The Pakistan Credit Rating Agency Limited

Rating Report

Soneri Bank Limited | Tier 2 Capital TFC | PKR 4bln | Dec'22

Report Contents

Rating History

Dissemination Date	Long Term Rating	Short Term Rating	Outlook	Action	Rating Watch
28-Dec-2023	A+	-	Stable	Maintain	-
23-Jun-2023	A+	-	Stable	Maintain	-
01-Feb-2023	A+	-	Stable	Initial	-
14-Nov-2022	A+	-	Stable	Preliminary	-

Rating Rationale and Key Rating Drivers

The ratings reflect Soneri Bank's (SNBL) stable leadership since the inception of the bank along with its maintained business profile. Over the years, the system shares of the bank in terms of deposits has largely remained intact (9MCY23: 1.9%, CY22: 1.8%). The bank was working on the composition of the deposit base and also improving its cost structure. During 9MCY23, SNBL's customer deposits observed growth of 20.7%, whereas CASA ratio stood at (9MCY23:78.8%; CY22: 79.2%) with contribution from CA (9MCY23: 31.5%; CY22: 32.7%). The advances book reflected decline, and subsequently, the infection ratio increased (9MCY23: 6.3%; CY22: 4.7%). The NIMR of the bank witnessed a sizeable improvement (9MCY23: PKR 16.1bln; 9MCY22: PKR7.7bln). The ADR of the bank is 35.8% as of 9MCY23 (CY22: 50.9%) and the investment yield stood at 19.6% primarily supplemented through investment in government securities providing comfort to the liquidity of the bank. The enhancement in the gross markup has facilitated the net profitability of the bank to incline (9MCY23: PKR 4.1bln; 9MCY22: PKR 1.3bln). The Bank remains adequately capitalized, with a Capital Adequacy Ratio of 17.61% on 9MCY23 with the Tier I ratio clocking in at 15.4% (end-Dec22: 12.9%), reflecting an adequate cushion for growth. The 1st profit payment on TFC Tier 2 capital was paid by the SNBL on 26th June 2023.

The rating is a function of the bank's ability to maintain its market position in the banking industry while strengthening its overall risk profile. In the comparative landscape, adding granularity to deposits and advances is critical. Meanwhile, a sustainable increase in system share and consequent profitability would be ratings positive.

Disclosure	
Name of Rated Entity	Soneri Bank Limited | Tier 2 Capital TFC | PKR 4bln | Dec'22
Type of Relationship	Solicited
Purpose of the Rating	Debt Instrument Rating
Applicable Criteria	Methodology | Correlation Between Long-term & Short-term Rating Scales(Jul-23),Methodology | Rating Modifiers(Apr-23),Methodology | Debt Instrument Rating(Aug-23)
Related Research	Sector Study | Commercial Bank(Jun-23)
Rating Analysts	Muhammad Harris Ghaffar | harris.ghaffar@pacra.com | +92-42-35869504

Issuer Profile

Profile Soneri Bank Limited (SNBL), incorporated as a public limited company, commenced operations as a Scheduled Commercial Bank in 1991. The bank is quoted on the Pakistan stock exchange under the category of commercial banks. Soneri Bank's registered office is situated on the 2nd Floor, 307-Upper Mall Scheme, Lahore, while its central office is located on the 10th Floor, PNSC Building, M.T. Khan Road, Karachi. The Bank is engaged in the provision of banking and financial services. The bank also provides Internet and mobile banking services to its customers. At Sep-23, the Bank operates with 412 (end-Dec 22: 403) branches including 41 Islamic banking branches, and 15 Islamic banking windows.

Ownership The Feerasta Family - sponsors of the Rupali Group, own a 69.16% stake in the Bank; mainly through three trusts and individuals of the sponsor family. Other shareholders mainly include NBP which through NIT holds a 9.16% stake. The remaining stake is 21.68% is widely spread among financial institutions and the general public. The ownership structure of the Company is seen as stable as no material ownership changes are expected in the future. The majority stake rests with the Feerasta family. The Feerasta Family has been associated with a diverse set of businesses, for the last few decades and has been successfully managing them. Their business acumen is considered good. Given that Soneri Bank is the flagship business of sponsors, willingness to support the Bank in case the need arises is considered high.

