Bank Limited of Rs. 4 billion carrying markup of 6-months KIBOR plus 0.95% (2020: 6-Months KIBOR plus 0.95%) per annum payable semi-annually in arrears. This is secured against first pari passu charge over all present and future assets excluding land and building of the Bank but not limited to advances and investments beyond CRR and SLR requirements of the Bank with 25% margin. Disbursement was initially made against a ranking charge which was upgraded to 1st pari pasu with in 120 days of first disbursement. This loan is repayable in 06 equal semi-annual instalments with the first principal repayment falling due on eighteenth (18th) month from the first disbursement date. The loan was drawn on 31 December 2018.
- 13.4 This represents utilized amount of running finance facility through National Bank of Pakistan Limited of Rs. 500 million carrying markup of 3-months KIBOR plus 0.75% per annum (2020: 3-Months KIBOR plus 0.75% per annum). This is secured against first pari passu charge on all current and future book debts, advances and receivable of the Bank. The initial disbursement was made against ranking charge which was upgraded to first pari passu charge within 120 days from date of disbursement. Markup is repayable on quarterly basis.
- 13.5 This represent term finance loan of Rs. 1 billion carrying markup of 6-months KIBOR plus 0.75% per annum (2020: 6-Months KIBOR plus 0.75% per annum). This is secured against first pari passu charge on book debts, advances and receivables of the Bank for Rs. 1,333 million (25% margin). Initial disbursement on ranking charge was upgraded to first pari passu from 21 December 2018. This loan is repayable in 6 semi-annual instalments of Rs. 166.66 million each after grace period of 01 year with the notional principle of Rs. 1,000 within first two semi-annual mark-up payments.
- 13.6 This represents utilised amount of term finance loan of Rs. 200 million carrying markup of 6-months KIBOR plus 0.85% per annum (2020: 6-months KIBOR plus 0.85%). This is secured against first pari passu charge on book debts, advances and receivables of the Bank for Rs. 266.67 million (25% margin). This loan is repayable in 4 semi-annual instalments of Rs. 50 million each after grace period of 06 months. The loan was disbursed on 12 March 2019.
- 13.7 This represent term finance loan of Rs. 1,500 million carrying markup of 6-months KIBOR minus 100 bps (2020: 6 Months KIBOR minus 100 bps) for the tenor of five years. Markup amount is payable on every half year end i.e 30 June and 31 Decemeber, while payment of principle will be made in the last four quarters of the loan period or in bullet form. The loan is provided against the following target set by the SBP:  
 -the loan should be disbursed to 60% female borrowers  
 -the Bank should disburse 25,000 loans; and  
 -all loans disbursed should meet the E&S guideline issued by SBP.
- 13.8 This represent Repo Borrowing from:  
 MCB at the rate of 7.7% amounting to Rs. 978 million with the maturity date of 1 Oct 2021.  
 Habib Metro Politan of 7.4% amounting to Rs. 488 million with the maturity date of 1 Oct 2021.  
 Bank of Punjab at the rate of 7.75% amounting to Rs. 2.943 Billion with the maturity date of 1 Oct 2021.
- 13.9 This represent running finance of Rs. 500 million at the rate of 3 months KIBOR + 0.85% per annum to be paid on quarterly basis with the tenor of 12 months. This running finance facility is obtained to meet the short term funding requirement and to finance growth in advances.

