

Capital Adequacy Ratio (CAR) & Liquidity disclosure: Unconsolidated
As at December 31st, 2022

1 CAPITAL ADEQUACY

	2022	2021
	Rupees in '000	
	Amount	Amount
Common Equity Tier 1 capital (CET1): Instruments and reserves		
1 Fully Paid-up Capital/ Capital deposited with SBP	12,602,602	12,602,602
2 Balance in Share Premium Account	234,669	234,669
3 Reserve for issue of Bonus Shares	-	-
4 Discount on Issue of shares	-	-
5 General/ Statutory Reserves	41,958,243	31,946,108
6 Gain/(Losses) on derivatives held as Cash Flow Hedge	-	-
7 Unappropriated/unremitted profits/ (losses)	13,381,441	8,605,975
8 Minority Interests arising from CET1 capital instruments issued to third parties by consolidated bank subsidiaries (amount allowed in CET1 capital of the consolidation group)	-	-
9 CET 1 before Regulatory Adjustments	68,176,955	53,389,354
10 Total regulatory adjustments applied to CET1 (Note 1.2.1)	2,873,712	1,739,837
11 Common Equity Tier 1	65,303,243	51,649,517
Additional Tier 1 (AT 1) Capital		
12 Qualifying Additional Tier-1 capital instruments plus any related share premium	6,000,000	6,000,000
13 of which: Classified as equity	-	-
14 of which: Classified as liabilities	6,000,000	6,000,000
15 Additional Tier-1 capital instruments issued to third parties by consolidated subsidiaries (amount allowed in group AT 1)	-	-
16 of which: instrument issued by subsidiaries subject to phase out	-	-
17 AT1 before regulatory adjustments	6,000,000	6,000,000
18 Total regulatory adjustment applied to AT1 capital (Note 1.2.2)	-	113,661
19 Additional Tier 1 capital after regulatory adjustments	6,000,000	5,886,339
20 Additional Tier 1 capital recognized for capital adequacy	6,000,000	5,886,339
21 Tier 1 Capital (CET1 + admissible AT1) (11+20)	71,303,243	57,535,855
Tier 2 Capital		
22 Qualifying Tier 2 capital instruments under Basel III plus any related share premium	6,000,000	6,000,000
23 Tier 2 capital instruments subject to phaseout arrangement issued under pre-Basel 3 rules	-	-
24 Tier 2 capital instruments issued to third parties by consolidated subsidiaries (amount allowed in group tier 2)	-	-
25 of which: instruments issued by subsidiaries subject to phase out	-	-
26 General provisions or general reserves for loan losses-up to maximum of 1.25% of Credit Risk Weighted Assets	1,825,586	1,709,286
27 Revaluation Reserves (net of taxes)	2,816,582	243,729
28 of which: Revaluation reserves on fixed assets	10,365,737	5,205,916
29 of which: Unrealized gains/losses on AFS	-7,549,155	-4,962,187
30 Foreign Exchange Translation Reserves	1,192,942	549,520
31 Undisclosed/Other Reserves (if any)	-	-
32 T2 before regulatory adjustments	11,835,110	8,502,535
33 Total regulatory adjustment applied to T2 capital (Note 1.2.3)	-	-
34 Tier 2 capital (T2) after regulatory adjustments	11,835,110	8,502,535
35 Tier 2 capital recognized for capital adequacy	11,835,110	8,502,535
36 Portion of Additional Tier 1 capital recognized in Tier 2 capital	-	-
37 Total Tier 2 capital admissible for capital adequacy	11,835,110	8,502,535
38 TOTAL CAPITAL (T1 + admissible T2) (21+37)	83,138,353	66,038,390
39 Total Risk Weighted Assets (RWA) (for details refer Note 1.5)	521,323,556	493,411,314
Capital Ratios and buffers (in percentage of risk weighted assets)		
40 CET1 to total RWA	12.53%	10.47%
41 Tier-1 capital to total RWA	13.68%	11.66%
42 Total capital to total RWA	15.95%	13.38%
43 Bank specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus any other buffer requirement)	8.500%	8.500%
44 of which: capital conservation buffer requirement	1.500%	1.500%
45 of which: countercyclical buffer requirement	0.00%	0.00%
46 of which: D-SIB or G-SIB buffer requirement	0.00%	0.00%
47 CET1 available to meet buffers (as a percentage of risk weighted assets)	4.03%	1.97%
National minimum capital requirements prescribed by SBP		
48 CET1 minimum ratio	6.00%	6.00%
49 Tier 1 minimum ratio	7.50%	7.50%
50 Total capital minimum ratio	10.00%	10.00%
51 Total Capital plus CCB* ratio	11.500%	11.500%
<i>*CCB: Consisting of CET1 Only</i>		