Governance The overall control of the bank vests with an eight-member Board of Directors (BoD) comprising four non-executive directors, three independent directors, and one executive director (CEO). Three of the Board members are nominees of the Feerasta family while one is an NIT representative. Mr. Alauddin J. Feerasta is chairman of the board. Independent directors on the Board are Ms. Navin Salim Merchant, Mr. Jamil Hassan Hamdani and Mr. Tariq Hafeez Malik & one NIT nominee director, Mr. Manzoor Ahmed. The Board members carry an extensive professional experience in banking and other sectors. The BoD provides overall guidance in managing risks associated with the bank's operations and strategic direction. There are six board committees; i) Audit ii) Risk & Compliance iii) Human Resource and Remuneration, iv) Credit, v) Independent Directors, and vi) Information Technology Committee which assist the board in the effective oversight of the bank's overall operations on relevant matters. KPMG Taseer Hadi & Co., Chartered Accountants, classified in category 'A' by SBP and having a satisfactory QCR rating are the external auditors for SNBL. They expressed an unqualified opinion on the financial statement for the year ended 31st December 2022.

Management Overall operations have been divided into thirteen functions and organized into Northern, Central, and Southern regions for effective management and control. SNBL's management team comprises experienced individuals. Mr. Muhtashim Ahmad Ashai is President and CEO, is a seasoned banker, and carries almost three decades of banking experience. He is supported by the Deputy CEO, Mr. Amin A. Feerasta – a member of the Feerasta family – who has been associated with the bank since 1999. Before his role as Deputy CEO, Mr. Feerasta served in various positions as Chief Operating Officer and head of the department. Moreover, Mr. Ahsan Mushahid has joined SNBL's team as Chief Operating Officer, he is a seasoned banker with over 29 years of banking experience. SNBL has nine management committees in place; all headed by the CEO. The committees are i) Management, ii) Executive Credit, iii) Assets & Liability, iv) Investment, v) I.T Steering, vi) Credit Risk Management, vii) Business Continuity Plan Steering, viii) Operational Risk Management Committee and ix) Compliance Committee. The Bank made substantial investments to add value to its risk management framework by purchasing software from AFS Solutions as a replacement for SAS solutions and also upgraded its data center and disaster recovery solutions. The risk management policy covers all major types of risks and is formulated in line with regulatory guidelines. SNBL's Risk Management Committee ensures that risk exposures are maintained within acceptable levels.

Business Risk The performance of the banking sector in the next quarters depends on the operating environment and evolving policy stance. The macroeconomic environment remains challenging primarily due to subdued economic activity and elevated inflation. The banking sector asset base has shown a growth of 14.0% during a time span of six months (1HCY23: ~PKR 40.80Trn, CY22: ~ PKR 35Trn). The infection ratio of the banking sector has shown a minute uptick to 7.4% as of 1HCY23 (CY22: 7.3%) as NPLs increased from PKR 924bln to PKR 959bln. However, the credit quality of the sector has remained resilient. The deposit base of the banks has reached PKR 26.8trn as of 1HCY23 (CY22: PKR 24trn) and has shown a growth of 16.5% mainly on the back of consistent hikes in policy rates over time followed by foreign remittances. The (CASA) share in deposits remained consistent at ~74%, with the Current Account (CA) mix around ~34%. ADR declined to 45.0% in 1HCY23 (CY22: 50.4%) and CAR of the industry improved to 1HCY23: 17.8%(CY22:17.0%). SNBL, a small-sized Bank, holds a customer deposit base of PKR 352bln at end-Dec22 (end-Dec21: PKR 334bln). The market share of deposits of the Bank inched down to 1.7% (end-Dec21: 1.8%). During CY22, SNBL's NIMR witnessed a marginal increase of 3% YoY to stand at PKR 11.3bln (CY21: PKR 10.9bln) with markup income witnessing an increase of 70% YoY to stand at PKR 63bln (CY21: PKR 37.1bln). Subsequently, the Asset yield of the bank inclined to 12.3% (CY21: 8%). Whereas, the Bank's cost of funds inclined to 9.7% (CY21: 5.4%). Consequently, the Bank's spread remained stagnant at 2.6% (CY21: 2.6%). During 3QCY23, NIMR increased by 107% to stand at PKR 16.1bln (3QCY22: PKR 7.76bln). Subsequently, the spread stood at 4.8%. (3QCY22: 2.6%). During CY22, non-mark-up income increased by 20% to stand at PKR 5.15bln (CY21: PKR 4.29bln) mainly due to higher fee and commission income (CY22: PKR 2,430mln; CY21: PKR 2,074mln). Non-markup expenses inclined by 20% YoY to PKR 12.24bln (CY21: PKR 10.19bln). Consequently, non-markup expenses to total income increased to 74.6% (CY21: 66.9%). Net profit decreased by 34% to stand at PKR 1.8bln (CY21: PKR 2.8bln). During 3QCY23, the net profit increased to PKR 4.1bln (3QCY22: PKR 1.3bln)