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- 13.10 This represent Repo Borrowing from:  
SAMBA of 7.5% amounting to Rs. 1.497 billion with the maturity date of 1 Oct 2021.  
National Bank of Pakistan at the rate of 7.4% amounting to Rs. 499 Million with the maturity date of 1 Oct 2021.
- 13.11 This represent current finance facility amounting to Rs. 500 million at the rate of 3 months KIBOR + 0.50% (2020: 3 months KIBOR + 0.50%) per annum to be paid on quarterly basis with the tenor of 12 months. Mark-up will be calculated on the basis of actual number of days elapsed in the year.
- 13.12 This represents privately placed term finance certificates (TFCs) of Rs. 3.5 Billion distributed in 35,000 TFCs of Rs. 100,000 each. The Issue amount will be utilized to enhance the advances portfolio of the Bank. The facility tenure is 04 years (inclusive of 01 year grace) and is priced at 6 Month KIBOR + 1.35%. Half of the issue amount is secured against 1st pari passu charge on the book debts, advances and receivables with 25% margin remaining half is secured against charge/lien on government securities. Semi - annual principal redemption shall commence from 2nd year from issue date in 06 equal principal installments and shall continue till the maturity of the instrument. The rating of these certificates issued by PACRA is AA- with stable outlook. These TFCs shall be inducted in CDS and the laws and regulation relating to the CDS with respect to the term finance certificates will be applicable to the TFCs.
- 13.13 This represents term finance facility through The Bank of Punjab of Rs. 600 Million carrying markup of 6-months KIBOR plus 0.95% per annum payable semi-annually in arrears. This is secured against first pari passu charge over all present and future assets (excluding land and building), book debts, advances microcredit receivables and investments of the bank with 25% margin. This loan is repayable in 07 equal semi-annual instalments with the first principal repayment falling due on twelfth (12th) month from the first disbursement date. The loan was drawn on 30 June 2021.
- 13.14 This represent Housing Loan from Pakistan Mortgage Refinance Company Limited at the rate if 1Year PKRV.First profit payment fall due at the end of 3rd month from disbursement and subsequently every quarter thereafter.First pari-passu charge on all present and future assets of the borrower with the margin of 25%.

	Note	(Un-audited) September 30, 2021	(Audited) December 31, 2020
<b>14. SUBORDINATED DEBT</b>			
Term Finance Certificates	14.1	599,040,000	599,160,000
Subordinated loan PTCL	14.2	2,200,000,000	2,200,000,000
		<u>2,799,040,000</u>	<u>2,799,160,000</u>

- 14.1 This represents term finance certificates (TFCs) of Rs. 600 million distributed in 120,000 TFCs of Rs. 5,000 each issued as subordinated loan in June 2017. The loan is availed as TIER-II subordinated debt for inclusion in the Bank's Supplementary Capital. The facility tenure is 7 years and is priced at 6 Month KIBOR + 3.50% (2020: 6 Month KIBOR + 3.50%). The instrument is structured to redeem 0.02% of principal, semi-annually, over the first 60 months and remaining principal of 24.95% each of the issue amount respectively, in four equal instalments starting from 66th month. The TFCs are subordinated as to the payment of principal and profit to all other indebtedness of the Bank. The rating of these certificates issued by JCR-VIS is A- with an stable outlook.
- 14.2 This represents unsecured, subordinated debt from PTCL, the Parent Company. The facility tenure is 7 years with grace period of 5 years and is priced at 3 Month KIBOR + 2% (2020: 3 Month KIBOR + 2%) per annum. The loan is availed as TIER-II subordinated debt for inclusion in the Bank's Supplementary Capital. Loan is structured to redeem in four equal semi-annual instalments starting from June 2024. The debt is unsecured, subordinated as to the payment of principle and profit to all other indebtedness of the Bank, including deposit and it is not redeemable before maturity without prior approval of the SBP. Further, the Bank and Parent Company PTCL entered into an agreement for the conversion of its Tier II subordinated debt amounting to Rs. 1 billion into preference shares. On 30 December 2020 State Bank of Pakistan via letter no. BPRD/BA&CP/671/014787/2020 granted approval for the said conversion subject to certain conditions. SECP vide letter no. CLD/CCD/CA-83/19/2020-10353 dated 03 February 2021 sanctioned the proposed issuance of 100,000,000 voting, non-cumulative, non-participatory, convertible and redeemable preference shares of Rs. 10 per share at par value having such rights, benefits, privileges and conditions as provided under Article 6 of the Bank's Articles of Association by way of other than right to PTCL. Subsequent to the period end on 08 July 2021, SBP vide letter no. BPRD/BA&CP/671/115760/2021 has accorded its final approval for conversion of Tier II subordinated debt to preference shares.

