

## **The General Manager** Pakistan Stock Exchange Limited, Stock Exchange Building, Stock Exchange Road, Karachi.

April 23, 2024

Dear Sir.

## Subject: Announcement of Financial Results for the First Quarter ended March 31, 2024

We hereby inform you that the Board of Directors of Habib Bank Limited in their meeting held on April 23, 2024, at 9:00 A.M. at HBL Corporate Office, F-14, Block 5, Clifton, Karachi recommended the following:

#### (i) **CASH DIVIDEND**

An Interim Cash Dividend for the first quarter ended March 31, 2024, at Rs. 4.00/per share i.e., 40%.

## AND / OR

#### (ii) **BONUS SHARES**

NIL

## AND / OR

(iii) **RIGHT SHARES** 

NIL

## AND / OR

#### **ANY OTHER ENTITLEMENT / CORPORATE ACTION** (iv)

NIL

## AND / OR

#### ANY OTHER PRICE-SENSITIVE INFORMATION (v)

NIL

The financial results are attached as Annexure "A", "B" & "C".

Registered Office: Habib Bank Limited 9th Floor, Habib Bank Tower, Jinnah Avenue, Blue Avenue, B While announcing the results at the Exchange, please announce the



## **BOOK CLOSURE DATES**

The Share Transfer Books of the Bank will be closed from May 6, 2024, to May 8, 2024 (both days inclusive). Transfers received at the office of the Bank's Share Registrar, Messers CDC Share Registrar Services Limited, CDC House, 99-B, Block 'B', S.M.C.H.S., Main Shahrah-e-Faisal Karachi, at the close of business on May 3, 2024, will be treated as being in time for the purpose of the above entitlement to the transferees.

The Quarterly Report of the Bank for the period ended March 31, 2024, will be transmitted through PUCARS separately, within the specified time.

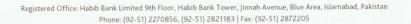
Yours faithfully,

a free

Uzman Naveed Chaudhary Company Secretary

Cc:

1. Executive Director/HOD, Offsite-II Department, Supervision Division, Securities & Exchange Commission of Pakistan, 63, NIC Building, Jinnah Avenue, Blue Area, Islamabad.



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Annenure - A

**Habib Bank Limited** Condensed Interim Consolidated Profit and Loss Account (Unaudited) For the three months ended March 31, 2024

1	Note	January 01 to March 31, 2024 (Rupees	January 01 to March 31, 2023 in '000)
			,
Mark-up / return / profit / interest earned	24	198,314,445	148,550,841
Mark-up / return / profit / interest expensed	25	137,777,272	92,707,815
Net mark-up / return / profit / interest income		60,537,173	55,843,026
Non mark-up / interest income			
Fee and commission income	26	11,891,918	9,343,721
Dividend income		1,007,077	851,300
Share of profit of associates and joint venture		896,406	809,741
Foreign exchange income	Pilities Philaderical Activity	4,087,696	758,696
Income / (loss) from derivatives		2,417,841	(6,160,416)
Loss on securities - net	27	(283,097)	(1,081,291)
Other income	28	148,885	4,054,415
Total non mark-up / interest income		20,166,726	8,576,166
Total income	-	80,703,899	64,419,192
Non mark-up / interest expenses			
Operating expenses	29	46,194,749	39,195,727
Workers' Welfare Fund		588,286	528,186
Other charges	30	158,496	15,765
Total non mark-up / interest expenses		46,941,531	39,739,678
Profit before credit loss allowance and taxation	-	33,762,368	24,679,514
Credit loss allowance and write offs - net	31	3,649,085	3,177,377
Profit before taxation		30,113,283	21,502,137
Taxation	32	15,069,700	8,245,438
Profit after taxation	=	15,043,583	13,256,699
Attributable to:			
Equity holders of the Bank		15,217,216	13,201,051
Non-controlling interest		(173,633)	55,648
Non-controlling interest	-	15,043,583	13,256,699
	-	Rup	ees
Basic and diluted earnings per share	33	10.37	9.00
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The annexed notes 1 to 41 form an integral part of these condensed interim consolidated financial statements.

**President and Chief Executive Officer**  **Chief Financial Officer** 

Finance

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GM-Financial Controller

18-Habib Bank Plaza, Karachi

Habib Bank Limited

Director

Director UZMAN NAVEED CHAUDHARY Company Secretary Habib Bank Limited HBL Corporate Office F-14, Block-5, Clifton, Karachi

Director

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Annenure-B

## Habib Bank Limited Condensed Interim Unconsolidated Profit and Loss Account (Unaudited) For the three months ended March 31, 2024

1	Note	January 01 to March 31, 2024 (Rupee	January 01 to March 31, 2023 es in '000)
Mark-up / return / profit / interest earned	24	186,437,496	140,284,550
Mark-up / return / profit / interest expensed	25	130,578,896	88,708,410
Net mark-up / return / profit / interest income		55,858,600	51,576,140
Non mark-up / interest income			
Fee and commission income	26	10,530,818	8,244,010
Dividend income		1,653,891	1,216,253 383,143
Foreign exchange income		3,812,945 2,417,841	(6,160,416)
Income / (loss) from derivatives Loss on securities - net	27	(287,107)	(1,079,004)
Other income	28	40,112	9,568,932
Total non mark-up / interest income	20	18,168,500	12,172,918
Total income		74,027,100	63,749,058
Non mark-up / interest expenses			
Operating expenses	29	41,559,086	35,203,661
Workers' Welfare Fund		579,105	508,167
Other charges	30	158,496	15,765
Total non mark-up / interest expenses		42,296,687	35,727,593
Profit before credit loss allowance and taxation		31,730,413	28,021,465
Credit loss allowance and write offs - net	31	2,038,597	2,679,788
Profit before taxation		29,691,816	25,341,677
Taxation	32	15,096,839	10,041,791
Profit after taxation		14,594,977	15,299,886
		(Ruj	oees)
Basic and diluted earnings per share	33	9.95	10.43

The annexed notes 1 to 41 form an integral part of these condensed interim unconsolidated financial statements.

LARDA OZMAN NAVEED CHAUDHARY Company Secretary Habib Bank Limited HBL Corporate Office F-14, Block-5, Clifton, Karachi

President and Chief Executive Officer **Chief Financial Officer** 

Director

Irfan Ahmed Meer

Habib Bank Limited 18-Habib Bank Plaza, Karachi

Finance

**GM-Financial Controller** 

Director

Director



Annexure "C"

# CONDENSED INTERIM FINANCIAL STATEMENTS

For the three months ended March 31, 2024.



# CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended March 31, 2024

## Habib Bank Limited Condensed Interim Consolidated Statement of Financial Position As at March 31, 2024

	Note	(Unaudited) March 31, 2024 (Rupe	(Audited) December 31, 2023 es in '000)
ASSETS			
Cash and balances with treasury banks Balances with other banks Lendings to financial institutions Investments Advances Property and equipment Right-of-use assets Intangible assets Deferred tax assets Other assets	5 6 7 8 9 10 11 12 13 14	507,555,506 62,366,148 71,569,018 2,622,887,959 1,749,903,269 117,793,374 24,561,908 23,040,261 6,349,272 287,162,849	547,528,581 56,603,548 88,598,160 2,562,299,087 1,861,344,592 117,239,722 24,654,745 22,720,543 480,874 252,878,451
		5,473,189,564	5,534,348,303
LIABILITIES			
Bills payable Borrowings Deposits and other accounts Lease liabilities Subordinated debt Deferred tax liabilities Other liabilities	15 16 17 18 19 20	45,321,857 337,435,221 4,375,917,445 31,855,763 20,374,000 - 292,458,992 5,103,363,278	51,700,823 665,042,679 4,142,351,836 30,489,986 19,699,000 - 259,043,326 5,168,327,650
NET ASSETS		369,826,286	366,020,653
REPRESENTED BY			
Shareholders' equity Share capital Reserves Surplus on revaluation of assets - net of tax Unappropriated profit	21	14,668,525 102,454,846 30,274,979 220,248,558	14,668,525 100,805,157 25,857,323 221,883,756
Total equity attributable to the equity holders of the Bank		367,646,908	363,214,761
Non-controlling interest		2,179,378	2,805,892
		369,826,286	366,020,653
CONTINGENCIES AND COMMITMENTS	22		

The annexed notes 1 to 41 form an integral part of these condensed interim consolidated financial statements.

Director

## Habib Bank Limited Condensed Interim Consolidated Profit and Loss Account (Unaudited) For the three months ended March 31, 2024

	Note	January 01 to March 31, 2024	January 01 to March 31, 2023
		(Rupees	s in '000)
Mark-up / return / profit / interest earned	24	198,314,445	148,550,841
Mark-up / return / profit / interest expensed	25	137,777,272	92,707,815
Net mark-up / return / profit / interest income		60,537,173	55,843,026
Non mark-up / interest income			
Fee and commission income	26	11,891,918	9,343,721
Dividend income		1,007,077	851,300
Share of profit of associates and joint venture		896,406	809,741
Foreign exchange income		4,087,696	758,696
Income / (loss) from derivatives		2,417,841	(6,160,416)
Loss on securities - net	27	(283,097)	(1,081,291)
Other income	28	148,885	4,054,415
Total non mark-up / interest income		20,166,726	8,576,166
Total income	-	80,703,899	64,419,192
Non mark-up / interest expenses			
Operating expenses	29	46,194,749	39,195,727
Workers' Welfare Fund		588,286	528,186
Other charges	30	158,496	15,765
Total non mark-up / interest expenses		46,941,531	39,739,678
Profit before credit loss allowance and taxation	•	33,762,368	24,679,514
Credit loss allowance and write offs - net	31	3,649,085	3,177,377
Profit before taxation	•	30,113,283	21,502,137
Taxation	32	15,069,700	8,245,438
Profit after taxation	•	15,043,583	13,256,699
Attributable to:			
Equity holders of the Bank		15,217,216	13,201,051
Non-controlling interest		(173,633)	55,648
	•	15,043,583	13,256,699
	-	Rup	0ees
Basic and diluted earnings per share	33	10.37	9.00
	-		

The annexed notes 1 to 41 form an integral part of these condensed interim consolidated financial statements.

President and	Chief Financial Officer	Director	Director	Director
Chief Executive Officer				

## Habib Bank Limited Condensed Interim Consolidated Statement of Comprehensive Income (Unaudited) For the three months ended March 31, 2024

	January 01 to March 31, 2024	January 01 to March 31, 2023
	(Rupees	in '000)
Profit after taxation for the period attributable to:	45.047.040	40.004.054
Equity holders of the Bank Non-controlling interest	15,217,216 (173,633)	13,201,051 55,648
Non-controlling interest	15,043,583	13,256,699
Other comprehensive income / (loss)	,,	, ,
Items that may be reclassified to the profit and loss account in subsequent periods:		
Effect of translation of net investment in foreign branches, subsidiaries, joint venture and associates - net of tax	(269,190)	15,760,961
	(200,100)	10,700,001
Increase in share of exchange translation reserve of associates - net of tax	394,092	95,134
Movement in surplus / deficit on revaluation of debt investments designated at Fair value through other comprehensive income (FVOCI) - net of tax, attributable	e to:	
Equity holders of the Bank	3,210,228	-
Non-controlling interest	3,326	-
Movement in surplus / deficit on revaluation of available for sale investments - net c attributable to:	3,213,554 of tax,	-
Equity holders of the Bank	-	(15,090,097)
Non-controlling interest	-	(18,885)
	-	(15,108,982)
Movement in share of surplus / deficit on revaluation of investments of associates - net of tax	(295,310)	(294,677)
	(295,510)	(294,077)
Items that are not to be reclassified to the profit and loss account in subsequent periods:		
Movement in share of surplus / deficit on revaluation of property and equipment of associates - net of tax	-	17,853
Movement in surplus / deficit on revaluation of equity investments - net of tax	66,175	-
Share of remeasurement gain on defined benefit obligations of associates		
- net of tax	5,262	8,720
Total comprehensive income	18,158,166	13,735,708
Total comprehensive income attributable to:		
Equity holders of the Bank	15,052,070	13,698,945
Non-controlling interest	(173,633)	36,763
	18,158,166	13,735,708

The annexed notes 1 to 41 form an integral part of these condensed interim consolidated financial statements.

## Habib Bank Limited Condensed Interim Consolidated Statement of Changes In Equity (Unaudited)

For the three months ended March 31, 2024

	r			A++-	ributable to share	holders of the P	ank					
		I		Reserves	inducable to share	notuers of the B	Surplus / (deficit) on		<u> </u>			
	Share capital	Sta Joint venture and	tutory Bank	Exchange	Capital Non-distribu-	On acquisition of common		Property & Equipment /	Unappropriated profit	Sub Total	Non-controlling interest	Total
		subsidiary	Darik	translation	table	control entity	ees in '000)	Non Banking Assets				
Balance as at December 31, 2022	14,668,525	2,523,824	43,130,076	41,727,023	547,115		(26,064,591)	27,299,960	178,467,639	282,142,865	2,878,949	285,021,814
Comprehensive income for the three months ended March 31, 2023												
Profit after taxation for the three months ended March 31, 2023	-	-	-	-	-	-	-	-	13,201,051	13,201,051	55,648	13,256,699
Other comprehensive income / (loss) Effect of translation of net investment in foreign branches, subsidiaries, joint venture and associates - net of fax				15,760,961						15,760,961		15,760,961
Increase in share of exchange translation reserve of associates - net of tax	_	-	_	95,134	_	-	-	_	_	95,134	-	95,134
Share of remeasurement gain on defined benefit												
obligations of associates - net	-	-	-	-		-	-	-	8,720	8,720	-	8,72
Movement in surplus / deficit on revaluation of assets - net of tax Movement in share of surplus / deficit on revaluation of assets	-	-	-	-	-	-	(15,090,097)	-	-	(15,090,097)	(18,885)	(15,108,98
of associates - net of tax	-	-	-	-	-	-	(294,677)	17,853	-	(276,824)	-	(276,82
<b>• / / / / /</b>	-	-	-	15,856,095	-	-	(15,384,774)	17,853	13,209,771	13,698,945	36,763	13,735,70
Transferred to statutory reserves Transferred from surplus on revaluation of assets - net of tax	-	123,564	1,529,989	-	-	-	-	- (82,744)	(1,653,553) 82,744	-	-	-
I ransferred from surplus on revaluation of assets - net of tax Derecognition of joint venture		(1,444,256)	-	(2,181,162)	-	-	2,993	(02,744)	62,744 1,441,263	(2,181,162)	-	(2,181,162
Acquisition of additional interest in subsidiary	-	-	-		-	-	(7,097)	2,395	234,425	229,723	(229,723)	
Transactions with owners, recorded directly in equity												
Final cash dividend - Rs 1.50 per share declared subsequent												
to the year ended December 31, 2022	-	-	-	-	-	-	-	-	(2,200,279)	(2,200,279)	-	(2,200,27
Balance as at March 31, 2023	14,668,525	1,203,132	44,660,065	55,401,956	547,115	(156,706)	(41,453,469)	27,237,464	189,582,010	291,690,092	2,685,989	294,376,08
Comprehensive income for the nine months ended December 31, 2023 Profit after taxation for the nine months ended December 31, 2023									44.474.989	44.474.989	25,728	44 500 74
Other comprehensive income / (loss)	-	-	-	-	-	-	-	-	44,474,909	44,474,909	20,720	44,500,71
Effect of translation of net investment in foreign												
branches, subsidiaries and associates - net of tax	-		-	(5,715,858)			-	-	-	(5,715,858)	-	(5,715,85
Increase in share of exchange translation reserve of associates - net of tax	-	-	-	389,457	-	-	-	-	-	389,457	-	389,45
Remeasurement gain / (loss) on defined benefit obligations - net of tax Share of remeasurement loss on defined benefit	-	-	-	-	-	-	-	-	434,966	434,966	(4,021)	430,94
obligations of associates - net	-	-	-	-	-	-	-	-	(1,028)	(1,028)	-	(1,02
Movement in surplus / deficit on revaluation of assets - net of tax	-	-	-	-	-	-	24,134,897	16,000,023	-	40,134,920	98,196	40,233,11
Movement in share of surplus / deficit on revaluation of assets												
of associates - net of tax	<u> </u>	-	-	(5,326,401)	-		36,611 24,171,508	(24,581) 15,975,442	44,908,927	12,030	- 119,903	12,03
Transferred to statutory reserves		90,790	4,155,611	- (0,020,101)				-	(4,246,401)	-	-	
Transferred from surplus on revaluation of assets - net of tax		-	-	-			-	(73,622)	73,622	-	-	-
Derecognition of joint venture	-	-	-	229,595	-	-	-	-		229,595		229,59
Transactions with owners, recorded directly in equity												
1st interim cash dividend - Rs 1.50 per share	-	-	-						(2,200,279)	(2,200,279)	-	(2,200,27
2nd interim cash dividend - Rs 2.00 per share	-	-	-	-	-	-	-	-	(2,933,705)	(2,933,705)	-	(2,933,70
3rd interim cash dividend - Rs 2.25 per share	·	-		-	-	-		-	(3,300,418)	(3,300,418)	-	(3,300,41
Balance as at December 31, 2023 - as reported	14,668,525	1,293,922	- 48,815,676	- 50,305,150	- 547,115	(156 706)	(17,281,961)	43,139,284	(8,434,402) 221,883,756	(8,434,402) 363,214,761	2,805,892	(8,434,40 366,020,65
Change in accounting policy as at January 01, 2024 - note 3.4	-	-		-	-	(100,100)	1,562,236		(9,591,152)	(8,028,916)	(456,207)	(8,485,12
Balance as at January 01, 2024 - as restated	14,668,525	1,293,922	48,815,676	50,305,150	547,115	(156,706)	(15,719,725)	43,139,284	212,292,604	355,185,845	2,349,685	357,535,53
Comprehensive income for the three months ended March 31, 2024												
Profit after taxation for the three months ended March 31, 2024	-	-	-	-	-	-	-	-	15,217,216	15,217,216	(173,633)	15,043,58
Other comprehensive income / (loss)												
Effect of translation of net investment in foreign branches, subsidiaries and associates - net of tax		-	-	(269,190)	-	-	-	-	-	(269,190)		(269,19
Increase in share of exchange translation reserve of associates - net of tax		-	-	394,092	-	-	-	-	-	394,092	-	394,09
Share of remeasurement gain on defined benefit												_
obligations of associates - net	-	-	-	-	-	-	-	-	5,262	5,262	-	5,26
Movement in surplus / deficit on revaluation of investments in equity instruments - net of tax Movement in surplus / deficit on revaluation of investments in debt instruments - net of tax	-	-	-	-	-	-	66,175	-	-	66,175	- 2.206	66,17
Movement in surplus / deficit on revaluation of investments in debt instruments - net or tax Movement in share of surplus / deficit on revaluation of assets	-	-	-	-	-	-	3,210,228	-	-	3,210,228	3,326	3,213,55
of associates - net of tax							(295,310)			(295,310)		(295,31
	-	-	-	124,902	-	-	2,981,093	-	15,222,478	18,328,473	(170,307)	18,158,16
Transferred to statutory reserves	-	65,289	1,459,498	-	-	-	-	-	(1,524,787)	-	-	-
Net realised gain on investments in equity instruments designated at FVOCI - net of tax	-	-	-	-	-	-	(99,174)		99,174	-	-	-
Transferred from surplus on revaluation of assets - net of tax Transactions with owners, recorded directly in equity	-	-	-	-	-	-	-	(26,499)	26,499	-	-	-
Final cash dividend - Rs 4.00 per share declared subsequent												
to the year ended December 31, 2023		-		-	-		-	-	(5,867,410)	(5,867,410)	-	(5,867,41
Balance as at March 31, 2024	14,668,525	1,359,211	50,275,174	50,430,052	547,115	(156,706)	(12,837,806)	43,112,785	220,248,558	367,646,908	2,179,378	369,826,286

The annexed notes 1 to 41 form an integral part of these condensed interim consolidated financial statements.