Financial Risk At end-Dec22, SNBL's net advances have inched up by 26% to stand at PKR 208.4bln (end-Dec21: 165.5bln). The bank's ADR was reported at 50.9% (end Dec 21: 41.1%). The infection ratio decreased to 4.7% (end-Dec21: 5.9%). At end-Sep23, advances were recorded at PKR 182.7bln (Sep22: PKR 194.7bln) while the infection ratio increased to 6.3%. (Sep22: 4.9%). At end-Dec22, SNBL has an investment book of PKR 258bln (end-Dec21: PKR 327bln) with majorly skewed towards Government securities (99%). At end-Sep23, the investment book of the bank inclined to PKR 349bln (Sep 22: PKR 274bln). At end-Dec22, customer deposits increased to PKR 352bln (end-Dec21: PKR 334bln), up by 5%. CA and SA proportions stood at 32.7% (end-Dec21: 27.2%) and 46.5% (end-Dec21: 42.6%). At end-Sep23, The deposits have grown by 24% to stand at PKR 510bln (end-Dec22: PKR 409bln). CA and SA proportions stood at 31.5% and 47.3% respectively. At end-Dec22, the bank reported CAR of 15.2%, comprising Tier I capital 12.9%, remaining compliant with the minimum requirement by SBP. At the end Sep23, the bank reported a capital adequacy ratio of 17.6% comprising Tier I capital of 15.4%

Instrument Rating Considerations

About The Instrument The Bank has issued rated, listed, unsecured, subordinated, ten years tenured term finance certificates with an issue size of PKR 4bln bearing exercisable call option after five years of the issue date. As per the lock-in clause requirements for Tier 2 issues, neither profit nor principal will be payable in respect of TFC, if such payment results in a shortfall in the bank's Minimum Capital Requirement (MCR) or Capital Adequacy Ratio (CAR) or results in an increase in any existing shortfall in MCR or CAR. Additionally, as required by the SBP, the issuer shall also monitor its Leverage Ratio (LR) requirements before any profit or principal repayment in respect of the TFC. Being cumulative in nature, the interest payment falling due during that specific period would be paid later to the investors once the CAR meets minimum regulatory requirement. The bank may call the TFCs (either partially or in Full), with prior approval of SBP, any time after five years from the date of issue, subject to not less than 30 days prior notice being given to the investors. The call option once announced will not be revocable. In conformity with SBP Basel III Guidelines, the TFCs shall, if directed by the SBP, be fully and permanently converted into ordinary shares and/or have them immediately written off (partially or in full) upon the PONV Trigger Event. The Issue amount contributes toward the Issuer's Tier II Capital for capital adequacy ratio as per guidelines set by SBP and have a floating rate coupon priced @6MK+1.70%. The first such profit payment will fall due at the end of sixth (6th) month from the Issue Date and subsequently every six (06) months thereafter. The instrument will redeem 0.36% of the issue amount during the first 9 years after the Issue Date and the remaining issue amount of 99.64% in two equal semiannual installments of 49.82% each in the last year.