	(Un-audited) September 30, 2021 Rupees	(Audited) December 31, 2020 Rupees
<b>15. OTHER LIABILITIES</b>		
Mark-up / return / interest payable	1,010,331,234	604,640,989
Accrued expenses	624,866,131	292,234,939
Taxes payable	608,619,961	461,547,577
Payable to Pakistan Telecommunication Company Limited, the Parent Company	31,746,869	31,746,869
Payable to Pak Telecom Mobile Limited (PTML),an associated company	370,546,697	47,034,661
Uncollected remittances	221,064,411	58,794,815
Payable to defined contribution plan - provident fund	2,414,308	-
Payable to Utility companies	8,246,889	-
Payable to staff retirement benefit - gratuity	3,987,208	-
Lease Liability	1,029,756,954	1,212,010,930
Bills payable	94,806,793	75,971,909
Others	60,729,645	19,698,438
Workers' Welfare Fund	75,863,910	56,531,500
	<u>4,142,981,011</u>	<u>2,860,212,627</u>

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16. SHARE CAPITAL

16.1 Authorized capital

(Un-audited) September 30, 2021 Number	(Audited) December 31, 2020 Number		(Un-audited) September 30, 2021 Rupees	(Audited) December 31, 2020 Rupees
800,000,000	800,000,000	Ordinary shares of Rs. 10 each	8,000,000,000	8,000,000,000

16.2 Issued, subscribed and paid-up capital

September 30, 2021 Number	December 31, 2020 Number		September 30, 2021 Rupees	December 31, 2020 Rupees
20,000,000	20,000,000	Ordinary shares of Rs. 10 each fully paid in cash	200,000,000	200,000,000
8,571,429	8,571,429	Fully paid shares of Rs. 10 each issued as right	85,714,290	85,714,290
200,000,000	200,000,000	Fully paid ordinary shares of Rs.10 each in cash issued as right shares at par	2,000,000,000	2,000,000,000
180,000,000	80,000,000	Fully paid ordinary shares of Rs.10 each in cash issued as other than right shares at par	1,800,000,000	800,000,000
<u>408,571,429</u>	<u>308,571,429</u>		<u>4,085,714,290</u>	<u>3,085,714,290</u>

17. MEMORANDUM / OFF BALANCE SHEET ITEMS

17.1 Contingencies

There are no material contingencies as at 30 Sep 2021 (2020: Nil).

17.2 Commitments

Standby letter of guarantee  
 Property and equipment  
 Intangible assets

(Un-audited) September 30, 2021 Rupees	(Audited) December 31, 2020 Rupees
10,600,000	10,200,000
8,799,383	13,851,935
-	1,495,500
<u>19,399,383</u>	<u>25,547,435</u>

(Un-audited) (Un-audited)

PERIOD ENDED

September 30, 2021 Rupees	September 30, 2020 Rupees
------------------------------	------------------------------

18. MARK-UP/ RETURN/ INTEREST EARNED

Mark-up / return / interest on advances	7,328,161,871	6,285,151,442
Interest on investments in government securities	820,327,008	356,997,977
Interest on deposit accounts / TDRs with other banks / financial institutions	757,014,445	411,034,949
	<u>8,905,503,324</u>	<u>7,053,184,368</u>

19. MARK-UP/ RETURN/ INTEREST EXPENSED

Mark-up / return / interest expense on deposits	3,120,967,306	2,132,495,880
Mark-up expense on borrowings from banks / financial institutions	895,800,860	1,093,626,464
	<u>4,016,768,166</u>	<u>3,226,122,344</u>

20. OTHER CHARGES COLLECTED FROM CUSTOMERS

Loan processing fee	620,806,888	699,305,667
Other fee income collected from customers	98,614,971	90,544,943
	<u>719,421,859</u>	<u>789,850,610</u>