Director

#### Habib Bank Limited Condensed Interim Consolidated Cash Flow Statement (Unaudited) For the three months ended March 31, 2024

For the three months ended March 31, 2024		
	January 01 to March 31, 2024	January 01 to March 31, 2023
	(Rupees i	
CASH FLOWS FROM OPERATING ACTIVITIES	00.440.000	04 500 407
Profit before taxation	30,113,283	21,502,137
Dividend income Share of profit of associates and joint venture	(1,007,077)	(851,300) (809,741)
Mark-up / return / profit / interest expensed on subordinated debt	(896,406) 1,088,714	885,926
	(814,769)	(775,115)
A diversion of the	29,298,514	20,727,022
Adjustments: Depreciation	2,640,650	2,313,052
Amortisation	680,315	504,592
Depreciation on right-of-use assets	1,089,301	1,118,813
Mark-up / return / profit / interest expensed on lease liability against right-of-use assets	956,534	879,808
Credit loss allowance against investments Credit loss allowance against loans and advances	226,644 3,400,795	1,579,290 1,218,993
Credit loss allowance against other assets	405	796,200
Charge / (reversal) of credit loss allowance against off-balance sheet obligations	231,936	(255,051)
Unrealised loss on securities designated at fair value through profit and loss (FVTPL)	126,350	-
Unrealised loss on held-for-trading securities	-	372,523 (3,731,399)
Gain on derecognition of joint venture Gain on sale of property and equipment - net	(15,704)	(3,731,399) (78,595)
Workers' Welfare Fund	588,286	528,186
	9,925,512	5,246,412
(Increase) / decrease in operating assets	39,224,026	25,973,434
Lendings to financial institutions	17,029,142	85,851,403
FVTPL securities	(622,504)	-
Held-for-trading securities	-	(73,426,685)
Advances	84,056,195	180,506
Other assets (excluding advance taxation)	(31,244,676) 69,218,157	(62,257,961) (49,652,737)
Increase / (decrease) in operating liabilities		,
Bills payable	(6,378,966)	(5,779,672)
Borrowings from financial institutions Deposits and other accounts	(327,607,458) 233,565,609	105,292,501 144,881,225
Other liabilities	25,428,794	61,319,726
	(74,992,021)	305,713,780
	33,450,162	282,034,477
Income tax paid Net cash flows generated from operating activities	(16,373,300) 17,076,862	(6,309,160) 275,725,317
CASH FLOWS FROM INVESTING ACTIVITIES	17,070,002	213,123,311
Net investment in FVOCI securities	(32,250,336)	-
Net investment in securities carried at Amortised Cost	(10,353,111)	-
Net investment in available-for-sale securities	-	(146,580,833)
Net investment in held-to-maturity securities	-	36,378,178
Net investment in associates Dividend received	(3,931,734) 690,815	(3,947,384) 585,958
Investments in property and equipment	(3,267,514)	(3,932,714)
Investments in intangible assets	(1,112,449)	(536,957)
Proceeds from sale of property and equipment	32,125	181,497
Effect of translation of net investment in foreign branches, subsidiaries, joint venture and associates - net of tax Net cash flows used in investing activities	124,902 (50,067,302)	15,856,095 (101,996,160)
CASH FLOWS FROM FINANCING ACTIVITIES	(00,001,002)	(101,000,100)
Proceeds from issuance of subordinated debt	675,000	-
Payment of mark-up on subordinated debt	(1,087,352)	(891,174)
Payment of lease liability against right-of-use assets	(803,962)	(1,170,601)
Dividend paid	(3,721) (1,220,035)	(4,425) (2,066,200)
Net cash flows used in financing activities		
Decrease in cash and cash equivalents during the period	(34,210,475)	171,662,957
Cash and cash equivalents at the beginning of the period Effect of exchange rate changes on cash and cash equivalents	601,189,179 2,942,950	322,350,781 15,177,627
בחסיג סו סאסומוועס ומנס טומוועסס טון סמסון מווע סמסון פעטימוכוונס	604,132,129	337,528,408
Cash and cash equivalents at the end of the period	569,921,654	509,191,365

The annexed notes 1 to 41 form an integral part of these condensed interim consolidated financial statements.

President and Chief Executive Officer **Chief Financial Officer** 

Director

Director

## 1 THE GROUP AND ITS OPERATIONS

The Group consists of:

## Holding company

- Habib Bank Limited, Pakistan

## Subsidiaries

- Habib Allied Holding Limited (HAHL) 100% shareholding
- HBL Bank UK Limited 100% effective shareholding
- HBL Currency Exchange (Private) Limited 100% shareholding
- HBL Asset Management Limited 100% shareholding
- HBL Microfinance Bank Limited 79.92% shareholding
- Habib Bank Financial Services (Private) Limited 100% shareholding
- HBL Zarai Services Limited (HZSL) 100% shareholding

Habib Bank Limited (the Bank) is incorporated in Pakistan and is engaged in commercial banking services in Pakistan and overseas. The Bank's registered office is at Habib Bank Tower, 9th Floor, Jinnah Avenue, Blue Area, Islamabad, Pakistan and its principal office is at HBL Tower, Plot # G-4, KDA Scheme 5, Block 7, Clifton, Karachi, Pakistan. The Bank's shares are listed on the Pakistan Stock Exchange. The Bank operates 1,728 (December 31, 2023: 1,728) branches inside Pakistan including 408 (December 31, 2023: 408) Islamic Banking Branches and 30 (December 31, 2023: 30) branches outside the country including in the Karachi Export Processing Zone (KEPZ). The Aga Khan Fund for Economic Development S.A. (AKFED) is the parent company of the Bank and its registered office is in Geneva, Switzerland.

- 1.1 The Bank had commenced an orderly winding down of its operations in Afghanistan and banking operations were ceased on June 10, 2019. The remaining formalities required for closure are now in progress.
- 1.2 The Bank has entered into an agreement to sell its operations in Mauritius, and will be transferring the business to its new owners in due course, subject to requisite regulatory approvals.
- 1.3 The Bank has commenced an orderly wind-down of its Lebanon operations. Formalities for completion of the wind-down are underway.
- 1.4 After obtaining approval from the Central Bank of Oman for the deregistration of its Oman operations, the Bank had commenced an orderly and phase wise exit. Banking operations were ceased on August 02, 2023 and the remaining formalities required for closure are in progress.
- 1.5 HZSL is an unlisted public limited company, incorporated in Pakistan with its registered office at 4th floor, Habib Bank Tower, Jinnah Avenue, Blue Area, Islamabad, Pakistan. The objective of the company is to promote economic development by supporting the agricultural sector through establishing hubs for providing agricultural services. The company commenced operations on March 14, 2024.

During the year, the Bank has subscribed to 200 million shares issued by HZSL amounting to Rs 2 billion.

### 2 BASIS OF PRESENTATION

## 2.1 STATEMENT OF COMPLIANCE

These condensed interim consolidated financial statements have been prepared in accordance with accounting and reporting standards as applicable in Pakistan. These comprise of:

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan (ICAP) as are notified under the Companies Act, 2017;
- Provisions of and directives issued under the Banking Companies Ordinance, 1962;
- Provisions of and directives issued under the Companies Act, 2017; and
- Directives issued by the State Bank of Pakistan (SBP) and the Securities and Exchange Commission of Pakistan (SECP) from time to time.

Whenever the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 or the directives issued by the SBP and the SECP differ with the requirements of IFRS or IFAS, the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 and the said directives, shall prevail.

2.2 The disclosures made in these condensed interim consolidated financial statements have been limited based on the format prescribed by the SBP vide BPRD Circular Letter No. 2 dated February 09, 2023 and IAS 34. These condensed interim consolidated financial statements do not include all the information and disclosures required for annual consolidated financial statements and should be read in conjunction with the consolidated financial statements for the year ended December 31, 2023.

# 2.3 New standards and amendments to existing accounting and reporting standards that have become effective in the current year

As directed by SBP via BPRD Circular letter no. 7 of 2023, IFRS 9, Financial Instruments is effective for periods beginning on or after January 1, 2024. IFRS 9 has been applicable in several overseas jurisdictions at various effective dates starting from January 1, 2018. The requirements of this standard are already incorporated in the Group's financial statements for the jurisdictions where IFRS 9 has been adopted. The results of those overseas operations where IFRS 9 is not applicable will be directly incorporated in the Group's financial statements as per the respective host country's regulations, for the year ending December 31,2024.

Except for the implementation of IFRS 9 in Pakistan, as discussed in note 3.1, the Bank expects that amendments to existing accounting and reporting standards will not affect its financial statements in the period of initial application.

## 2.4 Amendments to existing accounting and reporting standards that are not yet effective

There are various amendments to accounting and reporting standards as applicable in Pakistan that are not yet effective. These are not likely to have a material effect on the Group's financial statements.

## 2.5 Critical accounting estimates and judgements

The basis for accounting estimates and judgements adopted in the preparation of these condensed interim consolidated financial statements is the same as that applied in the preparation of the consolidated financial statements for the year ended December 31, 2023, except for changes as discussed in note 3.2 and 3.3.

## 3 MATERIAL ACCOUNTING POLICY INFORMATION

Except as disclosed in note 3.1, the material accounting policies adopted in the preparation of these condensed interim consolidated financial statements are consistent with those followed in the preparation of the consolidated financial statements for the year ended December 31, 2023. The key changes to the Bank's accounting policies resulting from its adoption of IFRS 9 are summarized below:

## 3.1 IFRS 9 Financial Instruments

## 3.1.1 Classification of Financial Assets

The Group classifies its financial assets, other than its investments in subsidiaries and associates, into the following categories

- at Fair Value through Profit and Loss (FVTPL)
- at Fair Value through Other Comprehensive Income (FVOCI)
- at Amortised Cost

## **Classification of Equity instruments**

Equity securities that are traded in an active market and are held for trading purposes will be classified as FVTPL. Equity securities that are not held for trading purposes will be classified as FVOCI; however, gains and losses on disposal of securities classified as FVOCI will not be recycled through the profit and loss account. The classification decision is made on a case by case basis at the time of purchase, is documented, and is irrevocable.

### **Classification of other Financial Assets**

Financial Assets other than equity will be classified based on their cash flow characteristics and business model assessment:

- Amortised Cost: These will be classified as amortised cost if the objective is to hold the asset only for collecting contractual cash flows (principal and interest).
- FVOCI: These will be classified at FVOCI when the objective is to collect contractual cash flows (principal and interest) and also to potentially sell the same depending on market conditions. Any unrealized profit or loss on debt instruments classified as FVOCI is reflected in other comprehensive income and is recycled through the profit and loss account when the investment is sold.
- FVTPL: This includes financial assets:
  - a. which are not classified as either at amortised cost or FVOCI
  - b. which do not have a fixed maturity

In addition, on initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

#### Subsequent Measurement

#### Equity and debt securities classified as FVTPL

These securities are subsequently measured at fair value. Changes in the fair value of these securities are taken through the profit and loss account.

#### Equity and debt securities classified as FVOCI

These securities are subsequently measured at fair value. Changes in the fair value of these securities are recorded in OCI. When a debt security is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the profit and loss account. When an equity security is derecognised, gains and losses previously recognised in OCI are not recycled through the profit and loss account but are transferred directly to retained earnings.

#### Other financial assets classified at amortised cost

Other financial assets initially classified at amortised cost continue to be subsequently measured at amortised cost.

#### 3.1.2 Classification of Financial Liabilities

Financial liabilities are either classified at FVTPL, when they are held for trading purposes, or at amortised cost. Financial liabilities classified as FVTPL are measured at fair value.

Financial liabilities classified at amortised cost are initially recorded at fair value and subsequently measured using the effective interest rate method.

#### 3.1.3 Impairment

An ECL provision will be calculated on financial assets designated at FVOCI or at Amortised cost in accordance with the requirements of IFRS 9 and the guidelines issued by the SBP. Credit exposures (in local currency) that have been guaranteed by the Government and Government Securities are exempted from the application of ECL Framework.

Equity securities are not subject to impairment.

#### 3.1.4 Transitional Impact

The Bank has elected to follow the modified retrospective approach for restatement i.e. comparative figures have not been restated on the initial application of IFRS 9. Instead, the cumulative impact has been recorded as an adjustment to equity as of January 01, 2024. Accordingly, the information presented as of December 31, 2023 and for the period ended March 31, 2023 does not reflect the requirements of IFRS 9.

The following table reconciles the original measurement and carrying amounts of financial instruments in accordance with the previous financial reporting framework with the new measurement categories for the Group.

Financial Assets / Liabilities	Previous classification	Classification under IFRS 9	Carrying amount as of December 31, 2023	Change in classification	Fair valuation of unlisted securities	ECL	Carrying amount as of January 01, 2024
				(Rupees in '00	0)		
Cash and balances with treasury banks Balances with other banks Lendings to financial institutions Investments	Cost Cost Cost	Amortised Cost Amortised Cost Amortised Cost	547,528,581 56,603,548 88,598,160	-	- -	(991) (8)	547,528,581 56,602,557 88,598,152
Held for Trading Available for Sale Held to Maturity Associates	HFT AFS HTM Associates	FVTPL FVOCI Amortised Cost Associates	240,643,944 1,825,859,417 459,663,103 36,132,623	15,911,835 (15,911,835) - -	5,437,373 4,935,570 - -	- (458,275) (11,312) -	261,993,152 1,814,424,877 459,651,791 36,132,623
Advances	Cost	Amortised Cost	1,861,344,592	-	-	(23,984,333)	1,837,360,259
Other assets Derivatives and forward foreign	Cost	Amortised Cost	240,082,274	-	-	(53,536)	240,028,738
exchange contracts Total Financial Assets	Fair value	FVTPL	2,653,977 5,359,110,219	-	- 10,372,943	- (24,508,455)	2,653,977 5,344,974,707
Bills payable Borrowings Deposits and other accounts Subordinated debt	Cost Cost Cost Cost	Amortised Cost Amortised Cost Amortised Cost Amortised Cost	51,700,823 665,042,679 4,142,351,836 19,699,000	- - -	- - -	- - -	51,700,823 665,042,679 4,142,351,836 19,699,000
Other liabilities Derivatives, forward foreign exchange contracts and liabilities against trading of securities	Cost Fair value	Amortised Cost FVTPL	232,559,401 30,820,387	-	-	1,691,810 -	234,251,211 30,820,387
Total Financial Liabilities			5,142,174,126	-	-	1,691,810	5,143,865,936
Net Financial Assets Net Non Financial Assets			216,936,093	-	10,372,943	(26,200,265)	201,108,771 149,084,560
Total Net Assets			366,020,653		10,372,943	(26,200,265)	350,193,331

## 3.2 Measurement of the expected credit loss allowance and fair valuation of unlisted equity securities

The measurement of the ECL allowance for financial assets measured at amortised cost and at FVOCI is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behavior.

A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such

- Choosing appropriate models and assumptions for the measurement of ECL;
- Establishing groups of similar financial assets for the purpose of measuring ECL;
- Establishing the number and relative weightages of forward-looking macroeconomic scenarios for each segment and the associated ECL; and
- Determining whether an asset shows a significant increase in credit risk

## 3.3 Fair valuation of unlisted equity securities

The measurement of the fair value of investments in unquoted equity securities involves the use of different methodologies and assumptions. The Group uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation techniques incorporate all the factors that market participants would consider in pricing a transaction.

When observable inputs are not readily available, the fair value is determined using valuation techniques that include the use of mathematical models.

## 3.4 Reconciliation of retained earnings and surplus on revaluation of investments

The impact of the transition to IFRS 9 on the retained earnings and the surplus on revaluation of investments as at January 01, 2024 is as follows:

Retained earnings	(Rupees in '000)
Closing balance as at December 31, 2023 - as reported	221,883,756
IFRS 9 ECL attributable to equity holders of the Bank	(25,452,385)
Adjustments in relation to fair valuation of unlisted equity securities	5,437,373
Transfer out - Other impacts on adoption of IFRS 9	1,872,360
Deferred tax in relation to the above	8,551,500
	(9,591,152)
Closing balance as at January 01, 2024 under IFRS 9 - as restated	212,292,604
Surplus on revaluation of investments	
Closing balance as at December 31, 2023 - as reported	(17,281,961)
Adjustments in relation to fair valuation of unlisted equity securities	4,935,570
Transfer in - Other impacts on adoption of IFRS 9	(1,872,360)
Deferred tax in relation to the above	(1,500,974)
Closing balance as at January 01, 2024 under IFRS 9 - as restated	1,562,236 (15,719,725)

## 4 FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies adopted by the Bank are consistent with those disclosed in the consolidated financial statements for the year ended December 31, 2023.