2022
Rupees in '000
2021

1.2	Regulatory Adjustments and Additional Information	Amount	Amount
1.2.1	Common Equity Tier 1 capital: Regulatory adjustments		
1	Goodwill (net of related deferred tax liability)	-	-
2	All other intangibles (net of any associated deferred tax liability)	1,375,625	1,183,265
3	Shortfall in provisions against classified assets	-	-
4	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	-
5	Defined-benefit pension fund net assets	-	-
6	Reciprocal cross holdings in CET1 capital instruments of banking, financial and insurance entities	575,039	553,635
7	Cash flow hedge reserve	-	-
8	Investment in own shares/ CET1 instruments	-	-
9	Securitization gain on sale	-	-
10	Capital shortfall of regulated subsidiaries	-	-
11	Deficit on account of revaluation from bank's holdings of fixed assets/ AFS	-	-
12	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)	-	-
13	Significant investments in the common stocks of banking, financial and insurance entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	-	-
14	Deferred Tax Assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	923,048	2,938
15	Amount exceeding 15% threshold	-	-
16	of which: significant investments in the common stocks of financial entities	-	-
17	of which: deferred tax assets arising from temporary differences	-	-
18	National specific regulatory adjustments applied to CET1 capital	-	-
19	Investments in TFCs of other banks exceeding the prescribed limit	-	-
20	Any other deduction specified by SBP (mention details)	-	-
21	Adjustment to CET1 due to insufficient AT1 and Tier 2 to cover deductions	-	-
22	Total regulatory adjustments applied to CET1	2,873,712	1,739,837
1.2.2	Additional Tier-1 & Tier-1 Capital: regulatory adjustments		
23	Investment in mutual funds exceeding the prescribed limit [SBP specific adjustment]	-	113,661
24	Investment in own AT1 capital instruments	-	-
25	Reciprocal cross holdings in Additional Tier 1 capital instruments of banking, financial and insurance entities	-	-
26	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)	-	-
27	Significant investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation	-	-
28	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	-	-
29	Adjustments to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-	-
30	Total regulatory adjustment applied to AT1 capital	-	113,661
1.2.3	Tier 2 Capital: regulatory adjustments		
31	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	-	-
32	Reciprocal cross holdings in Tier 2 instruments of banking, financial and insurance entities	-	-
33	Investment in own Tier 2 capital instrument	-	-
34	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)	-	-
35	Significant investments in the capital instruments issued by banking, financial and insurance entities that are outside the scope of regulatory consolidation	-	-
36	Total regulatory adjustment applied to T2 capital (sum of 31 to 35)	-	-

		2022	2021
		Rupees in '000	
1.2.4	Additional Information	Amount	Amount
	Risk Weighted Assets subject to pre-Basel III treatment		
37	Risk weighted assets in respect of deduction items (which during the transitional period will be risk weighted subject to Pre-Basel III Treatment)	-	-
(i)	of which: deferred tax assets	-	-
(ii)	of which: Defined-benefit pension fund net assets	-	-
(iii)	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	-	-
(iv)	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)		
38	Non-significant investments in the capital of other financial entities	3,799,121	3,207,768
39	Significant investments in the common stock of financial entities	-	-
40	Deferred tax assets arising from temporary differences (net of related tax liability)	6,622,629	5,165,245
	Applicable caps on the inclusion of provisions in Tier 2		
41	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardized approach (prior to application of cap)	1,825,586	1,709,286
42	Cap on inclusion of provisions in Tier 2 under standardized approach	5,154,041	4,970,371
43	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	-	-
44	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	-	-