Relative Seniority/Subordination Of Instrument The TFC is subordinated to the payment of principal and profit, to other indebtedness of the Bank, including deposits, but will rank pari passu with other Tier 2 instruments and superior to Additional Tier-I instruments. The instrument is subject to the loss absorbency and/or any other requirements under SBP's Basel III Capital Rules.

Credit Enhancement The instrument is unsecured.

PKR mln

Soneri Bank Limited Listed Public Limited	Sep-23 9M	Dec-22 12M	Dec-21 12M	Dec-20 12M
A BALANCE SHEET				
1 Total Finances - net	182,134	208,621	166,661	165,910
2 Investments	346,303	254,992	323,892	245,953
3 Other Earning Assets	15,834	52,339	22,113	8,957
4 Non-Earning Assets	96,035	60,980	64,455	61,888
5 Non-Performing Finances-net	3,472	2,828	2,366	2,637
Total Assets	643,779	579,760	579,489	485,345
6 Deposits	510,477	409,643	403,037	345,499
7 Borrowings	71,857	123,728	131,578	94,015
8 Other Liabilities (Non-Interest Bearing)	36,474	25,243	23,239	22,675
Total Liabilities	618,808	558,614	557,853	462,188
Equity	24,971	21,146	21,636	23,157
B INCOME STATEMENT				
1 Mark Up Earned	69,545	63,057	37,133	42,228
2 Mark Up Expensed	(53,444)	(51,790)	(26,196)	(31,573)
3 Non Mark Up Income	4,660	5,157	4,290	3,807
Total Income	20,760	16,424	15,228	14,463
4 Non-Mark Up Expenses	(11,006)	(12,245)	(10,191)	(9,026)
5 Provisions/Write offs/Reversals	(1,317)	375	112	(1,402)
Pre-Tax Profit	8,437	4,554	5,149	4,035
6 Taxes	(4,293)	(2,671)	(2,295)	(1,634)
Profit After Tax	4,145	1,883	2,854	2,400
C RATIO ANALYSIS				
1 Performance				
Net Mark Up Income / Avg. Assets	3.5%	1.9%	2.1%	2.3%
Non-Mark Up Expenses / Total Income	53.0%	74.6%	66.9%	62.4%
ROE	24.0%	8.8%	12.7%	11.1%
2 Capital Adequacy				
Equity / Total Assets (D+E+F)	3.9%	3.6%	3.7%	4.8%
Capital Adequacy Ratio	17.6%	15.2%	13.8%	17.0%
3 Funding & Liquidity				
Liquid Assets / (Deposits + Borrowings Net of Repo)	65.7%	44.2%	63.3%	61.8%
(Advances + Net Non-Performing Advances) / Deposits	35.8%	50.9%	41.1%	47.6%
CA Deposits / Deposits	31.5%	32.7%	27.2%	26.6%
SA Deposits / Deposits	47.3%	46.5%	42.6%	42.1%
4 Credit Risk				
Non-Performing Advances / Gross Advances	6.3%	4.7%	5.9%	6.2%
Non-Performing Finances-net / Equity	13.9%	13.4%	10.9%	11.4%

Credit Rating

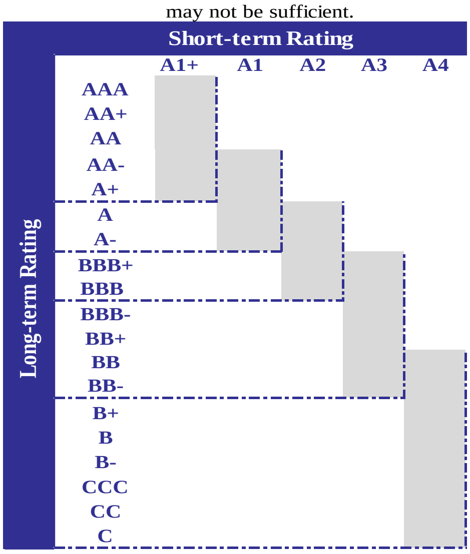
Credit rating reflects forward-looking opinion on credit worthiness of underlying entity or instrument; more specifically it covers relative ability to honor financial obligations. The primary factor being captured on the rating scale is relative likelihood of default.