21. OTHER INCOME

Recovery against advances written off	57,003,539	42,340,189
Miscellaneous income	2,262,175	1,152,439
	<u>59,265,714</u>	<u>43,492,628</u>

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	(Un-audited) September 30, 2021 Rupees	(Un-audited) September 30, 2020 Rupees
<b>22. ADMINISTRATIVE EXPENSES</b>		
Staff salaries and benefits	1,753,522,024	1,370,850,838
Charge for defined benefit plan - gratuity	36,513,993	28,935,250
Contribution to defined contribution plan - provident fund	30,661,361	26,572,999
Insurance	145,021,830	103,781,421
Rent, rate and taxes	50,277,721	56,304,699
Marketing Expenses	110,120,519	31,061,876
Travelling and conveyance	41,473,379	29,811,655
Postage and courier	10,759,205	14,793,059
Utilities	119,218,376	99,011,843
Repair and maintenance	163,720,495	156,262,689
Depreciation and amortization	542,069,389	469,695,428
Software support and maintenance fee	156,773,354	97,206,748
Stationery and printing	80,626,620	70,911,014
Auditors' remuneration	3,390,142	3,244,499
Legal and professional fee	25,606,929	21,607,832
Security services	132,403,659	158,767,501
Interest expense on ROU liability	109,128,780	121,648,907
Financial charges on leased assets	3,893,729	4,152,425
Office supplies	23,603,957	17,541,597
Internet and connectivity charges	71,764,453	83,687,640
NADRA verification charges	48,591,791	27,739,483
Bank and Collection charges	41,587,416	18,045,488
Other	11,499,802	4,866,648
	<u>3,712,228,924</u>	<u>3,016,501,539</u>
<b>22.1 SBP penalty</b>	14,000	5,477,000
	<u>14,000</u>	<u>5,477,000</u>
<b>23. TAXATION</b>		
Current - for the period	(359,545,469)	(123,972,608)
- for prior period	-	-
Deferred - for the period	209,859,318	(34,086,790)
- for prior period	-	-
	209,859,318	(34,086,790)
	<u>(149,686,151)</u>	<u>(158,059,398)</u>
<b>24. CASH AND CASH EQUIVALENTS</b>		
Cash and balances with SBP and NBP	3,538,901,964	2,380,289,184
Balances with other banks / NBFs / MFBs	287,474,446	4,978,665,353
Investments	-	-
	<u>3,826,376,409</u>	<u>7,358,954,537</u>
	(Un-Audited) September 30, 2021 Rupees	(Audited) December 31, 2020 Rupees
<b>25. NUMBER OF EMPLOYEES</b>		
Credit sales staff		
Permanent	246	113
Contractual	1,081	961
	<u>1,327</u>	<u>1,074</u>
Banking/ support staff		
Permanent	762	695
Contractual	1,012	926
Outsourced	-	-
	<u>1,774</u>	<u>1,621</u>
Total number of employees at the end of the period/ year	<u>3,101</u>	<u>2,695</u>
Average number of employees during the period/ year	<u>2,996</u>	<u>2,695</u>



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26. NUMBER OF BRANCHES

Branches at beginning of the period/ year	212	212
Opened during the year		
- Branches	-	-
- Service Centers / FCs	1	-
Closed/ merged during the year	5	-
Branches at the end of the period/ year	<u>208</u>	<u>212</u>

27. EARNING PER SHARE

(a) Basic

Basic earning per share is calculated by dividing the profit attributable to equity holders of the Bank by the weighted average number of ordinary shares in issue

	<b>30-Sep-21</b> <b>Rupees</b>	<b>30-Sep-20</b> <b>Rupees</b>
<b>Profit attributable to equity holders (Rupees)</b>	<u>853,948,686</u>	<u>566,342,195</u>
<b>Depositors' Protection Fund</b>	-	-
Profit/ (loss) attributable to equity holders (Rupees)	<u>853,948,686</u>	<u>566,342,195</u>
Opening Ordinary shares outstanding (numbers)	-	-
Weighted average number of shares in issue (numbers)	374,324,854	276,162,760
Total shares (numbers)	<u>374,324,854</u>	<u>276,162,760</u>
Earning per share - basic (Rupees)	<u>2.28</u>	<u>2.05</u>

(b) Diluted

There is no dilutive effect on the basic earning per share of the Bank.