1.3 Capital Structure Reconciliation

(in thousand PKR)	Balance sheet as in	Under regulatory scope
	published financial statements	of consolidation
	2022	2022
Assets		
Cash and balances with treasury banks	70,950,067	70,950,067
Balanced with other banks	9,677,123	9,677,123
Lending to financial institutions	406,934	406,934
Investments	762,531,019	762,531,019
Advances	583,810,931	583,810,931
Operating fixed assets	24,484,412	24,484,412
Deferred tax assets	7,545,677	7,545,677
Other assets	66,727,572	66,727,572
Total assets	1,526,133,735	1,526,133,735
Liabilities & Equity		
Bills payable	11,878,563	11,878,563
Borrowings	233,432,089	233,432,089
Deposits and other accounts	1,142,574,606	1,142,574,606
Sub-ordinated loans	12,000,000	12,000,000
Liabilities against assets subject to finance lease	-	-
Deferred tax liabilities	-	-
Other liabilities	52,926,224	52,926,224
Total liabilities	1,452,811,482	1,452,811,482
Share capital/ Head office capital account	12,602,602	12,602,602
Reserves	43,385,854	43,385,854
Unappropriated/ Unremitted profit/ (losses)	13,381,441	13,381,441
Minority Interest	-	-
Surplus on revaluation of assets	3,952,356	3,952,356
Total liabilities & equity	1,526,133,735	1,526,133,735

1.3 Capital Structure (contd)

	Balance sheet as in	Under regulatory scope	Reference
	published financial statements	of consolidation	
	2022	2022	
Assets			
Cash and balances with treasury banks	70,950,067	70,950,067	
Balances with other banks	9,677,123	9,677,123	
Lending to financial institutions	406,934	406,934	
Investments	762,531,019	762,531,019	
<i>of which: Non-significant capital investments in capital of other financial institutions exceeding 10% threshold</i>	-	-	a
<i>of which: significant capital investments in financial sector entities exceeding regulatory threshold</i>	-	-	b
<i>of which: Mutual Funds exceeding regulatory threshold</i>	-	-	c
<i>of which: reciprocal crossholding of capital instrument CET 1</i>	575,039	575,039	d
<i>of which: reciprocal crossholding of capital instrument AT 1</i>	-	-	d
<i>of which: reciprocal crossholding of capital instrument Tier II</i>	-	-	d
<i>of which: others</i>	761,955,980	761,955,980	e
Advances	583,810,931	583,810,931	
<i>shortfall in provisions/ excess of total EL amount over eligible provisions under IRB</i>	-	-	f
<i>general provisions reflected in Tier 2 capital</i>	1,825,586	1,825,586	g
Fixed Assets	24,484,412	24,484,412	
<i>of which: Intangibles</i>	-	-	
Deferred Tax Assets	7,545,677	7,545,677	
<i>of which: DTAs excluding those pertaining to temporary differences</i>	-	-	h
<i>of which: DTAs arising from temporary differences below the threshold</i>	6,622,629	6,622,629	i
<i>of which: DTAs arising from temporary differences exceeding regulatory threshold</i>	923,048	923,048	i
Other assets & Assets Held for Sale	66,727,572	66,727,572	
<i>of which: Goodwill</i>	-	-	j
<i>of which: Intangibles</i>	1,375,625	-	k
<i>of which: Defined-benefit pension fund net assets</i>	-	-	l
Total assets	1,526,133,735	1,526,133,735	
Liabilities & Equity			
Bills payable	11,878,563	11,878,563	
Borrowings	233,432,089	233,432,089	
Deposits and other accounts	1,142,574,606	1,142,574,606	
Sub-ordinated loans	12,000,000	12,000,000	
<i>of which: eligible for inclusion in AT1</i>	6,000,000	6,000,000	m
<i>of which: eligible for inclusion in Tier 2</i>	6,000,000	6,000,000	n
Liabilities against assets subject to finance lease	-	-	
Deferred tax liabilities	-	-	
<i>of which: DTLs related to goodwill</i>	-	-	o
<i>of which: DTLs related to intangible assets</i>	-	-	p
<i>of which: DTLs related to defined pension fund net assets</i>	-	-	q
<i>of which: other deferred tax liabilities</i>	-	-	r
Other liabilities	52,926,224	52,926,224	
Total liabilities	1,452,811,482	1,452,811,482	
Share capital	12,602,602	12,602,602	
<i>of which: amount eligible for CET1</i>	12,602,602	12,602,602	s
<i>of which: amount eligible for AT1</i>	-	-	t
Reserves	43,385,854	43,385,854	
<i>of which: portion eligible for inclusion in CET1-Balance in Share Premium Account</i>	234,669	234,669	u
<i>of which: portion eligible for inclusion in CET1-General/ Statutory Reserves (as disclosed on Balance Sheet)</i>	41,958,243	41,958,243	u
<i>of which: portion eligible for inclusion in CET1-Reserve for issue of Bonus Shares</i>	-	-	
<i>of which: portion eligible for inclusion in Tier 2</i>	1,192,942	1,192,942	v
Unappropriated profit/ (losses)	13,381,441	13,381,441	w
Minority Interest	-	-	
<i>of which: portion eligible for inclusion in CET1</i>	-	-	x
<i>of which: portion eligible for inclusion in AT1</i>	-	-	y
<i>of which: portion eligible for inclusion in Tier 2</i>	-	-	z
Surplus on revaluation of assets	3,952,356	3,952,356	
<i>of which: Revaluation reserves on Property</i>	10,365,737	10,365,737	aa
<i>of which: Unrealized Gains/Losses on AFS</i>	7,549,155	7,549,155	
<i>In case of Deficit on revaluation (deduction from CET1)</i>	-	-	ab
<i>of which on Non-Banking Assets</i>	1,135,775	1,135,775	
Total liabilities & Equity	1,526,133,735	1,526,133,735	