Long-term Rating

Scale	Definition
AAA	**Highest credit quality.** Lowest expectation of credit risk. Indicate exceptionally strong capacity for timely payment of financial commitments
AA+ AA AA-	**Very high credit quality.** Very low expectation of credit risk. Indicate very strong capacity for timely payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events.
A+ A A-	**High credit quality.** Low expectation of credit risk. The capacity for timely payment of financial commitments is considered strong. This capacity may, nevertheless, be vulnerable to changes in circumstances or in economic conditions.
BBB+ BBB BBB-	**Good credit quality.** Currently a low expectation of credit risk. The capacity for timely payment of financial commitments is considered adequate, but adverse changes in circumstances and in economic conditions are more likely to impair this capacity.
BB+ BB BB-	**Moderate risk.** Possibility of credit risk developing. There is a possibility of credit risk developing, particularly as a result of adverse economic or business changes over time; however, business or financial alternatives may be available to allow financial commitments to be met.
B+ B B-	**High credit risk.** A limited margin of safety remains against credit risk. Financial commitments are currently being met; however, capacity for continued payment is contingent upon a sustained, favorable business and economic environment.
CCC CC C	**Very high credit risk.** Substantial credit risk "CCC" Default is a real possibility. Capacity for meeting financial commitments is solely reliant upon sustained, favorable business or economic developments. "CC" Rating indicates that default of some kind appears probable. "C" Ratings signal imminent default.
D	Obligations are currently in default.

Short-term Rating

Scale	Definition
A1+	The highest capacity for timely repayment.
A1	A strong capacity for timely repayment.
A2	A satisfactory capacity for timely repayment. This may be susceptible to adverse changes in business, economic, or financial conditions.
A3	An adequate capacity for timely repayment. Such capacity is susceptible to adverse changes in business, economic, or financial
A4	The capacity for timely repayment is more susceptible to adverse changes in business, economic, or financial conditions. Liquidity may not be sufficient.



**The correlation shown is indicative and, in certain cases, may not hold.*

Outlook (Stable, Positive, Negative, Developing) Indicates the potential and direction of a rating over the intermediate term in response to trends in economic and/or fundamental business/financial conditions. It is not necessarily a precursor to a rating change. 'Stable' outlook means a rating is not likely to change. 'Positive' means it may be raised. 'Negative' means it may be lowered. Where the trends have conflicting elements, the outlook may be described as 'Developing'.

Rating Watch Alerts to the possibility of a rating change subsequent to, or, in anticipation of some material identifiable event with indeterminable rating implications. But it does not mean that a rating change is inevitable. A watch should be resolved within foreseeable future, but may continue if underlying circumstances are not settled. Rating watch may accompany rating outlook of the respective opinion.

Suspension It is not possible to update an opinion due to lack of requisite information. Opinion should be resumed in foreseeable future. However, if this does not happen within six (6) months, the rating should be considered withdrawn.

Withdrawn A rating is withdrawn on a) termination of rating mandate, b) the debt instrument is redeemed, c) the rating remains suspended for six months, d) the entity/issuer defaults., or/and e) PACRA finds it impractical to surveill the opinion due to lack of requisite information.

Harmonization A change in rating due to revision in applicable methodology or underlying scale.

Surveillance. Surveillance on a publicly disseminated rating opinion is carried out on an ongoing basis till it is formally suspended or withdrawn. A comprehensive surveillance of rating opinion is carried out at least once every six months. However, a rating opinion may be reviewed in the intervening period if it is necessitated by any material happening.

Note. This scale is applicable to the following methodology(s):

a) Broker Entity Rating
b) Corporate Rating
c) Debt Instrument Rating
d) Financial Institution Rating
e) Holding Company Rating
f) Independent Power Producer Rating
g) Microfinance Institution Rating
h) Non-Banking Finance Companies Rating

Rating Team Statements
(1) Rating is just an opinion about the creditworthiness of the entity and does not constitute recommendation to buy, hold or sell any security of the entity rated or to buy, hold or sell the security rated, as the case may be | Chapter III; 14-3-(x)