## U Microfinance Bank Limited

### NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

#### 28. RELATED PARTIES TRANSACTIONS

The Bank is a subsidiary of Pakistan Telecommunication Company Limited ("the Parent Company"). Therefore all subsidiaries and associated undertakings of the Parent Company are related parties of the Bank. Other related parties comprise of directors, key management personnel, entities over which the Bank has significant influence, entities having common directors and entities over which the directors are able to exercise significant influence and employees retirement benefit funds. Detail of transactions during the year and balances outstanding as at the reporting date are as follows:

<b>Transactions</b>	<b>Sep-21 Rupees</b>	<b>Sep-20 Rupees</b>
Parent Company		
Utility Bill collected on behalf of the Parent Company	<b>80,216,453</b>	60,868,199
Payment in regards utility bills collected on behalf of the Parent Company	<b>80,216,453</b>	60,868,199
Utility Bill collection charges	<b>253,728</b>	621,309
Payment for administrative costs and fixed assets	<b>102,504,757</b>	73,577,317
Interest expense on TIER-II subordinated Debt Payment	<b>155,145,019</b>	338,940,550
Interest expense on PTCL employee GP fund	<b>11,668,245</b>	146,794,243
Associated Company - Pak Telecom Mobile Limited (PTML)		
Payment for administrative costs and fixed assets	<b>18,297,607</b>	12,721,710
Payment against branchless banking and bills collected	-	151,985,754
Amount received against reimbursement of agent's commission	<b>155,914,511</b>	198,804,036
Associated Company - Pakistan Telecommunication Employees Trust (PTET)		
Interest expense on deposits	<b>38,628,339</b>	77,106,137
Employees' provident fund		
Contribution to provident fund	<b>30,661,361</b>	26,572,999
Employees' gratuity fund		
Payment to gratuity fund	<b>36,513,993</b>	25,759,431
<b>Balances</b>		
	<b>Sep-21 Rupees</b>	<b>Dec-20 Rupees</b>
Parent Company		
Interest payable on Tier- II Subordinated loan	<b>155,145,018</b>	-
Payable against utility bills collected	<b>1,185,679</b>	122,902
Utility bills collection charges receivable	<b>310,926</b>	1,792,839
Employee GP fund	<b>2,415,033,788</b>	2,171,917,933
Interest payable on deposits - PTCL Employees' GP Fund	<b>261,741</b>	198,384,839

# U Microfinance Bank Limited

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

<b>Balances</b>	<b>Sep-21 Rupees</b>	<b>Dec-20 Rupees</b>
Associated Company - Pakistan Telecommunication Employees Trust		
Deposits	<b>1,847,058,772</b>	1,916,265,365
Interest payable on deposits	<b>5,084,913</b>	25,232,911
Associated Company - Pak Telecom Mobile Limited		
Employees' Gratuity fund	<b>752,672,700</b>	720,259,489
Payable against branchless banking and bills collected	<b>370,546,697</b>	61,034,661
Employees' provident fund		
Payable/Receivable to provident fund	<b>2,414,308</b>	1,391,950
Employees' gratuity fund		
Payable/Receivable to gratuity fund	<b>3,987,208</b>	7,849,721

### **29. GENERAL**

**29.1** Captions, as prescribed by BSD Circular No. 11, dated 30 December 2003 issued by SBP, in respect of which there are no amounts, have not been reproduced in these financial statements, except for the captions of the balance sheet and profit and loss account.

### **30 DATE OF APPROVAL**

These financial statements were approved by the Board of Directors of the Bank in their meeting held on \_\_\_\_\_.

**PRESIDENT / CHIEF EXECUTIVE**

**CHAIRMAN**

**DIRECTOR**

**DIRECTOR**