1.3 Capital Structure (contd)

Basel III Disclosure

	Component of regulatory capital reported by bank (amount in thousand PKR)	Source based on reference number
Common Equity Tier 1 capital (CET1): Instruments and reserves		
1 Fully Paid-up Capital/ Capital deposited with SBP	12,602,602.00	
2 Balance in Share Premium Account	234,669.00	(s)
3 Reserve for issue of Bonus Shares	-	
4 General/ Statutory Reserves	41,958,243.00	(u)
5 Gain/(Losses) on derivatives held as Cash Flow Hedge	-	
6 Unappropriated/unremitted profits/(losses)	13,381,441.00	(w)
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	68,176,955	
Common Equity Tier 1 capital: Regulatory adjustments		
9 Goodwill (net of related deferred tax liability)	-	(j) - (o)
10 All other intangibles (net of any associated deferred tax liability)	1,375,625.00	(k) - (p)
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	575,039.06	(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 property/ 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)	-	(ab)
20 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)	-	(a) - (ac) - (ae)
21 Deferred Tax Assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	923,047.91	(b) - (ad) - (af)
22 Amount exceeding 15% threshold	-	(i)
23 of which: significant investments in the common stocks of financial entities	-	
24 of which: deferred tax assets arising from temporary differences	-	
25 National specific regulatory adjustments applied to CET1 capital	-	
26 Investment in TFCs of other banks exceeding the prescribed limit	-	
27 Any other deduction specified by SBP	-	
28 Regulatory adjustment applied to CET1 due to insufficient AT1 and Tier 2 to cover deductions	-	
29	-	
30 Total regulatory adjustments applied to CET1	2,873,712	
Common Equity Tier 1	65,303,243	

Additional Tier 1 (AT 1) Capital

31	Qualifying Additional Tier-1 instruments plus any related share premium	6,000,000	
32	of which: Classified as equity	-	(t)
33	of which: Classified as liabilities	6,000,000	(m)
34	Additional Tier-1 capital instruments issued by consolidated subsidiaries and held by third parties (amount allowed in group AT 1)	-	(y)
35	of which: instrument issued by subsidiaries subject to phase out	-	
36	AT1 before regulatory adjustments	6,000,000	