5	CASH AND BALANCES WITH TREASURY BANKS	Note	(Unaudited) March 31, 2024 (Rupees	(Audited) December 31, 2023 s in '000)
	In hand			
	Local currency		64,468,324	63,349,493
	Foreign currencies		8,229,446	11,447,241
			72,697,770	74,796,734
	With State Bank of Pakistan in			
	Local currency current accounts		180,563,282	181,431,231
	Foreign currency current accounts		12,563,158	12,284,194
	Foreign currency deposit accounts		25,578,867	25,275,511
			218,705,307	218,990,936
	With other central banks in			
	Foreign currency current accounts		67,836,526	72,585,029
	Foreign currency deposit accounts		49,597,259	32,466,191
			117,433,785	105,051,220
	With National Bank of Pakistan in			
	Local currency current accounts		96,802,203	147,163,939
	Local currency deposit account		1,660,673	1,207,332
			98,462,876	148,371,271
	National Prize Bonds		255,768	318,420
			507,555,506	547,528,581
6	BALANCES WITH OTHER BANKS			
	In Pakistan			
	In current accounts		176,845	275,804
	In deposit accounts		450,406	3,299,072
			627,251	3,574,876
	Outside Pakistan			
	In current accounts		31,049,331	31,783,584
	In deposit accounts		30,690,558	21,245,088
			61,739,889	53,028,672
	Less: credit loss allowance		(992)	-
	Balances with other banks - net of credit loss allowance		62,366,148	56,603,548
7	LENDINGS TO FINANCIAL INSTITUTIONS			
	Call money lendings		31,300,000	17,000,000
	Repurchase agreement lendings (reverse repo)		40,269,026	71,598,160
			71,569,026	88,598,160
	Less: credit loss allowance	7.1	(8)	-
	Lendings to financial institutions - net of credit loss allowance		71,569,018	88,598,160

7.1 Lendings to financial institutions are all classified as Stage 1

Investments by type         Federal Government securities         (130,65)         (63,915,18)         .         .         .           - Market Treasury Bils         70,045,239         .         (130,05)         65,915,18         .         .         .           - Narket Treasury Bils         70,045,239         .         (130,05)         65,915,18         .         .         .           - Pakistan Investment Bonds         133,185,230         .         (130,05)         134,655         3,727,205         .	INVESTMENTS	VESTMENTS Note March 31, 2024 (Unaudited)			December 31, 2023 (Audited)					
Investments by type           Fair value through profit and loss (PVTPL)           Poderal Covernment sociaties         10,065,229         10,052,09         10,052,09         10,05								for		Carrying value
Pederal Government securities         70,045.239         1         (130,051)         60,915,188         1         1           - National Instants Instant Instants Instant	Investments by type	-				(Ru	pees in '000)			
• More: Tressury Bills         70,45,238         ·         (130,051)         69,915,188         ·	Fair value through profit and loss (FVTPL)									
- Paistan Investment Bonds         138 18520         -         (#42.00)         139 142.99         - <t< td=""><td>Federal Government securities</td><td>ſ</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></t<>	Federal Government securities	ſ								
	- Market Treasury Bills		70.045.239	-	(130.051)	69.915.188	-	-	-	-
- isabilitik         13.016.917         -         134.665         13.155.82         -         -         -           - Other Federal Covernment securities         3.727.205         -	- Pakistan Investment Bonds			-			-	-	-	-
Shares         I. Control         I. Control         I. Control         I. Control           • Unised companies         860.942         -         (20.154)         640.748         -         -           • Unised companies         8731.78         -         -         -         -         -           • Unised companies         1.891.233         -         6.157         1.897.390         -         -         -           • Unised         1.522.25         -         (17)         1.622.65         -         -         -         -           • Covernment delt sourites         2.852.214         -         (34.768)         2.817.46         -         -         -           • Unised         877.400         -         (39.900)         837.500         -         -         -         -           • Unised         3258.441         -         -         3.258.441         -	- Ijarah Sukuk		13,018,917	-			-	-	-	-
- Listad companies         660,942         -         (20,194)         840,748         -         -         -           - Unlisted companies         8,751,778         -         -         8,791,778         -	- Other Federal Government securities		3,727,205	-	-		-	-	-	-
- Unisted companies         8,791,778         -<	Shares									
Non-Government debt securities         Laboration	- Listed companies		860,942	-	(20,194)	840,748	-	-	-	-
- Listed       1,891,233       -       6,157       1,897,390       -       -       -         - Unitsided       1,632,625       -       (19)       1,632,606       -       -       -         - Government debt securities       2,852,214       -       (39,900)       837,500       -       -       -         - Unitsided       30,151       -       -       2,864,44       -       -       -         - Unitsided       30,151       -       -       2,864,44       -       -       -         - Unitsided       30,151       -       -       2,864,44       -       -       -         - Unitsided       30,151       -       -       2,864,44       -       -       -         - Unitsided       -       -       -       1,839,334       -       1,44,44       -         - Pakistian Investment Bonds       -       -       -       1,40,40,320       -       100,654       140,         - Stares       -       -       -       -       240,363,621       2,203,23       240,         Foreign securities       -       -       -       -       240,363,621       203,332       -       -	- Unlisted companies		8,791,178	-	-	8,791,178	-	-	-	-
- Unistad       1.032.020       0.017.000       1.002.020       -       -       -         Foreign securities       2.852.214       -       (34,768)       2.817.446       -       -       -         - Unistad       877.400       -       (35,900)       837.500       -       -       -       -         - Unistad       877.400       -       (35,900)       837.500       -	Non-Government debt securities									
- Unlished       1.832,625       .       (19)       1.632,605       .       .       .         Foreign securities       2.822,214       .       (34,768)       2.817,446       .       .       .         - Usted       877,400       .       (39,900)       837,500       .       .       .       .         - Usted       877,400       .       (32,900)       837,500       .       .       .       .         - Usted       837,500       .       .       .       .       .       .       .       .         - Usted for trading (HFT) securities       . <td>- Listed</td> <td></td> <td>1,891,233</td> <td>-</td> <td>6,157</td> <td>1,897,390</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td>	- Listed		1,891,233	-	6,157	1,897,390	-	-	-	-
Foreign securities         2,852,214         . </td <td>- Unlisted</td> <td></td> <td>1,632,625</td> <td>-</td> <td>(19)</td> <td></td> <td>-</td> <td>-</td> <td>-</td> <td>-</td>	- Unlisted		1,632,625	-	(19)		-	-	-	-
Preference shares         Internet         Internet <td>Foreign securities</td> <td></td> <td>, ,</td> <td></td> <td>( )</td> <td></td> <td></td> <td></td> <td></td> <td></td>	Foreign securities		, ,		( )					
Preference shares         Iside         677,400          (39,900)         837,500 <t< td=""><td>- Government debt securities</td><td></td><td>2,852,214</td><td>-</td><td>(34,768)</td><td>2,817,446</td><td>-</td><td>-</td><td>-</td><td>-</td></t<>	- Government debt securities		2,852,214	-	(34,768)	2,817,446	-	-	-	-
Unlisted         Solitons         Image: Constraint of the securities           Federal Government securities         -	Preference shares		, ,		(- , )	,. , .				
- Unisided         30,151         -         30,151         -	- Listed		877,400	-	(39,900)	837,500	-	-	-	-
Real Estate Investment Trust units - Unitisted         3,258,464         -	- Unlisted			_	-		-	-	-	-
Image: Participant of the securities         Image: Participant of the	Real Estate Investment Trust units - Unlisted			-	-		-	-	-	-
Held for trading (HFT) securities         - Market Treasury Bils       -         - Pakistan investment Bonds       -         - Pakistan investment Bonds       -         - Listed companies       -         - Government debt securities       -         - Shares       -         - Government debt securities       -         - Government debt securities       -         - Government securities       -         - Government securities       -         - Government securities       -         - Government securities       -         - Pakistan investment Bonds       1,176,592,347         - (25,746,810)       -         - Pakistan investment Bonds       1,176,392,347         - Usted companies       18,373,675         - Unlisted companies       18,373,675         - Unlisted companies       10,08,431         - Unlisted companies       10,08,431         - Unlisted       -         - Unlisted       -         - Unlisted       -         - Covernment debt securities       -		-	246,170,798	-	(126,350)	246,044,448			-	-
- ijarah Sukuk       -       -       -       -       100,00,00,00,00,00,00,00,00,00,00,00,00,	- Market Treasury Bills		-	-	-			-		88,915,542 140,940,974
Shares       .			-	-	-	-		-	-	
- Listed companies       -       -       -       109,681       -       (1,994)         Foreign securities       -       -       -       2965,340       -       (79,993)       2,         - Government debt securities       -       -       -       -       240,363,621       -       280,323       240,         Fair value through other comprehensive income (FVOC)       -       -       -       -       240,363,621       -       280,323       240,         Fair value through other comprehensive income (FVOC)       -       -       -       -       240,363,621       -       280,323       240,         Fair value through other comprehensive income (FVOC)       -			-	-	-	-	7,497,090	-	290,490	7,794,394
Foreign securities       .							100 681		(1.004)	107,687
- Government debt securities       -       -       -       2,965,340       -       (79,993)       2,         Fair value through other comprehensive income (FVOC)       -       -       240,363,621       -       280,323       240,         Federal Government securities       -       -       -       240,363,621       -       280,323       240,         - Market Treasury Bills       195,839,354       -       (163,185)       195,676,169       -       <			-	-	_	-	103,001		(1,554)	107,001
Fair value through other comprehensive income (FVOCI)         195,839,354         . <td>-</td> <td></td> <td></td> <td>_</td> <td></td> <td>_</td> <td>2 965 340</td> <td></td> <td>(79 993)</td> <td>2,885,347</td>	-			_		_	2 965 340		(79 993)	2,885,347
Fair value through other comprehensive income (FVOCI)         Federal Government securities         - Market Treasury Bills       195,839,354       -       (163,185)       195,676,169       -       -       -         - Pakistan Investment Bonds       1,176,928,347       -       (25,746,810)       1,151,181,537       -       -       -         - jiarah Sukuk       243,917,629       -       (848,220)       243,069,409       -       -       -       -         - Government of Pakistan US Dollar Bonds       20,308,87       (2,800,724)       1,778,800       19,228,963       -		L	-		-	-				240,643,944
- Market Treasury Bills       195,839,354       -       (163,185)       195,676,169       -       -       -         - Pakistan Investment Bonds       1,176,928,347       -       (25,746,810)       1,151,181,537       -       -       -         - ljarah Sukuk       243,917,629       -       (848,220)       243,069,409       -       -       -         - Government of Pakistan US Dollar Bonds       20,330,887       (2,880,724)       1,778,800       19,228,963       -       <	Fair value through other comprehensive incom	e (FVOCI)					240,000,021		200,020	240,040,04-
Pakistan Investment Bonds       1,176,928,347       -       (25,746,810)       1,151,181,537       -       -         ·ljarah Sukuk       243,917,629       -       (848,220)       243,069,409       -       -       -         · Government of Pakistan US Dollar Bonds       20,330,887       (2,880,724)       1,778,800       19,228,963       -       -       -         · Listed companies       18,373,675       -       (2,316,079)       16,057,596       -       -       -         · Unlisted companies       1,018,949       -       4,753,333       5,772,282       -       -       -         · Listed       50,009,431       (1,533,092)       147,452       48,623,791       -       -       -         · Unlisted       995,383       (404,365)       12,655       603,673       -       -       -         · Oorernment debt securities       185,360,086       (1,928,167)       (290,255)       183,141,664       -       -       -         · Government debt securities - Listed       4,803,831       (1,333,143)       (18,092)       3,452,596       -       -       -         · Government debt securities - Unlisted       9,437       -       44,874       54,311       -       -	Federal Government securities	Г								
- Pakistan Investment Bonds       1,176,928,347       -       (25,746,810)       1,151,181,537       -       -       -         - Ijarah Sukuk       243,917,629       -       (848,220)       243,069,409       -       -       -         - Government of Pakistan US Dollar Bonds       20,330,887       (2,860,724)       1,778,800       19,228,963       -       -       -       -         Shares       18,373,675       -       (2,316,079)       16,057,596       -       -       -       -         - Unlisted companies       1,018,949       -       4,753,333       5,772,282       -       -       -       -         Non-Government debt securities       50,009,431       (1,533,092)       147,452       48,623,791       -	- Market Treasury Bills		195.839.354	-	(163,185)	195.676.169	-	-	-	_
- Ijarah Sukuk       243,917,629       -       (848,220)       243,069,409       -       -       -         - Government of Pakistan US Dollar Bonds       20,330,887       (2,880,724)       1,778,800       19,228,963       -	- Pakistan Investment Bonds			-			-	-	-	-
- Government of Pakistan US Dollar Bonds       20,330,887       (2,880,724)       1,778,800       19,228,963       -       -       -         Shares       18,373,675       -       (2,316,079)       16,057,596       -       -       -         - Unlisted companies       1,018,949       -       4,753,333       5,772,282       -       -       -         Non-Government debt securities       50,009,431       (1,533,092)       147,452       48,623,791       -       -       -         - Unlisted       995,383       (404,365)       12,655       603,673       -       -       -         - Unlisted       995,383       (1,928,167)       (290,255)       183,141,664       -       -       -         - Sovernment debt securities       185,360,086       (1,928,167)       (290,255)       183,141,664       -       -       -         - Non-Government debt securities - Listed       4,803,831       (1,333,143)       (18,092)       3,452,596       -       -       -         - Equity securities - Unlisted       9,437       -       44,874       54,311       -       -       -         National Investment Unit Trust units       11,113       -       41,424       52,537       -	- Ijarah Sukuk			-			-	-	-	_
Shares       Image: Companies of the securities of the securit				(2 880 724)			-	-	-	_
- Listed companies       18,373,675       -       (2,316,079)       16,057,596       -       -       -       -         - Unlisted companies       1,018,949       -       4,753,333       5,772,282       -       -       -       -       -         Non-Government debt securities       50,009,431       (1,533,092)       147,452       48,623,791       -			20,000,007	(2,000,121)	1,110,000	10,220,000				
- Unlisted companies       1,018,949       -       4,753,333       5,772,282       -       -       -         Non-Government debt securities       50,009,431       (1,533,092)       147,452       48,623,791       -       -       -       -         - Unlisted       995,383       (404,365)       12,655       603,673       -       -       -         Foreign securities       185,360,086       (1,928,167)       (290,255)       183,141,664       -       -       -         - Non-Government debt securities - Listed       4,803,831       (1,333,143)       (18,092)       3,452,596       -       -       -         - Equity securities - Unlisted       9,437       -       44,874       54,311       -       -       -         National Investment Unit Trust units       11,113       -       41,424       52,537       -       -       -			18 373 675	_	(2 316 079)	16 057 596	_			_
Non-Government debt securities         50,009,431         (1,533,092)         147,452         48,623,791         - </td <td></td> <td></td> <td></td> <td>_</td> <td></td> <td></td> <td>_</td> <td></td> <td>_</td> <td>_</td>				_			_		_	_
- Unlisted       995,383       (404,365)       12,655       603,673       -       -       -         Foreign securities       185,360,086       (1,928,167)       (290,255)       183,141,664       -       -       -         - Non-Government debt securities - Listed       4,803,831       (1,333,143)       (18,092)       3,452,596       -       -       -         - Equity securities - Unlisted       9,437       -       44,874       54,311       -       -       -         National Investment Unit Trust units       11,113       -       41,424       52,537       -       -       -			1,010,010		1,100,000	0,112,202				
- Unlisted       995,383       (404,365)       12,655       603,673       -       -       -         Foreign securities       -       -       -       -       -       -       -         - Government debt securities       185,360,086       (1,928,167)       (290,255)       183,141,664       -       -       -       -         - Non-Government debt securities - Listed       4,803,831       (1,333,143)       (18,092)       3,452,596       -       -       -         - Equity securities - Unlisted       9,437       -       44,874       54,311       -       -       -         National Investment Unit Trust units       11,113       -       41,424       52,537       -       -       -	- Listed		50 009 431	(1 533 092)	147 452	48 623 791	-	-	-	-
Foreign securities         185,360,086         (1,928,167)         (290,255)         183,141,664         -	- Unlisted						-	-	-	_
- Government debt securities       185,360,086       (1,928,167)       (290,255)       183,141,664       -       -       -         - Non-Government debt securities - Listed       4,803,831       (1,333,143)       (18,092)       3,452,596       -       -       -         - Equity securities - Unlisted       9,437       -       44,874       54,311       -       -       -         National Investment Unit Trust units       11,113       -       41,424       52,537       -       -       -			000,000	(101,000)	12,000	000,010				
- Non-Government debt securities - Listed       4,803,831       (1,333,143)       (18,092)       3,452,596       -       -       -         - Equity securities - Unlisted       9,437       -       44,874       54,311       -       -       -         National Investment Unit Trust units       11,113       -       41,424       52,537       -       -       -	-		185 360 086	(1,928 167)	(290 255)	183 141 664			_	-
- Equity securities - Unlisted     9,437     -     44,874     54,311     -     -       National Investment Unit Trust units     11,113     -     41,424     52,537     -     -										
National Investment Unit Trust units         11,113         -         41,424         52,537         -         -         -				(1,000,140)						
1,897,653,122 (8,079,491) (22,587,403) 1,866,986,228	······································	L							-	