2) **Conflict of Interest**
i. The Rating Team or any of their family members have no interest in this rating | Chapter III; 12-2-(j)
ii. PACRA, the analysts involved in the rating process and members of its rating committee, and their family members, do not have any conflict of interest relating to the rating done by them | Chapter III; 12-2-(e) & (k)
iii. The analyst is not a substantial shareholder of the customer being rated by PACRA [Annexure F; d-(ii)] Explanation: for the purpose of above clause, the term “family members” shall include only those family members who are dependent on the analyst and members of the rating committee

Restrictions
(3) No director, officer or employee of PACRA communicates the information, acquired by him for use for rating purposes, to any other person except where required under law to do so. | Chapter III; 10-(5)
(4) PACRA does not disclose or discuss with outside parties or make improper use of the non-public information which has come to its knowledge during business relationship with the customer | Chapter III; 10-7-(d)
(5) PACRA does not make proposals or recommendations regarding the activities of rated entities that could impact a credit rating of entity subject to rating | Chapter III; 10-7-(k)

Conduct of Business
(6) PACRA fulfills its obligations in a fair, efficient, transparent and ethical manner and renders high standards of services in performing its functions and obligations; | Chapter III; 11-A-(a)
(7) PACRA uses due care in preparation of this Rating Report. Our information has been obtained from sources we consider to be reliable but its accuracy or completeness is not guaranteed. PACRA does not, in every instance, independently verifies or validates information received in the rating process or in preparing this Rating Report | Clause 11-(A)(p).
(8) PACRA prohibits its employees and analysts from soliciting money, gifts or favors from anyone with whom PACRA conducts business | Chapter III; 11-A-(q)
(9) PACRA ensures before commencement of the rating process that an analyst or employee has not had a recent employment or other significant business or personal relationship with the rated entity that may cause or may be perceived as causing a conflict of interest; | Chapter III; 11-A-(r)
(10) PACRA maintains principal of integrity in seeking rating business | Chapter III; 11-A-(u)
(11) PACRA promptly investigates, in the event of a misconduct or a breach of the policies, procedures and controls, and takes appropriate steps to rectify any weaknesses to prevent any recurrence along with suitable punitive action against the responsible employee(s) | Chapter III; 11-B-(m)

Independence & Conflict of interest
(12) PACRA receives compensation from the entity being rated or any third party for the rating services it offers. The receipt of this compensation has no influence on PACRA´s opinions or other analytical processes. In all instances, PACRA is committed to preserving the objectivity, integrity and independence of its ratings. Our relationship is governed by two distinct mandates i) rating mandate - signed with the entity being rated or issuer of the debt instrument, and fee mandate - signed with the payer, which can be different from the entity
(13) PACRA does not provide consultancy/advisory services or other services to any of its customers or to any of its customers’ associated companies and associated undertakings that is being rated or has been rated by it during the preceding three years unless it has adequate mechanism in place ensuring that provision of such services does not lead to a conflict of interest situation with its rating activities; | Chapter III; 12-2-(d)
(14) PACRA discloses that no shareholder directly or indirectly holding 10% or more of the share capital of PACRA also holds directly or indirectly 10% or more of the share capital of the entity which is subject to rating or the entity which issued the instrument subject to rating by PACRA; | Reference Chapter III; 12-2-(f)
(15) PACRA ensures that the rating assigned to an entity or instrument is not be affected by the existence of a business relationship between PACRA and the entity or any other party, or the non-existence of such a relationship | Chapter III; 12-2-(i)
(16) PACRA ensures that the analysts or any of their family members shall not buy or sell or engage in any transaction in any security which falls in the analyst’s area of primary analytical responsibility. This clause shall, however, not be applicable on investment in securities through collective investment schemes. | Chapter III; 12-2-(l)
(17) PACRA has established policies and procedure governing investments and trading in securities by its employees and for monitoring the same to prevent insider trading, market manipulation or any other market abuse | Chapter III; 11-B-(g)