Additional Tier 1 Capital: regulatory adjustments

37	Investment in mutual funds exceeding the prescribed limit (SBP specific adjustment)	-	
38	Investment in own AT1 capital instruments	-	
39	Reciprocal cross holdings in Additional Tier 1 capital instruments	-	
40	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)
41	Significant investments in the capital instruments issued by banking, financial and insurance entities that are outside the scope of regulatory consolidation	-	(ad)
42	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	-	
43	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-	
44	Total of Regulatory Adjustment applied to AT1 capital	-	
45	Additional Tier 1 capital	6,000,000	
46	Additional Tier 1 capital recognized for capital adequacy	6,000,000	

Tier 1 Capital (CET1 + admissible AT1)**71,303,243****Tier 2 Capital**

47	Qualifying Tier 2 capital instruments under Basel III	6,000,000	
48	Capital instruments subject to phase out arrangement from tier 2 (Pre-Basel III instruments)	-	(n)
49	Tier 2 capital instruments issued to third party by consolidated subsidiaries (amount allowed in group tier 2)	-	(z)
50	of which: instruments issued by subsidiaries subject to phase out	-	
51	General Provisions or general reserves for loan losses-up to maximum of 1.25% of Credit Risk Weighted Assets	1,825,586	(g)
52	Revaluation Reserves eligible for Tier 2	2,816,582	
53	of which: portion pertaining to Property	10,365,737	portion of (aa)
54	of which: portion pertaining to AFS securities	7,549,155	
55	Foreign Exchange Translation Reserves	1,192,942	(v)
56	Undisclosed/Other Reserves	-	
57	T2 before regulatory adjustments	11,835,110	

Tier 2 Capital: regulatory adjustments

58	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	-	
59	Reciprocal cross holdings in Tier 2 instruments	-	
60	Investment in own Tier 2 capital instrument	-	
61	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)
62	Significant investments in the capital instruments issued by banking, financial and insurance entities that are outside the scope of regulatory consolidation	-	(af)
63	Amount of Regulatory Adjustment applied to T2 capital	-	
64	Tier 2 capital (T2)	11,835,110	
65	Tier 2 capital recognized for capital adequacy	11,835,110	
66	Excess Additional Tier 1 capital recognized in Tier 2 capital	-	
67	Total Tier 2 capital admissible for capital adequacy	11,835,110	
	TOTAL CAPITAL (T1 + admissible T2)	83,138,353	

1.4 Main Features of Regulatory Capital Instruments

Disclosure for main features of regulatory capital instruments

	Main Features	Common Shares	Instrument (PPTFC TFC VI)	Instrument (PPTFC TFC VII)
1	Issuer	Askari Bank - Public Limited Company	Askari Bank - Public Limited Company	Askari Bank - Public Limited Company
2	Unique identifier (eg KSE Symbol or Bloomberg identifier etc.)	AKBL	NA	NA
3	Governing law(s) of the instrument	Relevant Capital Market Laws	Laws Applicable in Pakistan	Laws Applicable in Pakistan
	Regulatory treatment			
4	Transitional Basel III rules	NA	Additional Tier 1	Tier 2
5	Post-transitional Basel III rules	NA	Additional Tier 1	Tier 2
6	Eligible at solo/ group/ group&solo	Solo and Group	Solo and Group	Solo and Group
7	Instrument type	Ordinary shares	Perpetual Debt Instrument	Debt Instrument
8	Amount recognized in regulatory capital (Currency in PKR thousands, as of reporting date)	12,602,602	6,000,000	6,000,000
9	Par value of instrument	Rs. 10 per Share	Rs. 1,000 per Instrument	Rs. 1,000 per Instrument
10	Accounting classification	Shareholder's equity	Liability - amortized cost	Liability - amortized cost
11	Original date of issuance	Year 1992	July 03, 2018	March 17, 2020
12	Perpetual or dated	Perpetual/ no Maturity	Perpetual	Dated
13	Original maturity date	NA	NA	March 16, 2030
14	Issuer call subject to prior supervisory approval	NA	Yes	Yes
15	Optional call date, contingent call dates and redemption amount	NA	July 03, 2023, Call would be subject to SBP approval and not less than 30 days notice to investors and security trustee. Tax: as per prevailing structure.	March 16, 2025, Call would be subject to SBP approval.