INVESTMENTS - continued	Note	March 31, 2024 (Unaudited)			December 31, 2023 (Audited)				
		Cost / amortised cost	Credit loss allowance	Surplus / (deficit)	Carrying value	Cost / amortised cost	Provision for diminution	Surplus / (deficit)	Carrying value
Available for sale (AFS) securities					(Ru	pees in '000)			
Federal Government securities									
- Market Treasury Bills			-	-	-	223,051,810	-	133,734	223,185,54
- Pakistan Investment Bonds		-	-	-	-	1,142,589,290	-	(28,598,476)	1,113,990,81
- Ijarah Sukuk			-	-	-	214,469,251	-	(992,900)	213,476,35
- Government of Pakistan US Dollar Bonds		- 1	-	-	-	20,607,015	(3,015,329)	(307,522)	17,284,16
- Other Federal Government securities			-	-	-	5,543,158	-	-	5,543,1
Shares									
- Listed companies			-	-	-	18,346,143	(1,355,890)	(573,899)	16,416,3
- Unlisted companies			-	-	-	5,372,888	(137,414)	-	5,235,47
Non-Government debt securities						, ,	( , , ,		
- Listed			-	-	-	52,313,888	(1,288,294)	(1,410,827)	49,614,76
- Unlisted			-	-	-	2,654,051	(403,050)	(16,875)	2,234,12
Foreign securities						,,	(,)	(,	_, ,,
- Government debt securities			-	-	-	172,850,072	(1,920,274)	(271,538)	170,658,20
- Non-Government debt securities - Listed			-	-	-	7,059,589	(1,423,946)	(35,025)	5,600,6
- Equity securities - Unlisted						9,701	(1,120,010) (239)	(00,020)	9,46
National Investment Unit Trust units						11,113	(200)	39,632	50,74
Real Estate Investment Trust units			-	_	_	11,110	-	55,052	50,7
- Listed			-			55,000		13,700	68,70
- Unlisted		-	-	-	-	1,575,000	-	15,700	1,575,0
Preference shares		-	-	-	-	1,575,000	-	-	1,575,0
- Listed			-			744,400		133,000	877,40
- Unlisted			-	-	-	354,985	(316,505)	133,000	38,48
		الــــــــــــــــــــــــــــــــــــ	-	-	-	1,867,607,354	(9,860,941)	(31,886,996)	1,825,859,41
Amortised cost	8.2								
Federal Government securities									
- Market Treasury Bills		117,087,724	-	-	117,087,724	-	-	-	
- Pakistan Investment Bonds		302,285,557	-	-	302,285,557	-	-	-	
- Ijarah Sukuk		5,000,000	-	-	5,000,000	-	-	-	
- Government of Pakistan US Dollar Bonds		6,371,641	(402,551)	-	5,969,090		-	-	
Non-Government debt securities									
- Listed		899,380	(4,294)	-	895,086	-	-	-	
- Unlisted		23,581,601	(541,102)	-	23,040,499	-	-	-	
Foreign Securities									
- Government debt securities		15,166,875	(15,536)	-	15,151,339	-	-	-	
- Non-Government debt securities - Unlisted		46,265	-	-	46,265	-	-	-	
		470,439,043	(963,483)	-	469,475,560		-	-	
Held to maturity (HTM) securities									
			ĺ						
		_	_		_	111,663,463	_	-	111,663,4
Federal Government securities			-	-	-		-	-	
Federal Government securities - Market Treasury Bills			-	-	-	301,830,350	- - (408.218)	-	301,830,3
Federal Government securities - Market Treasury Bills - Pakistan Investment Bonds - Government of Pakistan US Dollar Bonds			- - -	- - -	- - -		- - (408,218)	- -	301,830,3
Federal Government securities - Market Treasury Bills - Pakistan Investment Bonds - Government of Pakistan US Dollar Bonds			- - -	- - -		301,830,350 6,435,791	- - (408,218)	-	301,830,3 6,027,5
Federal Government securities - Market Treasury Bills - Pakistan Investment Bonds - Government of Pakistan US Dollar Bonds Non-Government debt securities			- - -	- - -		301,830,350 6,435,791 1,899,450	- - (408,218) -	-	301,830,33 6,027,5 1,899,4
Federal Government securities - Market Treasury Bills - Pakistan Investment Bonds - Government of Pakistan US Dollar Bonds Non-Government debt securities - Listed - Unlisted		- - - - -	- - -	- - - - -	- - - -	301,830,350 6,435,791	- - (408,218) - -	-	301,830,3 6,027,5 1,899,4
Federal Government securities - Market Treasury Bills - Pakistan Investment Bonds - Government of Pakistan US Dollar Bonds Non-Government debt securities - Listed - Unlisted Foreign Securities			- - - -	- - - -	-	301,830,350 6,435,791 1,899,450 23,419,101	- - (408,218) - -	-	301,830,3 6,027,5 1,899,4 23,419,1
Federal Government securities - Market Treasury Bills - Pakistan Investment Bonds - Government of Pakistan US Dollar Bonds Non-Government debt securities - Listed - Unlisted Foreign Securities - Government debt securities				- - - - -		301,830,350 6,435,791 1,899,450 23,419,101 14,663,737	-	-	301,830,3 6,027,5 1,899,4 23,419,1 14,663,7
Federal Government securities - Market Treasury Bills - Pakistan Investment Bonds - Government of Pakistan US Dollar Bonds Non-Government debt securities - Listed - Unlisted Foreign Securities		- - - - - - - - - - -	- - - - - - - -	- - - - - - - - - -		301,830,350 6,435,791 1,899,450 23,419,101 14,663,737 174,040	- - (14,611)	-	301,830,33 6,027,5 1,899,4 23,419,11 14,663,7 159,4
Federal Government securities - Market Treasury Bills - Pakistan Investment Bonds - Government of Pakistan US Dollar Bonds Non-Government debt securities - Listed - Unlisted Foreign Securities - Government debt securities - Non-Government debt securities - Unlisted			- - - - - - - - - -	- - - - - - - - -	- - - - -	301,830,350 6,435,791 1,899,450 23,419,101 14,663,737 174,040 460,085,932	-	- - - - - - - - -	301,830,33 6,027,5 1,899,4 23,419,11 14,663,77 159,43 459,663,11
<ul> <li>Pakistan Investment Bonds</li> <li>Government of Pakistan US Dollar Bonds</li> <li>Non-Government debt securities</li> <li>Listed</li> <li>Unlisted</li> <li>Foreign Securities</li> <li>Government debt securities</li> </ul>		- - - - - - 42,586,166 - 2,656,849,129	- - - - - - - - - - - - - - - - - - -	- - - - - - (2,204,443) (24,918,196)	- - - - - - 40,381,723 2,622,887,959	301,830,350 6,435,791 1,899,450 23,419,101 14,663,737 174,040	- - (14,611)	- - - - (1,625,403) (33,232,076)	111,663,46 301,830,35 6,027,57 1,899,45 23,419,10 14,663,73 159,42 459,663,10 36,132,62 2,562,299,08

8.1.1 Investments given as collateral	(Unaudited) March 31, 2024 (Rupees	(Audited) December 31, 2023 in '000)
The market value of investments given as collateral against borrowings is as follows:		
Federal Government securities		
- Market Treasury Bills	19,522,558	30,947,292
- Pakistan Investment Bonds	37,943,253	336,459,407
Foreign securities		
- Government debt securities	208,193	-
	57,674,004	367,406,699

8.2 The market value of investments classified as amortised cost amounted to Rs 440,134.766 million.

8.3	Credit loss allowance for diminution in value of investments	(Unaudited) March 31, 2024 (Rupees	(Audited) December 31, 2023 in '000)
	Opening balance	10,283,770	8,924,913
	Impact of adoption of IFRS 9	(1,340,461)	
	Exchange adjustment	(126,979)	
	Charge / (reversal)		
	Charge for the period / year	272,596	2,424,752
	Reversal for the period / year	(45,952)	
	Reversal on disposal during the period / year	-	(950,365)
	Net charge / (reversal)	226,644	(184,104)
	Closing balance	9,042,974	10,283,770
8.4	Particulars of credit loss allowance against debt securities		
		(Unauc	lited)
		March 3	1, 2024
	Category of classification	Outstanding amount	Credit loss allowance held
		(Rupees	in '000)
	Domestic		
	Performing	2,303,823,682	422,562
	Underperforming	2,662,500	200,024
	Non-performing		
	Loss	395,383	395,383
		2,306,881,565	1,017,969
	Overseas		
	Performing	199,322,910	138,520
	Under performing	46,864,416	5,172,633
	Non-performing		
	Loss	2,713,852	2,713,852
		248,901,178	8,025,005
	Total	2,555,782,743	9,042,974

			Perfo	rming	Non - pe	rforming	То	tal
			(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)
		Note	March 31,	December 31,	March 31,	December 31,	March 31,	December 31,
9	ADVANCES	Note	2024	2023	2024	2023	2024	2023
					(Rupe	es in '000)		
	Loans, cash credits, running finances, etc.		1,423,057,095	1,494,700,962	85,966,651	80,835,932	1,509,023,746	1,575,536,894
	Islamic financing and related assets	38.3	200,599,969	208,404,435	10,095,674	11,309,850	210,695,643	219,714,285
	Bills discounted and purchased		148,797,418	159,652,327	9,678,974	9,753,378	158,476,392	169,405,705
	Advances - gross		1,772,454,482	1,862,757,724	105,741,299	101,899,160	1,878,195,781	1,964,656,884
	Credit loss allowance against advances							
	- Stage 1		(12,248,241)	-	-	-	(12,248,241)	-
	- Stage 2		(19,155,214)	-	-	-	(19,155,214)	-
	- Stage 3	9.3	-	-	(84,327,386)	-	(84,327,386)	-
	Specific		-	-	(4,305,851)	(84,920,073)	(4,305,851)	(84,920,073)
	General		(8,255,820)	(18,392,219)	-	-	(8,255,820)	(18,392,219)
			(39,659,275)	(18,392,219)	(88,633,237)	(84,920,073)	(128,292,512)	(103,312,292)
	Advances - net of credit loss allowance		1,732,795,207	1,844,365,505	17,108,062	16,979,087	1,749,903,269	1,861,344,592
							(Unaudited)	(Audited)
							March 31,	December 31,
							2024	2023
9.1	Particulars of advances (gross)						(Rupees	s in '000)
	In local currency						1,405,374,680	1,449,318,068
	In foreign currencies						472,821,101	515,338,816
							1,878,195,781	1,964,656,884

9.2 Advances include Rs 105,741.299 million (December 31, 2023: Rs 101,899.160 million) which have been placed under non-performing status as detailed below:

Category of classification	•	(Unaudited) March 31, 2024		
Domestic	Non- performing advances	Credit loss allowance / Provision (Rupee	Non- performing advances es in '000)	Provision
Other assets especially mentioned	685,136	28,840	1,385,321	28,840
Substandard	12,589,254	3,173,116	7,023,482	1,622,140
Doubtful	10,215,087	5,654,211	11,508,302	5,749,844
Loss	47,280,262	47,451,885	43,820,506	43,110,623
	70,769,739	56,308,052	63,737,611	50,511,447
Overseas				
Substandard	339,384	102,048	352,121	104,190
Doubtful	1,252,418	631,107	21,889	11,155
Loss	33,379,758	31,592,030	37,787,539	34,293,281
	34,971,560	32,325,185	38,161,549	34,408,626
	105,741,299	88,633,237	101,899,160	84,920,073

## 9.3 Particulars of credit loss allowance against advances

			(Unaud	dited)		
			March 3	1, 2024		
_	Stage 1	Stage 2	Stage 3	Specific	General	Total
			(Rupees	in '000)		
Opening balance - as reported	-	-	-	84,920,073	18,392,219	103,312,292
Impact of adoption of IFRS 9	13,712,611	18,523,428	82,946,700	(80,578,490)	(10,619,916)	23,984,333
Opening balance - as restated	13,712,611	18,523,428	82,946,700	4,341,583	7,772,303	127,296,625
Transfer to stage 1	178,527	(126,522)	(52,005)	-	-	-
Transfer to stage 2	(525,093)	601,915	(76,822)	-	-	-
Transfer to stage 3	(54,726)	(2,652,212)	2,706,938	-	-	-
Exchange adjustment	(64,858)	(5,009)	(445,479)	(108,398)	(7,818)	(631,562)
Charge for the period	1,168,900	3,815,416	3,037,143	72,666	491,335	8,585,460
Reversal for the period	(2,167,120)	(1,001,802)	(2,015,743)	-	-	(5,184,665)
Net (reversal) / charge against advances	(998,220)	2,813,614	1,021,400	72,666	491,335	3,400,795
Charged off during the period -						
agriculture financing	-	-	(46,890)	-	-	(46,890)
Written off during the period	-	-	(1,726,456)		-	(1,726,456)
Closing balance	12,248,241	19,155,214	84,327,386	4,305,851	8,255,820	128,292,512

			(Auc	dited)		
			Decembe	er 31, 2023		
	Stage 1	Stage 2	Stage 3	Specific	General	Total
			(Rupees	s in '000)		
Opening balance	-	-	-	78,259,477	13,911,505	92,170,982
Exchange adjustment		-	-	8,019,828	831,237	8,851,065
Charge for the year	-	-	-	16,462,892	4,857,453	21,320,345
Reversal for the year	-	-	-	(6,643,168)	(1,207,976)	(7,851,144)
Net charge against advances	-	-	-	9,819,724	3,649,477	16,363,111
Charged off during the year -						
agriculture financing	-	-	-	(503,799)	-	(503,799)
Written off during the year	<u> </u>	-		(10,675,157)	-	(10,675,157)
Closing balance				84,920,073	18,392,219	106,206,202

9.4 General provision also includes Rs 420.937 million pertaining to overseas advances to meet the requirements of the regulatory authorities of those countries in which the Group operates where IFRS9 is not applicable. General provision also includes Rs 7,834.883 million carried as a matter of prudence, on account of borrowers impacted by the currently stressed economic conditions.

9.5 Advances - Category of classification

	(Unau March 3	,
	Outstanding amount	Credit loss allowance / provision held
	(Rupee:	s in '000)
Domestic		
Performing	1,164,378,344	17,197,277
Underperforming	264,631,734	17,339,746
Non-Performing	70,769,739	56,308,052
Total	1,499,779,817	90,845,075
Overseas		
Performing	305,586,609	3,306,784
Underperforming	37,857,795	1,815,468
Non-Performing	34,971,560	32,325,185
Total	378,415,964	37,447,437
	1,878,195,781	128,292,512

#### 40

Other intangibles

10	PROPERTY AND EQUIPMENT	Note	(Unaudited) March 31, 2024	(Audited) December 31, 2023
			(Rupee	s in '000)
	Capital work-in-progress	10.1	8,020,722	7,039,669
	Property and equipment		109,772,652	110,200,053
			117,793,374	117,239,722
10.1	Capital work-in-progress			
	Civil works		1,046,612	919,737
	Equipment Advances to suppliers and contractors		1,093,166 5,880,944	930,756 5,189,176
			8,020,722	7,039,669
40.0				
10.2	Additions to property and equipment			dited) months ended
			March 31,	March 31,
			2024	2023
			(Rupee	s in '000)
	The following additions have been made to property and equipment during the period:			
	Capital work-in-progress - net		981,053	1,788,810
	Property and equipment			
	Leasehold land		-	2,500
	Building on leasehold land		99,982	44,685
	Machinery Leasehold improvements		- 388,226	24,252 280,601
	Furniture and fixtures		263,341	438,584
	Electrical, office and computer equipment		1,492,239	1,323,233
	Vehicles		42,673	30,049
			2,286,461	2,143,904
			3,267,514	3,932,714
10.3	Disposal of property and equipment			
	<b>-</b>			
	The net book value of property and equipment disposed off during the period is as follows:			
	Property and equipment			
	Building on freehold land		-	102,515
	Building on leasehold land		13,512	-
	Leasehold improvements Furniture and fixtures		1,594 572	- 220
	Electrical, office and computer equipment		743	167
			16,421	102,902
11	RIGHT-OF-USE ASSETS		(Unaudited) March 31,	(Audited) December 31,
			2024	2023
			(Rupee	s in '000)
	At January 1,			
	Cost		41,826,150	35,321,191
	Accumulated depreciation		(17,171,405)	
	Net carrying amount at January 1,		24,654,745	22,818,230
	Exchange adjustment		(102,053)	
	Additions during the period / year		1,094,791	5,994,979
	Deletions during the period / year Depreciation charge for the period / year		(1,089,301)	(128,537) (4,426,688)
	Other adjustments		(1,089,301) 3,726	(4,426,688) (316,113)
	Net carrying amount at the end of the period / year		24,561,908	24,654,745
10	INTANGIBLE ASSETS			
12				
	Capital work-in-progress - computer software		7,596,597	6,632,627
	Computer software		8,390,183	8,939,025

7,148,891

22,720,543

7,053,481

23,040,261

		Note		months ended
			March 31, 2024	March 31, 2023
12.1	Additions to intangible assets		-	2023 s in '000)
	The following additions have been made to intangible assets during the period:		(	,
	Capital work-in-progress - net		963,970	276,796
	Computer software		148,479	260,161
			1,112,449	536,957
13	DEFERRED TAX ASSETS / (LIABILITIES)		(Unaudited) March 31, 2024	(Audited) December 31, 2023
			(Rupees	s in '000)
	Deductible temporary differences on - Tax losses of subsidiary		1,918,815	1,705,743
	- Credit loss allowance against investments		7,606	694,365
	- Credit loss allowance against doubtful debts and off-balance sheet obligations		20,274,252	6,855,146
	- Liabilities written back under section 34(5) of the Income Tax Ordinance (ITO) 2001		2,721,611	2,854,101
	<ul> <li>Deficit on revaluation of investments</li> <li>Deficit on revaluation of investments of associates</li> </ul>	21 21	10,857,284 1,080,177	15,414,086 796,447
	- Ijarah financing	21	397,371	332,429
	- Others		(139,036)	5,000
	<b>—</b>		37,118,080	28,657,317
	Taxable temporary differences on - Accelerated tax depreciation		(2,455,247)	(2,635,250)
	- Surplus on revaluation of property and equipment	21	(3,940,871)	(3,965,450)
	- Surplus on revaluation of property and equipment of associates	21	(198,534)	(198,534)
	- Management rights and goodwill		(425,204)	(417,812)
	- Share of profit of associates - Exchange translation reserve		(9,312,673) (14,436,279)	(9,203,196) (11,756,201)
			(30,768,808)	(28,176,443)
	Net deferred tax assets		6,349,272	480,874
14	OTHER ASSETS			
	Mark-up / return / profit / interest accrued in local currency - net of provision		162,356,209	127,899,044
	Mark-up / return / profit / interest accrued in foreign currency - net of provision		8,589,561	9,693,481
	Advances, deposits, advance rent and other prepayments		7,497,639	4,588,818
	Advance taxation Advance against subscription of securities		2,724,469 228,514	4,886,206 903,514
	Stationery and stamps on hand		269,622	233,268
	Accrued fees and commissions		354,678	430,308
	Due from Government of Pakistan / SBP		8,741,386	8,009,124
	Mark to market gain on forward foreign exchange contracts		3,616,450	2,580,581
	Mark to market gain on derivative instruments Non-banking assets acquired in satisfaction of claims		- 239,457	73,396 242,317
	Receivable from defined benefit plan		845,404	845,404
	Acceptances		61,445,546	55,561,467
	Clearing and settlement accounts		29,858,407	37,268,393
	Dividend receivable		325,355	9,093 634 106
	Claims receivable against fraud and forgeries Inventory		570,233 67,943	634,106 -
	Others		1,830,309	1,405,981
			289,561,182	255,264,501
	Credit loss allowance held against other assets		(2,589,924)	(2,577,641)
	Other assets - net of credit loss allowance Surplus on revaluation of non-banking assets acquired in satisfaction of claims		286,971,258 191,591	252,686,860 191,591
	Other assets - total		287,162,849	252,878,451
				, , -