Monitoring and review
(18) PACRA monitors all the outstanding ratings continuously and any potential change therein due to any event associated with the issuer, the security arrangement, the industry etc., is disseminated to the market, immediately and in effective manner, after appropriate consultation with the entity/issuer; | Chapter III | 17-(a)
(19) PACRA reviews all the outstanding ratings periodically, on annual basis; Provided that public dissemination of annual review and, in an instance of change in rating will be made; | Chapter III | 17-(b)
(20) PACRA initiates immediate review of the outstanding rating upon becoming aware of any information that may reasonably be expected to result in downgrading of the rating; | Chapter III | 17-(c)
(21) PACRA engages with the issuer and the debt securities trustee, to remain updated on all information pertaining to the rating of the entity/instrument;| Chapter III | 17-(d)
Probability of Default
(22) PACRA´s Rating Scale reflects the expectation of credit risk. The highest rating has the lowest relative likelihood of default (i.e., probability). PACRA´s transition studies capture the historical performance behavior of a specific rating notch. Transition behavior of the assigned rating can be obtained from PACRA´s Transition Study available at our website. (www.pacra.com). However, actual transition of rating may not follow the pattern observed in the past; | Chapter III | 14-3(f)(vii)
Proprietary Information

Regulatory and Supplementary Disclosure

Nature of Instrument	Size of Issue (PKR)	Tenor	Security	Quantum of Security	Nature of Assets	Issue Agent	Book Value of Assets (PKR mln)
Rated, Unsecured, DSLR Listed and Subordinated Debt Instrument	4Bln	10 Years	The Instrument will be unsecured	N/A	N/A	Pak Brunei Investment Company Limited	N/A

Name of Issuer	Soneri Bank Limited
Issue Date	26-Dec-22
Maturity	10 years from Issue Date
Call Option	Yes, After 5 years of issue date

Soneri Bank Limited | Tier 2 Capital TFC | 4bln | Redemption Schedule

Due Date Principle	Opening Principal	Principal Repayment	Due Date Markup/ Profit	Markup/Profit Rate 6MK + 1.70% p.a. (6MK = 22.13%)	Markup/Profit Payment	Installment Payable	Principal Outstanding
	PKR in mln				*PKR in mln*		
Issuance							
26-Dec-22	4,000	-					4,000.00
26-Jun-23	3,999	0.8	26-Jun-23	Already paid			3,999.20
26-Dec-23	3,998	0.8	26-Dec-23	23.83%	476.41	477.21	3,998.40
26-Jun-24	3,998	0.8	26-Jun-24	23.83%	476.31	477.11	3,997.60
26-Dec-24	3,997	0.8	26-Dec-24	23.83%	476.22	477.02	3,996.80
26-Jun-25	3,996	0.8	26-Jun-25	23.83%	476.12	476.92	3,996.00
26-Dec-25	3,995	0.8	26-Dec-25	23.83%	476.03	476.83	3,995.20
26-Jun-26	3,994	0.8	26-Jun-26	23.83%	475.93	476.73	3,994.40
26-Dec-26	3,994	0.8	26-Dec-26	23.83%	475.84	476.64	3,993.60
26-Jun-27	3,993	0.8	26-Jun-27	23.83%	475.74	476.54	3,992.80
26-Dec-27	3,992	0.8	26-Dec-27	23.83%	475.65	476.45	3,992.00
26-Jun-28	3,991	0.8	26-Jun-28	23.83%	475.55	476.35	3,991.20
26-Dec-28	3,990	0.8	26-Dec-28	23.83%	475.46	476.26	3,990.40
26-Jun-29	3,990	0.8	26-Jun-29	23.83%	475.36	476.16	3,989.60
26-Dec-29	3,989	0.8	26-Dec-29	23.83%	475.27	476.07	3,988.80
26-Jun-30	3,988	0.8	26-Jun-30	23.83%	475.17	475.97	3,988.00
26-Dec-30	3,987	0.8	26-Dec-30	23.83%	475.07	475.87	3,987.20
26-Jun-31	3,986	0.8	26-Jun-31	23.83%	474.98	475.78	3,986.40
26-Dec-31	3,986	0.8	26-Dec-31	23.83%	474.88	475.68	3,985.60
26-Jun-32	1,993	1,992.8	26-Jun-32	23.83%	237.44	2,230.24	1,992.80
26-Dec-32	(0)	1,992.8	26-Dec-32	23.83%	(0.00)	1,992.80	(0.00)
		4,000.00			**8,323.44**	**12,322.64**	**-**