Disclosure for main features of regulatory capital instruments

	Main Features	Common Shares	Instrument (PPTFC TFC VI)	Instrument (PPTFC TFC VII)
16	Subsequent call dates, if applicable	NA	Yes	Yes
	Coupons / dividends			
17	Fixed or floating dividend/ coupon	NA	Floating	Floating
18	coupon rate and any related index/ benchmark	NA	Average Ask 6 month KIBOR + 1.5 %	Average Ask 3 month KIBOR + 1.2 %
19	Existence of a dividend stopper	No	No	No
20	Fully discretionary, partially discretionary or mandatory	NA	Full Discretionary	Full Discretionary
21	Existence of step up or other incentive to redeem	No	No	No
22	Noncumulative or cumulative	Noncumulative	Non Cumulative	Non Cumulative
23	Convertible or non-convertible	NA	Convertible	Convertible
24	If convertible, conversion trigger (s)	NA	As deemed to be triggered by SBP	As deemed to be triggered by SBP
25	If convertible, fully or partially	NA	Fully or as deemed appropriate by SBP	Fully or as deemed appropriate by SBP
26	If convertible, conversion rate	NA	Dependent on target market value of equity per share on or before the date of trigger.	Dependent on target market value of equity per share on or before the date of trigger.
27	If convertible, mandatory or optional conversion	NA	Mandatory	Mandatory
28	If convertible, specify instrument type convertible into	NA	Common Equity Tier 1	Common Equity Tier 1
29	If convertible, specify issuer of instrument it converts into	NA	Askari Bank Ltd	Askari Bank Ltd
30	Write-down feature	NA	Yes	Yes

Disclosure for main features of regulatory capital instruments

	Main Features	Common Shares	Instrument (PPTFC TFC VI)	Instrument (PPTFC TFC VII)
31	If write-down, write-down trigger(s)	NA	As deemed to be triggered by SBP. Legal basis is provided to authorities to set trigger as part of the terms of contract.	As deemed to be triggered by SBP. Legal basis is provided to authorities to set trigger as part of the terms of contract.
32	If write-down, full or partial	NA	As deemed to be appropriate by SBP. Legal basis is provided to authorities to decide as part of the terms of contract.	As deemed to be appropriate by SBP. Legal basis is provided to authorities to decide as part of the terms of contract.
33	If write-down, permanent or temporary	NA	As deemed to be appropriate by SBP. Legal basis is provided to authorities to decide as part of the terms of contract.	As deemed to be appropriate by SBP. Legal basis is provided to authorities to decide as part of the terms of contract.
34	If temporary write-down, description of write-up mechanism	NA	As deemed to be appropriate by SBP. Legal basis is provided to authorities to decide as part of the terms of contract.	As deemed to be appropriate by SBP. Legal basis is provided to authorities to decide as part of the terms of contract.
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	3rd, Subordinated Debt being senior	2nd, Lenders and Depositors being senior	2nd, Lenders and Depositors being senior
36	Non-compliant transitioned features	No	No	No
37	If yes, specify non-compliant features	NA	NA	NA