14.1	Credit loss allowance held against other assets		(Unaudited) March 31, 2024	(Audited) December 31, 2023
			(Rupee	s in '000)
	Claims receivable against fraud and forgeries		570,233	634,106
	Suit filed cases		4,979	4,979
	Others		2,014,712	1,938,556
			2,589,924	2,577,641
14.1.	1 Movement in credit loss allowance against other assets			
	Opening balance		2,577,641	1,791,891
	Impact of adoption of IFRS 9		53,536	-
	Exchange adjustment		(3,909)	10,045
	Charge for the period / year		38,247	1,240,885
	Reversal for the period / year		(37,842)	(100,168)
	Net charge		405	1,140,717
	Written off during the period / year		(37,749)	(243,072)
	Other movement		-	(121,940)
	Closing balance		2,589,924	2,577,641
15	BILLS PAYABLE			
	In Pakistan		43,118,905	49,538,342
	Outside Pakistan		2,202,952	2,162,481
			45,321,857	51,700,823
16	BORROWINGS			
	Converse			
	Secured			
	Borrowings from the SBP under - Export refinance scheme		54,470,851	64,648,651
	- Export refinance scheme for bill discounting		21,665,342	22,637,751
	- Long term financing facility		35,662,280	37,066,139
	- Financing facility for renewable energy power plants		7,236,852	7,216,949
	- Refinance facility for modernization of Small and Medium Enterprises (SMEs)		700,525	607,955
	- Refinance and credit guarantee scheme for women entrepreneurs		31,761	38,046
	- Financing facility for storage of agricultural produce		543,466	597,743
	- Refinance facility for combating COVID-19		1,648,779	1,567,557
	- Temporary economic refinance facility		31,692,986	32,214,444
	- Refinance facility for SME Asaan Finance (SAAF)		6,954,151	3,884,689
			160,606,993	170,479,924
	Repurchase agreement borrowings		57,835,975	379,043,704
			218,442,968	549,523,628
	Unsecured		0.070.400	220.000
	- Call money borrowings		6,970,120	320,000
	- Overdrawn nostro accounts		2,412,968	500,700 46,183,741
	<ul> <li>Borrowings of overseas branches and subsidiaries</li> <li>Other long-term borrowings</li> </ul>	16.1	44,161,357 65,447,808	68,514,610
	- Other long-term borrowings	10.1	118,992,253	115,519,051
			110,002,200	

665,042,679

337,435,221

- 16.1 This includes the following:
- 16.1.1 A loan from the International Finance Corporation amounting to US\$ 49.980 million (December 31, 2023: US\$ 49.980 million). The principal amount is payable in six equal semi-annual installments from June 2022 to December 2024. Interest at LIBOR + 5.00% is payable semi-annually.
- 16.1.2 A long-term financing facility arrangement from China Development Bank, utilized for on-lending to projects of the Bank's customers. The current amount outstanding is US\$ 174.059 million (December 31, 2023: US\$ 181.640 million). The principal amount is payable in semiannual installments from January 2023 to January 2033. Interest at a fixed spread over LIBOR is payable semi-annually.
- 16.1.3 A mortgage refinancing facility on Musharakah basis from Pakistan Mortgage Refinance Company Limited (PMRC) amounting to Rs 2 billion (December 31, 2023: Rs 2 billion) for on-lending to customers. The principal amount is payable in semi-annual installments from April 2025 to October 2026. Profit at a rate of 16.61% per annum (December 31, 2023: 16.61% per annum) is payable semi-annually.
- 16.1.4 Mortgage refinancing facilities from PMRC, amounting to Rs 1,176.795 million (December 31, 2023: Rs 1,230.034 million), utilised by HBL Microfinance Bank Limited to extend mortgage finance to low income groups. The principal amount of one facility, amounting to Rs 500 million (December 31, 2023: Rs 500 million), is payable at maturity on December 30, 2024. The principal amount of the other facilities is payable in quarterly installments from June 2020 to June 2031. Mark-up on all facilities is payable quarterly at rates ranging from 7.14% to 15.19% per annum (December 31, 2023: 6.50% to 15.19% per annum).

#### 17 DEPOSITS AND OTHER ACCOUNTS

18

18.1

	March	n 31, 2024 (Unauc	lited)	December 31, 2023 (Audited)			
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total	
			(Rupee	s in '000)			
Customers							
Current deposits	1,158,631,335	281,225,593	1,439,856,928	1,088,865,434	285,394,936	1,374,260,370	
Savings deposits	1,711,855,494	158,211,182	1,870,066,676	1,585,284,462	161,853,706	1,747,138,16	
Term deposits	423,296,098	388,691,656	811,987,754	459,615,841	366,737,732	826,353,573	
	3,293,782,927	828,128,431	4,121,911,358	3,133,765,737	813,986,374	3,947,752,11	
Financial institutions							
Current deposits	14,579,821	1,799,377	16,379,198	7,845,417	2,594,297	10,439,714	
Savings deposits	218,659,202	27,081	218,686,283	164,505,304	711,626	165,216,93	
Term deposits	9,574,324	9,366,282	18,940,606	9,413,843	9,529,238	18,943,08	
	242,813,347	11,192,740	254,006,087	181,764,564	12,835,161	194,599,72	
	3,536,596,274	839,321,171	4,375,917,445	3,315,530,301	826,821,535	4,142,351,83	
					(Unaudited)	(Audited)	
					(Unaudited) March 31,	• •	
					• •	(Audited) December 31 2023	
LEASE LIABILITIES					March 31, 2024	December 31	
					March 31, 2024 (Rupee	December 31 2023 s in '000)	
Opening balance					March 31, 2024 (Rupee 30,489,986	December 31 2023 s in '000) 27,079,479	
Opening balance Exchange adjustment	t				March 31, 2024 (Rupee 30,489,986 (110,755)	December 31 2023 s in '000) 27,079,479 625,580	
Opening balance Exchange adjustment Additions during the p	t				March 31, 2024 (Rupee 30,489,986 (110,755) 1,323,910	December 31 2023 s in '000) 27,079,479 625,589 4,804,569	
Opening balance Exchange adjustment Additions during the p Interest expense	t beriod / year				March 31, 2024 (Rupee 30,489,986 (110,755) 1,323,910 956,584	December 31 2023 s in '000) 27,079,479 625,589 4,804,569 3,346,432	
Opening balance Exchange adjustment Additions during the p Interest expense Lease payments inclu	t beriod / year				March 31, 2024 (Rupee 30,489,986 (110,755) 1,323,910	December 31 2023 s in '000) 27,079,479 625,580 4,804,564 3,346,432 (5,684,422)	
Opening balance Exchange adjustment Additions during the p Interest expense Lease payments inclu Others / deletion	t beriod / year				March 31, 2024 (Rupee 30,489,986 (110,755) 1,323,910 956,584	December 31 2023	
Opening balance Exchange adjustment Additions during the p Interest expense Lease payments inclu	t beriod / year uding interest	the period / yea	r		March 31, 2024 (Rupee 30,489,986 (110,755) 1,323,910 956,584 (803,962)	December 31 2023 s in '000) 27,079,47 625,58 4,804,56 3,346,43 (5,684,42 318,34	
Opening balance Exchange adjustment Additions during the p Interest expense Lease payments inclu Others / deletion Closing balance	t beriod / year uding interest i <b>ng at the end of</b> f	the period / yea	r		March 31, 2024 (Rupee 30,489,986 (110,755) 1,323,910 956,584 (803,962)	December 31 2023 s in '000) 27,079,47 625,58 4,804,56 3,346,43 (5,684,42 318,34	

Later than one year and up to five years
Over five years
Total

21.703.950

30,489,986

19.356.583

31,855,763

19	SUBORDINATED DEBT	Note	(Unaudited) March 31, 2024 (Rupee	(Audited) December 31, 2023 s in '000)
	Additional Tier I Term Finance Certificates	19.1.1	12,374,000	12,374,000
	Additional Tier I Term Finance Certificates	19.1.2	6,500,000	6,500,000
	Tier II Term Finance Certificates	19.2	1,500,000	825,000
			20,374,000	19,699,000

19.1 The Bank has issued listed, fully paid up, rated, privately placed, perpetual, unsecured, subordinated, non-cumulative and contingent convertible debt instruments in the nature of Term Finance Certificates (TFCs) issued as instruments of redeemable capital under Section 66 of the Companies Act, 2017 which qualify as Additional Tier 1 Capital (AT 1) as outlined by the SBP under BPRD Circular No. 6 dated August 15, 2013.

The key features of these issues are as follows:

Issue Date	September 26, 2019
Issue amount	Rs 12.374 billion
Rating	AA+ (Double A plus) [December 31, 2023: AA+ (Double A plus)]
Original Tenor	Perpetual
Security	Unsecured and subordinated to all other indebtedness of the Bank including depositors and general creditors but superior to the claims of ordinary shareholders.
Profit payment	Quarterly in arrears
Redemption	Perpetual, hence not applicable.
Mark-up	Floating rate of return at Base Rate + 1.60%. The Base Rate is defined as the average "Ask Side" rate of the three months Karachi Interbank Offered Rate (KIBOR).
Call option	The Bank may, at its sole discretion, call the TFCs any time after five years from the Issue Date subject to the following:
	(a) Prior approval of the SBP having been obtained; and
	(b) The Bank replacing the TFCs with capital of the same or better quality and the capital position of the Banl being above the minimum capital requirement after the Call Option is exercised.
	If the Bank decides to exercise the Call Option, the Bank shall notify the Trustee and the investors not less than 30 calendar days prior to the date of exercise of such Call Option, which notice shall specify the date fixed for the exercise of the Call Option (the "Call Option Exercise Date").
Lock-in clause	Mark-up will only be paid from the current year's earnings and only if the Bank is in compliance with regulator capital and liquidity requirements.
Loss absorbency	The TFCs will be subject to a loss absorbency clause as stipulated under the SBP's "Instructions for Basel II Implementation in Pakistan".
clause	

19.1.2

19.

Issue Date	December 28, 2022					
Issue amount	Rs 6.500 billion					
Rating	AA+ (Double A plus) [December 31, 2023: AA+ (Double A plus)]					
Original Tenor	Perpetual					
Security	Unsecured and subordinated to all other indebtedness of the Bank including depositors and general creditors but superior to the claims of ordinary shareholders.					
Profit payment frequency	Quarterly in arrears					
Redemption	Perpetual, hence not applicable.					
Mark-up	Floating rate of return at Base Rate + 2.00%. The Base Rate is defined as the average "Ask Side" rate of the three months Karachi Interbank Offered Rate (KIBOR).					
Call option	The Bank may, at its sole discretion, call the TFCs any time after five years from the Issue Date subject to the following:					
	<ul> <li>(a) Prior approval of the SBP having been obtained; and</li> <li>(b) The Bank replacing the TFCs with capital of the same or better quality and the capital position of the Ban being above the minimum capital requirement after the Call Option is exercised.</li> </ul>					
	If the Bank decides to exercise the Call Option, the Bank shall notify the Trustee and the investors not less than 30 calendar days prior to the date of exercise of such Call Option, which notice shall specify the date fixed for the exercise of the Call Option (the "Call Option Exercise Date").					
Lock-in clause	Mark-up will only be paid from the current year's earnings and only if the Bank is in compliance with regulator capital and liquidity requirements.					
Loss absorbency	The TFCs will be subject to a loss absorbency clause as stipulated under the SBP's "Instructions for Basel I					
clause	Implementation in Pakistan".					

19.2 HBL MfB has received advance subscription money amounting to Rs 1.500 billion for the issuance of fully paid up, rated, privately placed, unsecured, and subordinated debt instruments in the nature of TFCs issued as instruments of redeemable capital under Section 66(1) of the Companies Act, 2017, which qualify as Tier II Capital as outlined by the SBP under BPRD Circular No. 6, dated August 15, 2013.

The key features of the issue are as follows:

20

Total issue amount	Rs 1.500 billion (including a greenshoe option of Rs 500 million)				
Rating	A				
Original Tenor	10 years from the first disbursement date.				
Security	Unsecured and subordinated as to payment of principal and profit to all other indebtedness of HBL MfB, including deposits, but will rank pari passu with other Tier II instruments and superior to the claims of ordinary shareholders.				
Profit payment frequency	Semi-annually in arrears on the outstanding Issue Amount. The first such profit payment will fall due six months from the first disbursement date and subsequently every six months thereafter.				
Redemption	The instrument will not be redeemable before maturity without prior approval of the SBP. Principal: Bullet at Maturity Markup: Semi-annual from the drawdown date				
Mark-up	Floating rate of return at Base Rate + 2.00%. The Base Rate is defined as the average "Ask Side" rate of the six months Karachi Interbank Offered Rate (KIBOR).				
Call option	HBL MfB may, at its sole discretion, call the TFCs any time after five years from the Issue Date subject to the following: (a) Prior approval of the SBP having been obtained; and (b) HBL MfB is compliant with the minimum capital requirement (MCR) and Capital Adequacy Ratio (CAR) after the Call Option is exercised. If HBL MfB decides to exercise the Call Option, it shall notify the Trustee and the investors not less than 30 calendar days prior to the date of exercise of such Call Option, which notice shall specify the date fixed for the exercise of the Call Option (the "Call Option Exercise Date").				
Lock-in clause	Neither profit nor principal can be paid (even at maturity) in respect of the TFC, if such payment will result in a shortfall in the Bank's MCR or CAR or result in an increase in any existing shortfall in MCR and CAR.				
Loss absorbency clause	The TFCs will be subject to a loss absorbency clause as stipulated under the SBP's "Instructions for Basel III Implementation in Pakistan".				

	Note	(Unaudited)	(Audited)
		March 31,	December 31,
OTHER LIABILITIES		2024	2023
		(Rupee	s in '000)
Mark-up / return / profit / interest payable in local currency		73,328,566	43,728,872
Mark-up / return / profit / interest payable in foreign currency		9,602,762	10,057,593
Security deposits		1,566,040	1,597,855
Accrued expenses		32,545,667	34,680,771
Mark to market loss on forward foreign exchange contracts		5,437,951	4,536,179
Mark to market loss on derivative instruments		8,313,860	10,321,082
Unclaimed dividends		787,827	764,376
Dividends payable		7,915,917	2,075,679
Provision for post retirement medical benefits		4,068,388	3,966,429
Provision for employees' compensated absences		718,666	746,630
Credit loss allowance against off-balance sheet obligations	20.1	3,818,736	1,927,866
Acceptances		61,445,546	55,561,467
Branch adjustment account		6,146,788	7,089,493
Provision for staff retirement benefits		1,675,432	1,646,076
Payable to defined benefit plans		822,532	885,622
Provision for Workers' Welfare Fund		12,020,546	11,431,861
Unearned income		5,852,981	5,680,169
Qarza-e-Hasna Fund		338,409	338,409
Levies and taxes payable		8,173,636	14,721,663
Insurance payable		752,509	686,026
Provision for rewards program expenses		3,107,456	2,699,951
Liability against trading of securities		10,863,422	15,963,126
Clearing and settlement accounts		22,552,169	18,094,230
Payable to HBL Foundation		233,906	866,494
Contingent consideration payable		500,000	500,000
Charity fund		24,980	10,578
Unclaimed deposits		2,234,789	2,030,722
Others		7,609,511	6,434,107
		292,458,992	259,043,326

### 20.1 Credit loss allowance against off-balance sheet obligations

Opening balance Impact of adoption of IFRS 9 Exchange adjustment Charge for the period / year Reversal for the period / year Net charge / (reversal) Closing balance

#### 21 SURPLUS ON REVALUATION OF ASSETS - NET OF TAX

	Note		31, 2024 (Unau	dited)		ember 31, 2023 (Au	udited)
		Attribu	table to Non-		Attribu	itable to	
		Equity holders	controlling interest	Total	Equity holders	Non-controlling interest	Total
				(Rupe	ees in '000)		
Surplus / (deficit) arising on revaluation of:							
- Property and equipment		46,620,094	107,104	46,727,198	46,670,279	108,466	46,778,745
- Property and equipment of associates		405,171	-	405,171	405,171	-	405,17
- FVOCI securities - debt		(25,044,045)	(25,486)		-	-	-
- FVOCI securities - equity	8.1	2,482,128	-	2,482,128	-	-	-
- FVOCI securities held by associates		(2,204,443)	-	(2,204,443)	-	-	-
- Available-for-sale securities		-	-	-	(31,854,365)	(32,631)	(31,886,99
- Available-for-sale securities held by associates	11	- 191,591	-	- 191,591	(1,625,403)	-	(1,625,403
- Non-banking assets acquired in satisfaction of claim:	14	22,450,496	- 81,618	22,532,114	191,591 13,787,273	75,835	191,59 <sup>-</sup> 13,863,108
		22,430,490	01,010	22,332,114	13,707,273	75,655	13,003,10
Deferred tax liability / (asset) on surplus / (deficit) on revaluation of:							
- Property and equipment		3,905,537	35,334	3,940,871	3,929,223	36,227	3,965,450
- Property and equipment of associates		198,534	-	198,534	198,534	-	198,534
- FVOCI securities - debt		(12,064,620)	(8,907)	(12,073,527)	-	-	-
- FVOCI securities - equity		1,216,243	-	1,216,243	-	-	-
<ul> <li>FVOCI securities held by associates</li> </ul>		(1,080,177)	-	(1,080,177)	-	-	-
<ul> <li>Available-for-sale securities</li> </ul>		-	-	-	(15,401,360)	(12,726)	(15,414,08
- Available-for-sale securities held by associates		-	-	-	(796,447)	-	(796,447
<ul> <li>Non-banking assets acquired in satisfaction of claims</li> </ul>		-	-	- (7, 700, 050)	-	-	-
		(7,824,483)	26,427	(7,798,056)	(12,070,050)	23,501	(12,046,549
Surplus on revaluation of assets - net of tax		30,274,979	55,191	30,330,170	25,857,323	52,334	25,909,65
						(Unaudited)	(Audited)
					Note	March 31,	December 31,
CONTINGENCIES AND COMMITMENTS						2024	2023
						(Rupees	in '000)
- Guarantees					22.1	345,858,242	287,792,267
- Commitments					22.2	1,160,643,309	942,629,409
- Other contingent liabilities					22.3	22,973,726	23,112,726
Guarantees:						1,529,475,277	1,253,534,402
Financial guarantees						70,369,145	49,168,948
Performance guarantees						265,459,895	227,207,668
Other guarantees						10,029,202	11,415,651
						345,858,242	287,792,267
Commitments:							- , - , -
Trade-related contingent liabilities Commitments in respect of:						347,536,866	332,525,700
- forward foreign exchange contracts					22.2.1	640,423,884	500,720,574
- forward Government securities transactions					22.2.2	92,221,860	24,383,498
- derivatives					22.2.3	45,033,358	53,095,033
- forward lending					22.2.4	24,156,546	19,813,834
						801,835,648	598,012,939
Commitments for acquisition of:							:
- property and equipment						6,241,698	4,675,879
						6 0 20 00 7	

- intangible assets

22

22.1

22.2

7,414,891

12,090,770

942,629,409

5,029,097

11,270,795

1,160,643,309

(Unaudited)

March 31, 2024

1,927,866

1,691,809

(32,875)

247,496

(15,560)

231,936

3,818,736

(Audited)

December 31,

2023

1,633,326

-

388,430

191,387

(285,277)

(93,890)

1,927,866

(Rupees in '000)

		(Unaudited) March 31, 2024 (Rupees	(Audited) December 31, 2023 s in '000)
22.2.1	Commitments in respect of forward foreign exchange contracts		
	Purchase	386,924,703	302,797,932
	Sale	253,499,181	197,922,642
		640,423,884	500,720,574
22.2.2	Commitments in respect of forward Government securities transactions		
	Purchase	47,635,778	21,450,842
	Sale	44,586,082	2,932,656
		92,221,860	24,383,498
22.2.3	Commitments in respect of derivatives		
	Foreign currency options		
	Purchase	-	2,289,956
	Sale	-	2,289,956
			4,579,912
	Cross Currency swaps		
	Purchase	17,370,109	18,112,623
	Sale	26,338,249	28,827,498
		43,708,358	46,940,121
	Interest rate swaps		
	Purchase	-	-
	Sale	1,325,000	1,575,000
		1,325,000	1,575,000
22.2.4	Commitments in respect of forward lending		
	Undrawn formal standby facilities, credit lines and other commitments to extend credit	24,156,546	19,813,834

These represent commitments that are irrevocable because they can not be withdrawn at the discretion of the Group without the risk of incurring a significant penalty or expense.

## 22.3 Other contingent liabilities

22.3.1 Claims against the Group not acknowledged as debts 22,973,726 23,112,726

These mainly represent counter claims by borrowers for damages, claims filed by former employees of the Group and other claims relating to banking transactions. Based on legal advice and / or internal assessments, management is confident that the matters will be decided in the Group's favour and the possibility of any adverse outcome is remote. Accordingly, no provision has been made in these condensed interim consolidated financial statements.

22.3.2 There were no tax related contingencies as at the period end.

## 23 DERIVATIVE INSTRUMENTS

			March 31, 2	2024 (Unaudited)		
Product Analysis	Foreign currency options		Cross currency swaps		Interest rate Swaps	
-	Notional principal	Mark to market loss	Notional principal	Mark to market loss	Notional principal	Mark to market loss
Hedging	-	-	-	-	-	-
Market Making	-	-	43,708,358	(8,224,966)	1,325,000	(88,894)

		December 31, 2023 (Audited)						
	Foreign curre	Foreign currency options Cross currency swaps Interest rate Swaps						
	Notional principal	Mark to market loss	Notional principal	Mark to market loss	Notional principal	Mark to market loss		
Hedging	2,289,956	(73,396)	-	-	-	-		
Market Making	2,289,956	73,396	46,940,121	(10,109,288)	1,575,000	(138,398)		

			(Unaud	lited)
			For the three mo	-
24	MARK-UP / RETURN / PROFIT / INTEREST EARNED N	ote	March 31,	March 31,
			2024	2023
			(Rupees	in '000)
	On: Loans and advances		78,635,600	65,478,714
	Investments		110,984,083	73,066,711
	Lendings to financial institutions		5,411,780	8,904,093
	Balances with banks		3,282,982	1,101,323
			198,314,445	148,550,841
24.1	INTEREST INCOME RECOGNISED			
	On:			
	Financial assets measured at amortised cost		102,779,211	-
	Financial assets measured at FVOCI		86,699,280	-
	Financial assets measured at FVTPL		8,835,954	-
			198,314,445	-
25	MARK-UP / RETURN / PROFIT / INTEREST EXPENSED			
	On:			
	Deposits		110,678,374	67,009,280
	Securities sold under repurchase agreement borrowings		14,929,661	18,804,245
	Borrowings		7,686,034	5,403,285
	Subordinated debt		1,088,714	885,926
	Cost of foreign currency swaps against foreign currency deposits / borrowings		2,437,955	(274,729)
	Lease liability against right-of-use assets		956,534	879,808
			137,777,272	92,707,815
26	FEE AND COMMISSION INCOME			
	Branch banking customer fees		1,488,447	1,108,909
	Branchless banking customer fees		102,656	156,339
	Consumer finance related fees		677,674	595,587
	Card related fees (debit and credit cards)		3,586,170	2,988,205
	Credit related fees		613,260	657,213
	Investment banking fees		181,854	239,380
	Commission on trade related products and guarantees		2,406,369	1,769,752
	Commission on cash management		399,202	412,084
	Commission on remittances (including home remittances)		571,963	152,563
	Commission on bancassurance		287,873	88,656
	Commission on Government to Person (G2P) payments		396,617	371,552
	Management fee		461,923	268,222
	Merchant discount and interchange fees		1,908,908	1,623,213
	Wealth management fee		175,665	91,919
	Others		99,328	60,215
			13,357,909	10,583,809
	Less: Sales tax / Federal Excise Duty on fee and commission income		(1,465,991)	(1,240,088)
			11,891,918	9,343,721
27	LOSS ON SECURITIES - NET			
	Deslined	7 4		
		7.1	(156,747)	(708,768)
		3.1	(126,350)	
	Unrealised - held-for-trading		(202.007)	(372,523)
			(283,097)	(1,081,291)

For th	e three months ended March 31, 2024		
		(Unau) For the three r	
27.1	Gain / (loss) on securities - realised	March 31,	March 31,
		2024	2023
	On:	(Rupees	in '000)
	Federal Government securities - Market Treasury Bills	115,828	104,000
	- Pakistan Investment Bonds	(409,880)	(679,188)
	- Ijarah Sukuk	23,431	4,485
	Shares	175,843	(544,329)
	Non-Government debt securities	(61,969) (156,747)	406,264 (708,768)
		(130,747)	(700,700)
27.1.1	Composition of loss on securities - realised		
	Net loss on securities measured at FVTPL	(325,057)	
	Net loss on debt securities measured at FVOCI	168,310	-
		(156,747)	
28	OTHER INCOME / (LOSS)		
	Incidental charges	128,865	239,300
	Gain on derecognition of joint venture	-	3,731,399
	Gain on sale of property and equipment - net	15,704	78,595
	Rent on properties	4,316 148,885	5,121 4,054,415
		140,005	4,004,410
29	OPERATING EXPENSES		
	Total compensation expense	16,347,916	14,266,124
	Property expense		
	Rent and taxes Insurance	327,319 81,956	343,258 77,074
	Utilities cost	1,493,128	1,223,547
	Security (including guards)	860,546	713,605
	Repair and maintenance (including janitorial charges)	1,264,246	1,023,171
	Depreciation on owned property and equipment Depreciation on right-of-use assets	1,368,293 1,089,301	1,299,574 1,118,813
	Depreciation of right-of-use assets	6,484,789	5,799,042
	Information technology expenses		
	Software maintenance	2,999,254	2,015,601
	Hardware maintenance Depreciation	730,159 1,059,673	437,666 790,103
	Amortisation	680,315	504,592
	Network charges	548,727	491,768
	Consultancy charges	257,407 6,275,535	206,496 4,446,226
	Other operating expenses	0,270,000	4,440,220
	Legal and professional charges	1,157,674	2,246,762
	Outsourced services costs	660,503	738,393
	Travelling and conveyance Insurance	632,718 368,105	525,493 442,870
	Remittance charges	190,249	199,407
	Cash transportation and sorting charges	892,379	751,837
	Repairs and maintenance	657,333	501,364
	Depreciation Training and development	212,684 174,293	223,375 146,104
	Postage and courier charges	244,254	210,245
	Communication	1,119,429	577,527
	Stationery and printing	927,298	661,005
	Marketing, advertisement and publicity Donations	2,308,301 234,261	2,296,076 273,263
	Auditors' remuneration	144,429	118,674
	Brokerage and commission	230,716	222,598
	Subscription	219,127 2 852 052	157,608 2 131 067
	Documentation and processing charges Entertainment	2,852,052 225,670	2,131,067 207,064
	Consultancy charges	584,439	365,563
	Deposit insurance premium expense	909,381	777,350
	Product feature cost Others	1,586,137	611,599
		555,077 17,086,509	299,091 14,684,335
		46,194,749	39,195,727

FUL	ine three months ended warch 51, 2024		(Unau) For the three r	nonths ended
		Note	March 31,	March 31,
			2024	2023
30	OTHER CHARGES		(Rupees	in '000)
	Penalties imposed by the State Bank of Pakistan		145,939	15,369
	Penalties imposed by other regulatory bodies		12,557	396
			158,496	15,765
31	CREDIT LOSS ALLOWANCE / (REVERSALS) AND WRITE OFFS - NET			
	Credit loss allowance against investments	8.3	226,644	1,579,290
	Credit loss allowance against loans and advances	9.3	3,400,795	1,218,993
	Credit loss allowance against other assets	14.1.1	405	796,200
	Charge / (reversal) of credit loss allowance against off-balance			
	sheet obligations	20.1	231,936	(255,051)
	Recoveries against written off / charged off bad debts		(241,699)	(228,372)
	Recoveries against other assets written off		(250)	-
	Other write offs		31,254	66,317
			3,649,085	3,177,377
32	TAXATION			
	- Current		15,774,906	10,420,272
	- Deferred		(705,206)	(2,174,834)
			15,069,700	8,245,438
33	BASIC AND DILUTED EARNINGS PER SHARE			
	Profit for the period attributable to equity holders of the Bank		15,217,216	13,201,051
			(Num	ber)
	Weighted average number of ordinary shares		1,466,852,508	1,466,852,508
			(Rup	ees)
	Basic and diluted earnings per share		10.37	9.00

33.1 Diluted earnings per share has not been presented separately as the Bank does not have any convertible instruments in issue.

## 34 FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair values of traded investments are based on quoted market prices.

The fair value of unquoted debt securities, fixed term advances, fixed term deposits and borrowings, other assets and other liabilities, cannot be calculated with sufficient reliability due to the absence of a current and active market for such assets and liabilities and reliable data regarding market rates for similar instruments and therefore, are not reported as part of this disclosure.

In the opinion of the management, the fair value of the remaining financial assets and liabilities are not significantly different from their carrying values since they are either short-term in nature or, in the case of customer advances, deposits and certain long term borrowings, are frequently repriced.

All assets and liabilities for which fair value is measured or disclosed in these condensed interim consolidated financial statements are categorised within the following fair value hierarchy based on the lowest level input that is significant to the fair value measurement:

Level 1 - Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Fair value measurements using inputs, other than quoted prices included within Level 1, that are observable for the assets or liabilities either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Fair value measurements using inputs that are not based on observable market data.

#### Valuation techniques used in determination of fair values within Level 2 and Level 3

Federal Government securities	The fair values of Federal Government securities are determined on the basis of rates / prices sourced from Reuters.
Non-Government debt securities	Non-Government debt securities denominated in Rupees are valued on the basis of rates announced by the Mutual Funds Association of Pakistan (MUFAP). Non-Government debt securities denominated in other currencies are valued on the basis of rates taken from Bloomberg / Reuters.
Foreign Government debt securities	The fair values of foreign Government debt securities are determined on the basis of rates taken from Bloomberg/ Reuters.
Unquoted equity securities	The fair values of unquoted equity investments are estimated using the adjusted break-up value of the investee company. These are further discounted for marketability concerns. Where the agreed / indicative prices are available the Bank uses the same as an estimate for fair value.
Units of mutual funds	The fair values of units of mutual funds are determined based on their net asset values as published at the close of each business day.
Derivatives	The Group enters into derivatives contracts with various counterparties. Derivatives that are valued using valuation techniques based on market observable inputs are mainly interest rate swaps and cross currency swaps. The most frequently applied valuation techniques include forward pricing and swap models using present value calculations.
Forward foreign exchange contracts and Forward Government securities transactions	The fair values of forward foreign exchange contracts and forward Government securities transactions are determined using forward pricing calculations.
Property and equipment and non-banking assets acquired in satisfaction of claims	Land, buildings and non-banking assets acquired in satisfaction of claims are revalued on a periodic basis using professional valuers. The valuation is based on their assessment of the market value of the assets. The effect of changes in the unobservable inputs used in the valuations cannot be determined with certainty. Accordingly, a qualitative disclosure of sensitivity, required for Level 3 assets, has not been presented in these condensed interim consolidated financial statements.

#### 34.1 Fair value of financial assets

The following table provides the fair values of those of the Group's financial assets that are recognised or disclosed at fair value in these condensed interim consolidated financial statements:

		As at March 31, 2024 (Unaudited)									
On balance sheet financial instruments	Carrying value	Level 1	Level 2	Level 3	Total						
		(Rupees in '000)									
Financial assets - measured at fair value											
Investments											
<ul> <li>Federal Government securities</li> </ul>	1,831,367,838	-	1,831,367,838	-	1,831,367,838						
- Shares - listed companies	16,898,344	10,317,104	6,581,240	-	16,898,344						
- Shares - unlisted companies	14,563,460	-	-	14,563,460	14,563,460						
- Non-Government debt securities - Listed	50,521,181	40,000,000	10,521,181	-	50,521,181						
- Foreign securities											
Government debt securities	185,959,110	-	185,959,110	-	185,959,110						
Non-Government debt securities - Listed	3,452,596	-	3,452,596	-	3,452,596						
- National Investment Unit Trust units	52,537	-	52,537	-	52,537						
- Real Estate Investment Trust units - Listed	71,700	71,700	-	-	71,700						
- Preference Shares - Listed	837,500	837,500	-	-	837,500						
	2,103,724,266	51,226,304	2,037,934,502	14,563,460	2,103,724,266						
Financial assets - disclosed but not measured at f	air value										
Investments											
- Federal Government securities	430,342,371	-	400,873,326	-	400,873,326						
- Non-Government debt securities - Listed	895,086	-	895,093	-	895,093						
- Foreign securities											
Government debt securities	15,151,339	-	15,279,583	-	15,279,583						
	446,388,796	-	417,048,002	-	417,048,002						
	2,550,113,062	51,226,304	2,454,982,504	14,563,460	2,520,772,268						