1.5 Risk Weighted Assets

	Capital Requirement		Risk Weighted Assets	
	2022	2021	2022	2021
	----- Rupees in '000 -----			
Credit risk				
i) On-Balance Sheet				
Portfolios subject to standardised approach (comprehensive approach for CRM)				
Claims on:				
Sovereigns other than PKR claims	2,368,206	2,138,748	23,682,056	21,387,477
Public Sector Entities (PSEs)	1,902,024	1,646,899	19,020,240	16,468,987
Banks	1,046,621	714,480	10,466,212	7,144,799
Corporates	18,416,992	18,653,388	184,169,924	186,533,881
Retail portfolio	2,564,418	2,615,592	25,644,180	26,155,917
Residential mortgage finance	572,035	553,610	5,720,353	5,536,101
Listed equities and regulatory capital instruments issued by others banks	369,331	296,976	3,693,315	2,969,762
Unlisted equity investments	52,500	52,500	525,000	525,000
Investment in the equity of commercial entities	-	-	-	-
Significant investment and DTAs	1,697,062	1,332,716	16,970,620	13,327,161
Fixed Assets	2,448,441	2,016,688	24,484,412	20,166,875
Other Assets	637,370	451,997	6,373,697	4,519,974
Past Due Exposures	199,127	355,478	1,991,273	3,554,778
ii) Off-Balance Sheet				
Non-market related	8,700,438	8,780,704	87,004,379	87,807,037
Market Related	257,759	153,196	2,577,588	1,531,958
Market risk				
Portfolios subject to standardised approach				
Interest rate risk	1,053,484	2,108,031	10,534,837	21,080,313
Equity position risk	683,681	757,649	6,836,808	7,576,487
Foreign exchange risk	1,030,390	14,371	10,303,897	143,713
Operational risk	8,132,476	6,698,109	81,324,765	66,981,093
TOTAL	52,132,355	49,341,132	521,323,556	493,411,313
GROSS TOTAL (including CCB)	59,952,209	56,742,301	521,323,556	493,411,313
Capital adequacy ratio				
Capital Adequacy Ratio		Required		Actual
	2022	2021	2022	2021
CET1 to total RWA	6.00%	6.00%	12.53%	10.47%
Tier-1 capital to total RWA	7.50%	7.50%	13.68%	11.66%
Total capital to total RWA	10.00%	10.00%	15.95%	13.38%
Gross Total Capital to total RWA (including CCB)	11.500%	11.500%	15.95%	13.38%

3 LEVERAGE RATIO

SBP vide BPRD Circular No. 06 dated August 15, 2013 introduced leverage ratio (Tier 1 Capital to total exposure) under Basel III Framework. Banks are required to maintain minimum leverage ratio of 3% and to disclose the same from December 31, 2015. The leverage ratio is the ratio of Tier1 capital to total exposure, including off-balance sheet exposures adjusted by regulatory credit conversion factors.

The Bank's position under Basel III's third capital standard is as under:

	2022	2021
	Rupees in '000	
Tier I Capital	71,303,243	57,535,855
Total Exposure	2,243,512,648	1,748,422,535
Leverage Ratio	3.18%	3.29%

LCR Disclosure			
		TOTAL UNWEIGHTED ^a VALUE (average)	TOTAL WEIGHTED ^b VALUE (average)
<i>(in local currency)</i>			
HIGH QUALITY LIQUID ASSETS		0	0
1	Total high quality liquid assets (HQLA)		520,361,459.78
CASH OUTFLOWS		0	0
2	Retail deposits and deposits from small business customers of which:	274,873,813.30	31,845,082.51
3	stable deposit	54,752,102.02	5,021,657.24
4	Less stable deposit	220,121,711.28	26,823,425.28
5	Unsecured wholesale funding of which:	431,726,211.75	309,971,302
6	Operational deposits (all counterparties)	-	-
7	Non-operational deposits (all counterparties)	404,425,671.70	282,609,656.39
8	Unsecured debt	27,300,540.05	27,361,645.36
9	Secured wholesale funding		2,167,760.83
10	Additional requirements of which:	1,146,630.30	1,975,015.37
11	Outflows related to derivative exposures and other collateral requirements	1,146,630.30	1,975,015.37
12	Outflows related to loss of funding on debt products	-	-
13	Credit and Liquidity facilities	-	-
14	Other contractual funding obligations	7,943,346.89	21,079,573.06
15	Other contingent funding obligations	264,056,005.30	16,686,068.01
16	TOTAL CASH OUTFLOWS		383,724,801.53
CASH INFLOWS		-	-
17	Secured lending	14,075,190.00	-
18	Inflows from fully performing exposures	104,805,070.47	98,432,398.65
19	Other Cash inflows	9,372,955.86	3,451,295.43
20	TOTAL CASH INFLOWS	128,253,216.33	101,883,694.08
21	TOTAL HQLA		520,361,460
22	TOTAL NET CASH OUTFLOWS		281,841,107
23	LIQUIDITY COVERAGE RATIO		184.63%