		As at March 31, 2024 (Unaudited)						
		Notional value	Level 1	Level 2	Level 3	Total		
Of	f-balance sheet financial instruments - measured at f	air value		- (Rupees in '000) -				
-								
	ommitments orward foreign exchange contracts	640,423,884	_	(1,821,501)	_	(1,821,501		
	Forward Government securities transactions	92,221,860		(18,379)		(18,379		
	Derivative instruments	45,033,358		(8,313,860)		(8,313,860		
- D		43,033,338	-	(8,313,800)	-	(0,313,000		
				cember 31, 2023 (A				
		Carrying value	Level 1	Level 2	Level 3	Total		
On	n balance sheet financial instruments			- (Rupees in '000) -				
Fir	nancial assets - measured at fair value							
	vestments							
	ederal Government securities	1,805,587,783	-	1,805,587,783	-	1,805,587,783		
	Shares - listed companies	16,524,041	9,057,018	7,467,023	-	16,524,041		
	Ion-Government debt securities - Listed	49,614,767	40,000,000	9,614,767	-	49,614,767		
	oreign securities	470 5 40 007		470 540 007		470 540 007		
	Government debt securities	173,543,607	-	173,543,607	-	173,543,607		
	Non-Government debt securities - Listed	5,600,618	-	5,600,618	-	5,600,618		
	lational Investment Unit Trust units	50,745	-	50,745	-	50,745		
	Real Estate Investment Trust units - Listed	68,700	68,700	-	-	68,700		
- P	Preference Shares - Listed	877,400	877,400	<u> </u>	-	877,400		
Fir	nancial assets - disclosed but not measured at fair va	2,051,867,661 alue	50,003,118	2,001,864,543	-	2,051,867,661		
Inv	vestments							
- F	ederal Government securities	419,521,386	-	385,681,455	-	385,681,455		
- N	Ion-Government debt securities - Listed	1,899,450	-	1,898,829	-	1,898,829		
- F	oreign securities							
	Government debt securities	14,663,737	-	14,720,027	-	14,720,027		
		436,084,573	-	402,300,311	-	402,300,311		
		2,487,952,234	50,003,118	2,404,164,854	-	2,454,167,972		
			As at De	cember 31, 2023 (A	udited)			
		Notional value	Level 1	Level 2	Level 3	Total		
				- (Rupees in '000) -				
	f-balance sheet financial instruments - measured at f	air value						
Со	ommitments		<u> </u>	(1,955,598)	_			
Co - F	ommitments Forward foreign exchange contracts	500,720,574		(1,955,598)	<u> </u>	(1,955,598		
Co - F - F	ommitments Forward foreign exchange contracts Forward Government securities transactions	500,720,574 24,383,498	-	(46,908)	-	(1,955,598		
Co - F - F	ommitments Forward foreign exchange contracts	500,720,574				(1,955,598 (46,908		
Co - F - F - D	ommitments Forward foreign exchange contracts Forward Government securities transactions	500,720,574 24,383,498 53,095,033	- - - As at M	(46,908) (10,247,686) arch 31, 2024 (Una		(1,955,598 (46,908 (10,247,686		
Co - F - F - D	ommitments Forward foreign exchange contracts Forward Government securities transactions Derivative instruments	500,720,574 24,383,498	- - - As at M Level 1	(46,908) (10,247,686) arch 31, 2024 (Una Level 2	Level 3	(1,955,598 (46,908		
Co - F - F - D	ommitments Forward foreign exchange contracts Forward Government securities transactions Derivative instruments	500,720,574 24,383,498 53,095,033	- - - As at M Level 1	(46,908) (10,247,686) arch 31, 2024 (Una	Level 3	(1,955,598 (46,908 (10,247,686		
Co - F - D Fai	ommitments Forward foreign exchange contracts Forward Government securities transactions Derivative instruments <b>ir value of non-financial assets</b> and and building	500,720,574 24,383,498 53,095,033 Carrying value 80,812,467	- - - As at M Level 1	(46,908) (10,247,686) arch 31, 2024 (Una Level 2	Level 3 80,812,467	(1,955,598 (46,908 (10,247,686 <b>Total</b> 80,812,467		
Co - F - D <b>Fa</b> i	ommitments Forward foreign exchange contracts Forward Government securities transactions Derivative instruments <b>ir value of non-financial assets</b>	500,720,574 24,383,498 53,095,033 Carrying value	- - - As at M Level 1	(46,908) (10,247,686) arch 31, 2024 (Una Level 2	Level 3	(1,955,598 (46,908 (10,247,686 <b>Total</b> 80,812,467 431,048		
Co - F - D Fai	ommitments Forward foreign exchange contracts Forward Government securities transactions Derivative instruments <b>ir value of non-financial assets</b> and and building	500,720,574 24,383,498 53,095,033 Carrying value 80,812,467 431,048	 	(46,908) (10,247,686) arch 31, 2024 (Una Level 2 • (Rupees in '000) - - - -	Level 3 80,812,467 431,048 81,243,515	(1,955,598 (46,908 (10,247,686 <b>Total</b> 80,812,467 431,048		
Co - F - D <b>Fa</b> i	ommitments Forward foreign exchange contracts Forward Government securities transactions Derivative instruments <b>ir value of non-financial assets</b> and and building	500,720,574 24,383,498 53,095,033 Carrying value 80,812,467 431,048	 	(46,908) (10,247,686) arch 31, 2024 (Una Level 2	Level 3 80,812,467 431,048 81,243,515	(1,955,598 (46,908 (10,247,686 <b>Total</b> 80,812,467 431,048		
Co - F - D <b>Fa</b> i	ommitments Forward foreign exchange contracts Forward Government securities transactions Derivative instruments <b>ir value of non-financial assets</b> and and building	500,720,574 24,383,498 53,095,033 <b>Carrying value</b> 80,812,467 431,048 81,243,515	 As at M Level 1  _  As at De	(46,908) (10,247,686) arch 31, 2024 (Una Level 2 - (Rupees in '000) - - - - - - - - - - - - - - - - - -	Level 3 80,812,467 431,048 81,243,515 Audited) Level 3	(1,955,598 (46,908 (10,247,686 <b>Total</b> 80,812,467 431,048 81,243,515		
Co - F - D Fai	ommitments Forward foreign exchange contracts Forward Government securities transactions Derivative instruments <b>ir value of non-financial assets</b> and and building	500,720,574 24,383,498 53,095,033 <b>Carrying value</b> 80,812,467 431,048 81,243,515	 As at M Level 1  _  As at De	(46,908) (10,247,686) arch 31, 2024 (Una Level 2 (Rupees in '000) - - - - - - - - - - - - - - - - - -	Level 3 80,812,467 431,048 81,243,515 Audited) Level 3	(1,955,598 (46,908 (10,247,686 <b>Total</b> 80,812,467 431,048 81,243,515		
Co - F - D Fa	ommitments Forward foreign exchange contracts Forward Government securities transactions Derivative instruments <b>ir value of non-financial assets</b> and and building	500,720,574 24,383,498 53,095,033 <b>Carrying value</b> 80,812,467 431,048 81,243,515	 As at M Level 1  _  As at De	(46,908) (10,247,686) arch 31, 2024 (Una Level 2 (Rupees in '000) - - - - - - - - - - - - - - - - - -	Level 3 80,812,467 431,048 81,243,515 Audited) Level 3	(1,955,598) (46,908) (10,247,686) <b>Total</b> 80,812,467 431,048 81,243,515		
Co - F - D Fa - Li - N	ommitments Forward foreign exchange contracts Forward Government securities transactions Derivative instruments <b>ir value of non-financial assets</b> and and building Ion-banking assets acquired in satisfaction of claims	500,720,574 24,383,498 53,095,033 Carrying value 80,812,467 431,048 81,243,515 Carrying value	 As at M Level 1  _  As at De	(46,908) (10,247,686) arch 31, 2024 (Una Level 2 (Rupees in '000) - - - - - - - - - - - - - - - - - -	Level 3 80,812,467 431,048 81,243,515 Audited) Level 3	(1,955,598) (46,908) (10,247,686) <b>Total</b> 80,812,467 431,048 81,243,515 <b>Total</b>		

### 35 SEGMENT INFORMATION

## 35.1 Segment details with respect to Business Activities

	For the three months ended March 31, 2024 (Unaudited)									
	Branch Banking	Consumer, SME & Agriculture lending	Islamic	Corporate, Commercial and Investment Banking	Treasury	International and correspondent banking	Asset management	Microfinance	Head office / others	Total
Profit and loss account						(Rupees in million) -				
Net mark-up / return / profit / interest income	(72,330)	14,437	10,087	19,563	80,956	7,246	(15)	2,409	(1,814)	60,537
Inter segment revenue / (expense) - net	105,528	(10,748)	-	(9,384)	(90,477)	436	-	-	4,644	(0)
Non mark-up / interest income	1,489	4,721	719	1,896	4,367	3,766	513	503	2,192	20,167
Total Income	34,687	8,410	10,806	12,075	(5,154)	11,448	498	2,912	5,022	80,704
Segment direct expenses	8,814	6,039	2,598	1,127	188	6,549	144	2,436	19,047	46,942
Inter segment expense allocation	9,832	2,970	349	3,193	511	439	-	-	(17,294)	-
Total expenses	18,646	9,009	2,947	4,320	699	6,988	144	2,436	1,753	46,942
Credit loss allowance - charge / (reversal)	22	500	222	1,035	-	(200)	-	1,669	401	3,649
Profit / (loss) before tax	16,019	(1,099)	7,637	6,720	(5,853)	4,660	354	(1,193)	2,868	30,113
					As at	March 31, 2024 (Unauc	dited)			
				Corporate.						

	Branch Banking	Consumer, SME & Agriculture lending	Islamic	Corporate, Commercial and Investment Banking	Treasury	International and correspondent banking	Asset management	Microfinance	Head office / others	Total
Statement of financial position					(	(Rupees in million) -				
Cash and bank balances	149,452	-	36,305	656	193,537	179,900	1	9,765	306	569,922
Lendings to financial institutions	-	-	36,000	-	35,569	-	-	-	-	71,569
Inter segment lending	2,221,921	-	-	-	-	94,879	-	-	250,180	2,566,980
Investments	-	-	259,282	13,158	2,009,995	240,728	1,089	39,831	58,805	2,622,888
Advances - performing	-	245,504	195,725	786,910	-	386,997	-	89,748	27,910	1,732,795
Advances - non-performing	-	2,917	5,426	6,494	-	2,646	-	2,309	(2,683)	17,108
Others	29,694	8,118	47,229	76,832	131,210	45,293	3,631	18,924	97,978	458,908
Total assets	2,401,067	256,539	579,967	884,049	2,370,311	950,443	4,721	160,578	432,495	8,040,170
Borrowings		5,705	23,538	133,364	65,070	101,623		8,135		337,435
Subordinated debt		-	-	-	-	-	_	1,500	18,874	20,374
Deposits and other accounts	2,331,168	1,718	484,359	643,732	-	720,295	-	130,612	64,034	4,375,917
Inter segment borrowing	-	223,399	3,023	49,047	2,291,512	-	-	-	-	2,566,980
Others	69,899	25,718	25,311	57,906	25,826	47,013	992	9,480	107,491	369,637
Total liabilities	2,401,067	256,539	536,231	884,049	2,382,408	868,932	992	149,727	190,398	7,670,343
Equity			-		(12,097)	81,511	3,728	10,851	242,097	369,826
Total equity and liabilities	2,401,067	256,539	536,231	884,049	2,370,311	950,443	4,721	160,578	432,495	7,996,434
Contingencies and commitments			67,169	609,846	619,825	199,018			33,617	1,529,475

	For the three months ended March 31, 2023 (Unaudited)									
	Branch Banking	Consumer, SME & Agriculture lending	Islamic	Corporate, Commercial and Investment Banking	Treasury	International and correspondent banking	Asset management	Microfinance	Head office / others	Total
Profit and loss account						(Rupees in million) -				
Net mark-up / return / profit / interest income	(43,541)	11,778	5,802	21,322	53,304	6,407	(5)	2,702	(1,926)	55,843
Inter segment revenue / (expense) - net	69,628	(7,651)	-	(10,908)	(51,769)	(751)	-	-	1,451	-
Non mark-up / interest income	920	4,181	686	1,123	22	1,718	285	547	(906)	8,576
Total Income	27,007	8,308	6,488	11,537	1,557	7,374	280	3,249	(1,381)	64,419
Segment direct expenses	7,454	4,038	1,866	1,092	283	5,629	140	2,225	17,013	39,740
Inter segment expense allocation	7,877	2,705	315	3,430	446	451	-	-	(15,224)	-
Total expenses	15,331	6,743	2,181	4,522	729	6,080	140	2,225	1,789	39,740
Provisions - charge / (reversal)	575	555	(425)	(227)	(423)	2,320	-	606	196	3,177
Profit / (loss) before tax	11,101	1,010	4,732	7,242	1,251	(1,026)	140	418	(3,366)	21,502
					As at De	ecember 31, 2023 (A	udited)			
	Branch Banking	Consumer, SME & Agriculture lending	Islamic	Corporate, Commercial and Investment Banking	Treasury	International and correspondent banking	Asset management	Microfinance	Head office / others	Total
Statement of financial position						(Rupees in million) -				
										004 400
Cash and bank balances	195,852	-	40,896	590	190,638	158,585	3	16,825	743	604,132
Lendings to financial institutions	-	-	19,500	-	69,098	-	-	-	-	88,598
Inter segment lending	2,081,029	-	-	-	-	75,036	-	-	197,755	2,353,820
Investments	-	-	226,552	4,417	2,016,021	237,105	1,021	27,553	49,630	2,562,299
Advances - performing	-	256,677	206,739	844,497	-	400,319	-	96,117	40,016	1,844,365
Advances - non-performing	-	2,072	6,316	3,272	-	3,753	-	1,408	158	16,979
Others	35,158	7,642	39,132	81,020	92,166	47,600	3,567	16,854	94,835	417,974
Total assets	2,312,039	266,391	539,135	933,796	2,367,923	922,398	4,591	158,757	383,137	7,888,167
Borrowings	-	6,313	32,119	134,047	379,835	106,213	-	6,516	-	665,043
Subordinated debt	-	-	-	-	-	-	-	825	18,874	19,699
Deposits and other accounts	2,258,343	1,465	422,710	604,853	-	700,664	-	128,234	26,083	4,142,352
Inter segment borrowing	-	234,859	7,414	143,314	1,968,233	-	-	-	-	2,353,820
Others	53,696	23,754	32,967	51,582	32,810	40,542	1,107	8,966	95,810	341,234
Total liabilities	2,312,039	266,391	495,210	933,796	2,380,878	847,419	1,107	144,541	140,767	7,522,148
Equity	-	-	43,925	-	(12,955)	74,979	3,484	14,216	242,370	366,019
Total equity and liabilities	2,312,039	266,391	539,135	933,796	2,367,923	922,398	4,591	158,757	383,137	7,888,167
Contingencies and commitments			57,017	538,382	388,637	234,993			34,505	1,253,534

#### 36 RELATED PARTY TRANSACTIONS

The Group has related party relationships with various parties including its Directors, Key Management Personnel, Group entities, associated companies and employee benefit schemes of the Group.

Transactions with related parties, other than those under the terms of employment, are executed on an arm's length basis i.e. do not involve more than normal risk and are substantially on the same terms, including mark-up rates and collateral, as those prevailing at the time for comparable transactions with unrelated parties.

Contributions to and accruals in respect of staff retirement and other benefit schemes are made in accordance with the actuarial valuations / terms of the schemes.

Details of transactions and balances with related parties as at the period / year end are as follows:

			As at March 31	, 2024 (Unaudite	ed)	
	Directors	Key Management Personnel	Group Entities	Associates	Joint venture	Other related parties
Statement of financial position			(Rupe	es in '000)		
Balances with other banks In current accounts		<u> </u>	109,152	-		157
Investments						
Opening balance	-	-	-	36,132,623	-	17,204,695
Impact of adoption of IFRS 9	-	-	-	-	-	4,406,616
Exchange adjustment	-	-	-	772,729	-	(176,275)
Investment made during the year Investment redeemed / disposed off during the period	-	-	-	693,099 (653,572)	-	- (837,500)
Share of profit - net of tax	-	-	-	896,405	-	(837,500)
Share of other comprehensive income - net of tax	-	-	-	3,791,678	-	-
Dividend received during the period	-	-	-	(672,198)	-	-
Revaluation of investments during the period	-	-	-	(579,040)		1,826,608
Closing balance	-	-	-	40,381,724	-	22,424,144
Advances Opening balance	1,969	1 202 004	5,352,719	375,000		10 220 405
Exchange adjustment	1,909	1,293,004	(66,932)	375,000	-	10,230,405
Addition during the period	2,895	131,105	8,440,237	-	-	5,689,822
Repaid during the period	(4,039)	(80,014)	(8,625,554)	-	-	(5,357,015)
Transfer out - net	-	(671,349)	-	-	-	(56,063)
Closing balance	825	672,746	5,100,470	375,000	-	10,507,149
Other assets		700	64 000	10.000		770 705
Interest / mark-up accrued	-	703	61,820	16,338	-	779,795
Receivable from defined benefit plan	-	-	-	-	-	845,404 16,778
Other receivable / prepayments	-	1,925 2,628	6,519 68,339	465,159 481,497		1,641,977
Borrowings						
Opening balance	-	-	5,169,268	16,686,344	-	5,766,780
Exchange adjustment	-	-	-	(255,927)	-	(35,221)
Borrowings during the period	-	-	-	16,545,661	-	2,515,388
Settled during the period	-		(5,169,268)	(16,521,603)		(2,568,627)
Closing balance	-			16,454,475	-	5,678,320
Deposits and other accounts	70 440	624.964	27 000 242	F3 F93 900		4 440 540
Opening balance	72,413	624,864	37,860,212	53,583,869	-	1,440,548
Exchange adjustment Received during the period	(78) 345,581	(4,119) 1,948,285	(203,571) 97,202,803	(6,423) 216,233,658	-	(13,177) 20,773,538
Withdrawn during the period	(243,690)	(1,784,193)	(98,497,119)	(219,519,918)	-	(17,835,969)
Transfer (out) / in - net	(240,000)	(185,937)	-	(210,010,010)	-	12,144
Closing balance	174,226	598,900	36,362,325	50,291,186	-	4,377,084
Other liabilities						
Interest / mark-up payable	369	10,930	1,772,383	459,106	-	160,208
Payable to Defined Benefit Plan	-	-	-	-	-	822,532
Other payables	-	-	2,253	66,216	-	270,168
•	369	10,930	1,774,636	525,322		1,252,908
Contingencies and commitments						
Letter of credit	-	-	377,785	-	-	416,026
Letter of guarantee	-	-	167,832	5	-	3,535,727
Forward purchase of Government securities	-	-	265,399	-	-	686,439
Interest rate swaps	-	-	-	375,000		-
Others	-		811,016	375,005		4,638,192
Securities held as custodian		169,390	21,654,605	214,018,000	-	30,252,995
		;;	· · · ·			

	For the three months ended March 31, 2024 (Unaudited)					
	Directors	Key Management Personnel	Group Entities	Associates	Joint venture	Other related parties
			(Rupe	es in '000)		
Profit and loss account						
Income						
Mark-up / return / profit / interest earned	9	7,622	108,362	20,169	-	614,036
Fee and commission income	151	3,603	82,632	216,203	-	1,403
Share of profit	-	-	-	896,405	-	-
Dividend income	-	-	-	-	-	703,588
Gain on disposal of property and equipment	-	-	-	1,741	-	-
Unrealised loss on derivatives	-	-	-	(29,928)	-	-
Expenses						
Mark-up / return / profit / interest expensed Operating expenses	2,869	14,747	1,053,468	1,908,984	-	219,616
Total compensation expense	-	1,315,915	-	-	-	445,631
Non-Executive Directors' fees	30,300	-	-	-	-	-
Insurance premium expense	-	-	-	764,587	-	-
Product feature cost	-	-	66,221	-	-	-
Travelling	-	-	2,426	-	-	-
Subscription	-	-	-	-	-	1,815
Donations	-	-	-	-	-	247,663
Brokerage and Commission	-	-	-	-	-	74,079
Other Expenses	-	-	12,862	19,780	-	47,142
Others						
Purchase of Government securities	-	7,116	41,517,777	25,161,116	-	1,887,503
Sale of Government securities	-	51,817	43,971,984	22,645,810	-	7,513,322
Purchase of foreign currencies	-	1,372	1,731,577	68,579	-	-
Sale of foreign currencies	2,643	123,848	1,846,901	-	-	599,099
Insurance claims settled	-	-	-	130,815	-	-
			As at Decembe	r 31, 2023 (Audi	ted)	
		Key			,	
	Directors	Management Personnel	Group Entities	Associates	Joint venture	Other related parties
			(Rupe	es in '000)		
Statement of financial position						
Balances with other banks						
In current accounts	-	-	24,874	-	-	161

Balances with other banks						
In current accounts		-	24,874	-	-	161
Investments						
Opening balance	-	-	-	31,882,845	8,149,052	9,755,368
Exchange adjustment	-	-	-	334,160	1,302,052	589,066
Investment made during the year	-	-	-	2,220,186	-	-
Investment redeemed / disposed off during the year	-	-	-	(1,747,775)	-	-
Share of profit - net of tax	-	-	-	4,108,866	313,829	-
Share of other comprehensive income - net of tax	-	-	-	996,110	-	-
Dividend received during the year	-	-	-	(908,215)	(203,366)	-
Revaluation of investments during the year	-	-	-	(631,613)	2,522	(2,686,132)
Provision for diminution in the value of investments	-	-	-	-	-	(17,696)
Other adjustments	-	-	-	(121,941)	-	-
Transfer (out) / in - net	-	-	-	-	(9,564,089)	9,564,089
Closing balance	-	-	-	36,132,623	-	17,204,695
Provision for diminution in the value of investments	-	-	-	-	-	60,639
Advances						
Opening balance	1,412	1,009,459	4,547,709	625,000	-	11,738,739
Exchange adjustment	-	146,143	908,792		-	15,679
Addition during the year	9,645	547,024	30,558,900	-	-	16,310,969
Repaid during the year	(9,088)	(409,622)	(30,662,682)	(250,000)	-	(17,834,982)
Closing balance	1,969	1,293,004	5,352,719	375,000		10,230,405
	.,	.,,	-,,	,		,,
Other assets						
Interest / mark-up accrued	-	741	68,692	17,214	-	298,466
Receivable from defined benefit plan	-	-	-	-	-	845,404
Other receivables / prepayments	-	2,673	9,779	569,142	-	13,445
	-	3,414	78,471	586,356	-	1,157,315

			As at Decembe	er 31, 2023 (Audi	ted)	
	Directors	Key Management Personnel	Group Entities	Associates	Joint venture	Other related parties
	,		(Rupe	es in '000)		
Borrowings			•••	,		
Opening balance	-	-	3,982,280	12,950,894	2,717,171	1,589,426
Exchange adjustment	-	-	1,159,109	3,224,127	619,856	823,712
Borrowings during the year	-	-	20,166,148	83,310,506	2,348,700	19,662,958
Settled during the year	-	-	(20,138,269)	(82,799,183)	(3,131,600)	(18,863,443
Transfer (out) / in - net	-	-	-	-	(2,554,127)	2,554,12
Closing balance	-	-	5,169,268	16,686,344	-	5,766,78
Deposits and other accounts						
Opening balance	164,865	523,637	26,259,254	18,870,625	4,204	2,080,873
Exchange adjustment	22,601	59,515	192,882	37,425	795	17,484
Received during the year	1,125,982	6,527,029	467,780,827	1,502,762,670	3,996	194,999,58
<b>a</b> ,						
Withdrawn during the year	(1,241,035)	(6,485,317)	(456,372,751)	(1,468,086,851)	(7,583)	(195,658,80
Transfer out - net	-	-	-	-	(1,412)	1,41
Closing balance	72,413	624,864	37,860,212	53,583,869	-	1,440,548
Other liabilities						
Interest / mark-up payable	1	1,566	1,258,002	242,951	-	40,940
Payable to defined benefit plan	-	-	-	-	-	851,13
Other payables	-	-	8,276	84,594	-	1,191,88
	1	1,566	1,266,278	327,545	-	2,083,96
Contingencies and Commitments						
Letter of credit	-	-	380,194	-	-	924,06
Guarantee	-	-	174,650	5	-	3,535,72
Forward purchase of Government securities	-	7,116	90,212	-	-	334,53
Interest rate swaps	-	-	-	375,000	-	-
·····	-	7,116	645,056	375,005	-	4,794,32
Others						
Securities held as custodians	-	152,360	22,460,475	214,735,000	-	29,021,560
		For the th	ree months end	led March 31, 20	23 (Unaudited)	
		Key	Group	,		Other related
<b>5</b> <i>m</i> 11	Directors	Management	Entities	Associates	Joint venture	parties
Profit and loss account		Personnel		es in '000)		•
Income			(Kupe			
Mark-up / return / profit / interest earned	148	17,780	185,032	27,623	-	540,60
Fee and commission income	274	3 102	70,826	80,310		52

Mark-up / return / profit / interest earned	148	17,780	185,032	27,623	-	540,605
Fee and commission income	274	3,102	70,826	89,319	-	522
Share of profit	-	-	-	495,322	313,829	-
Dividend income	-	-	-	-	-	681,485
Gain on disposal of property and equipment	-	-	-	31	-	-
Unrealised loss on derivatives	-	-	-	(66,060)	-	-
Expense						
Mark-up / return / profit / interest expensed	5,329	6,549	414,564	152,173	-	194,566
Operating expenses						
Total compensation expense	-	1,542,748	-	-	-	542,381
Non-Executive Directors' fees	19,200	-	-	-	-	-
Insurance premium expense	-	-	-	556,970	-	-
Product feature cost	-	-	39,328	-	-	-
Travelling	-	-	1,796	-	-	-
Subscription	-	-	-	-	-	4,275
Donations	-	-	-	-	-	200,255
Brokerage and Commission	-	-	-	-	-	25,258
Other Expenses	-	-	30,087	16,031	-	50,411
Others						
Purchase of Government securities	2,498	15,927	42,052,749	25,558,785	-	33,552,249
Sale of Government securities	-	22,739	49,865,285	29,854,799	-	36,333,539
Purchase of foreign currencies	-	5,410	902,334	-	-	-
Sale of foreign currencies	5,700	121,026	1,647,193	-	-	9,593
Insurance claims settled	-	-	-	63,702	-	-

36.1 Balances and transactions with group entities include deposits of Rs 0.686 million (December 31, 2023: Rs 0.695 million) from the parent and Rs 2 thousand (March 31, 2023: 6 thousand) as mark-up expense thereon.

37	CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS	(Unaudited) March 31, 2024 (Rupees	(Audited) December 31, 2023 s in '000)
37			
	Minimum Capital Requirement (MCR): Paid-up capital (net of losses)	14,668,525	14,668,525
	Capital Adequacy Ratio (CAR): Eligible Common Equity Tier 1 (CET 1) Capital Eligible Additional Tier 1 (ADT 1) Capital Total Eligible Tier 1 Capital Eligible Tier 2 Capital Total Eligible Capital (Tier 1 + Tier 2)	254,553,660 18,413,862 272,967,522 78,571,023 351,538,545	247,390,727 19,129,359 266,520,086 76,305,829 342,825,915
	<b>Risk Weighted Assets (RWAs):</b> Credit Risk Market Risk Operational Risk Total CET 1 CAR	1,670,212,945 225,466,775 303,760,456 2,199,440,176	1,641,019,720 197,111,025 303,760,456 2,141,891,201 11.55%
		11.57%	
	Tier 1 CAR	12.41%	12.44%
	Total CAR	15.98%	16.01%
	Bank specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus any other buffer requirement)	9.00%	9.00%
	of which: capital conservation buffer requirement	1.50%	1.50%
	of which: countercyclical buffer requirement of which: D-SIB buffer requirement	- 1.50%	- 1.50%
	CET1 available to meet buffers (as a percentage of risk weighted assets)	5.57%	5.55%
	Other information:		
	National minimum capital requirements prescribed by the SBP CET1 minimum ratio (%) Tier 1 minimum ratio (%) Total capital minimum ratio (%)	9.00% 10.50% 13.00% (Unaudited) March 31, 2024	9.00% 10.50% 13.00% (Audited) December 31, 2023
	Leverage Ratio (LR)	(Rupees	s in '000)
	Eligible Tier-1 Capital Total Exposures Leverage Ratio (%)	272,967,522 5,862,784,668 4.66%	266,520,086 6,158,603,788 <u>4.33%</u>
	Minimum Requirement (%)	3.00%	3.00%
	Liquidity Coverage Ratio (LCR)		
	Average High Quality Liquid Assets Average Net Cash Outflow <b>Liquidity Coverage Ratio (%)</b>	2,089,381,082 799,417,882 <u>261.36%</u>	1,879,073,951 693,860,676 270.81%
	Minimum Requirement (%)	100.00%	100.00%
	Net Stable Funding Ratio (NSFR) Available Stable Funding Required Stable Funding Net Stable Funding Ratio (%)	3,981,912,215 2,378,277,918 167.43%	3,812,112,933 2,384,738,674 159.85%
	Minimum Requirement (%)	100.00%	100.00%

37.1 The SBP has permitted banks to adopt a transitional approach to phase in the initial impact of the ECL for stage 1 and 2 financial assets over a period of five years. Had there been no such relaxation the Group's total CAR would have been lower by 80 bps.

## 38 ISLAMIC BANKING BUSINESS

The Bank operates 408 (December 31, 2023: 408) Islamic Banking branches and 553 (December 31, 2023: 553) Islamic Banking windows.

STATEMENT OF FINANCIAL POSITION	Note	(Unaudited) March 31, 2024	(Audited) December 31, 2023
ASSETS		(Rupees	in '000)
Cash and balances with treasury banks		35,208,414	40,418,980
Balances with other banks	20.4	1,096,149	476,714
Due from financial institutions Investments	38.1 38.2	36,000,000 259,282,164	19,500,000 226,552,494
Islamic financing and related assets - net	38.3	201,151,101	213,054,465
Property and equipment	00.0	7,331,425	7,392,659
Right-of-use assets		6,671,494	6,526,100
Intangible assets		54,710	48,248
Due from Head Office		-	-
Deferred tax assets		1,189,059	1,270,557
Other assets		31,982,791 579,967,307	23,894,137 539,134,354
LIABILITIES		010,001,001	000,104,004
Bills payable		39,839	40,454
Due to financial institutions	38.4	23,537,997	32,119,436
Deposits and other accounts	38.5	484,359,472	422,709,734
Due to Head Office		3,023,001	9,382,906
Lease liabilities		8,988,903	8,572,063
Subordinated debt Deferred tax liabilities		-	-
Other liabilities		16,282,107	23,443,740
		536,231,319	496,268,333
NET ASSETS		43,735,988	42,866,021
REPRESENTED BY			
Islamic Banking Fund		500,000	500,000
Reserves		-	-
Surplus on revaluation of investments - net of tax	38.6	(1,237,593) 44,473,581	(1,322,417) 43,688,438
Unappropriated profit	50.0	43,735,988	42,866,021
Contingencies and commitments	38.7	/Unour	lited)
Contingencies and commitments	38.7	(Unauc) For the three mo	,
Contingencies and commitments	38.7	For the three mo March 31,	March 31,
	38.7	For the three mo March 31, 2024	March 31, 2023
Contingencies and commitments PROFIT AND LOSS ACCOUNT	38.7	For the three mo March 31,	March 31, 2023
_	38.7 38.8	For the three mo March 31, 2024	March 31, 2023
PROFIT AND LOSS ACCOUNT Profit / return earned Profit / return expensed		For the three mc March 31, 2024 (Rupees 21,340,795 11,253,785	March 31, 2023           in '000)           14,681,770 8,879,084
PROFIT AND LOSS ACCOUNT Profit / return earned	38.8	For the three mc March 31, 2024 (Rupees 21,340,795	March 31, 2023           in '000)           14,681,770
PROFIT AND LOSS ACCOUNT Profit / return earned Profit / return expensed Net profit / return	38.8	For the three mc March 31, 2024 (Rupees 21,340,795 11,253,785	March 31, 2023           in '000)           14,681,770 8,879,084
PROFIT AND LOSS ACCOUNT Profit / return earned Profit / return expensed	38.8	For the three mc March 31, 2024 (Rupees 21,340,795 11,253,785 10,087,010	Aarch 31, 2023           in '000)           14,681,770           8,879,084           5,802,686
PROFIT AND LOSS ACCOUNT Profit / return earned Profit / return expensed Net profit / return Other income	38.8	For the three mc March 31, 2024 (Rupees 21,340,795 11,253,785	March 31, 2023           in '000)           14,681,770 8,879,084
PROFIT AND LOSS ACCOUNT Profit / return earned Profit / return expensed Net profit / return Other income Fee and commission income Dividend income Foreign exchange income	38.8	For the three mc March 31, 2024 (Rupees 21,340,795 11,253,785 10,087,010	Aarch 31, 2023           in '000)           14,681,770           8,879,084           5,802,686
PROFIT AND LOSS ACCOUNT Profit / return earned Profit / return expensed Net profit / return Other income Fee and commission income Dividend income Foreign exchange income Income from derivatives	38.8	For the three mc           March 31,           2024           (Rupees           21,340,795           11,253,785           10,087,010           520,262           -           182,442	Aarch 31, 2023           in '000)           14,681,770           8,879,084           5,802,686           308,391           -           372,769           -
PROFIT AND LOSS ACCOUNT Profit / return earned Profit / return expensed Net profit / return Other income Fee and commission income Dividend income Foreign exchange income Income from derivatives Gain on securities- net	38.8	For the three mc           March 31,           2024           (Rupees           21,340,795           11,253,785           10,087,010	Aarch 31, 2023           in '000)           14,681,770           8,879,084           5,802,686           308,391
PROFIT AND LOSS ACCOUNT Profit / return earned Profit / return expensed Net profit / return Other income Fee and commission income Dividend income Foreign exchange income Income from derivatives Gain on securities- net Others	38.8	For the three mc           March 31,           2024           (Rupees           21,340,795           11,253,785           10,087,010           520,262           -           182,442           -           16,280	Aarch 31, 2023           in '000)           14,681,770           8,879,084           5,802,686           308,391           -           -           372,769           -           4,484
PROFIT AND LOSS ACCOUNT Profit / return earned Profit / return expensed Net profit / return Other income Fee and commission income Dividend income Foreign exchange income Income from derivatives Gain on securities- net	38.8	For the three mc           March 31,           2024           (Rupees           21,340,795           11,253,785           10,087,010           520,262           -           182,442	Aarch 31, 2023           in '000)           14,681,770           8,879,084           5,802,686           308,391           -           372,769           -
PROFIT AND LOSS ACCOUNT Profit / return earned Profit / return expensed Net profit / return Other income Fee and commission income Dividend income Foreign exchange income Income from derivatives Gain on securities- net Others Total other income Total income	38.8	For the three mc           March 31,           2024           (Rupees           21,340,795           11,253,785           10,087,010           520,262           -           182,442           -           16,280           -           718,984	anths ended           March 31, 2023           in '000)           14,681,770           8,879,084           5,802,686           308,391           -           -           4,484           -           685,644
PROFIT AND LOSS ACCOUNT Profit / return earned Profit / return expensed Net profit / return Other income Fee and commission income Dividend income Foreign exchange income Income from derivatives Gain on securities- net Others Total other income Total income	38.8	For the three mc           March 31,           2024           (Rupees           21,340,795           11,253,785           10,087,010           520,262           -           182,442           -           16,280           -           718,984           10,805,994	anths ended           March 31, 2023           in '000)           14,681,770           8,879,084           5,802,686           308,391           -           372,769           -           4,484           -           685,644           6,488,330
PROFIT AND LOSS ACCOUNT Profit / return earned Profit / return expensed Net profit / return Other income Fee and commission income Dividend income Foreign exchange income Income from derivatives Gain on securities- net Others Total other income Total income Other expenses Operating expenses	38.8	For the three mc           March 31,           2024           (Rupees           21,340,795           11,253,785           10,087,010           520,262           -           182,442           -           16,280           -           718,984           10,805,994	anths ended           March 31, 2023           in '000)           14,681,770           8,879,084           5,802,686           308,391           -           372,769           -           4,484           -           685,644           6,488,330           2,086,683
PROFIT AND LOSS ACCOUNT Profit / return earned Profit / return expensed Net profit / return Other income Fee and commission income Dividend income Foreign exchange income Income from derivatives Gain on securities- net Others Total other income Total income Others Other expenses Operating expenses Workers' Welfare Fund	38.8	For the three mc           March 31,           2024           (Rupees           21,340,795           11,253,785           10,087,010           520,262           -           182,442           -           16,280           -           718,984           10,805,994	anths ended           March 31, 2023           in '000)           14,681,770           8,879,084           5,802,686           308,391           -           372,769           -           4,484           -           685,644           6,488,330
PROFIT AND LOSS ACCOUNT Profit / return earned Profit / return expensed Net profit / return Other income Fee and commission income Dividend income Foreign exchange income Income from derivatives Gain on securities- net Others Total other income Total income Other expenses Operating expenses	38.8	For the three mc           March 31,           2024           (Rupees           21,340,795           11,253,785           10,087,010           520,262           -           182,442           -           16,280           -           718,984           10,805,994	anths ended           March 31, 2023           in '000)           14,681,770           8,879,084           5,802,686           308,391           -           372,769           -           4,484           -           685,644           6,488,330           2,086,683           94,639
PROFIT AND LOSS ACCOUNT Profit / return earned Profit / return expensed Net profit / return Other income Fee and commission income Dividend income Foreign exchange income Income from derivatives Gain on securities- net Others Total other income Total income Others Other expenses Workers' Welfare Fund Other charges Total other expenses Workers' Welfare Fund Other charges Total other expenses Profit before credit loss allowance	38.8	For the three mc           March 31, 2024           (Rupees           21,340,795           11,253,785           10,087,010           520,262           -           182,442           -           16,280           718,984           10,805,994           2,793,724           152,745           125           2,946,594           7,859,400	anths ended           March 31, 2023           in '000)           14,681,770           8,879,084           5,802,686           308,391           -           372,769           -           4,484           -           685,644           6,488,330           2,086,683           94,639           120           2,181,442           4,306,888
PROFIT AND LOSS ACCOUNT Profit / return earned Profit / return expensed Net profit / return Other income Fee and commission income Dividend income Foreign exchange income Income from derivatives Gain on securities- net Others Total other income Total income Other s Operating expenses Workers' Welfare Fund Other charges Total other expenses Profit before credit loss allowance Charge / (reversal) of credit loss allowance and write offs - net	38.8	For the three mc           March 31, 2024           (Rupees           21,340,795           11,253,785           10,087,010           520,262           -           182,442           -           16,280           -           718,984           10,805,994           2,793,724           152,745           125           2,946,594           7,859,400           222,158	anths ended           March 31, 2023           in '000)           14,681,770           8,879,084           5,802,686           308,391           -           372,769           -           4,484           -           685,644           6,488,330           2,086,683           94,639           120           2,181,442           4,306,888           (425,084)
PROFIT AND LOSS ACCOUNT Profit / return earned Profit / return expensed Net profit / return Other income Fee and commission income Dividend income Foreign exchange income Income from derivatives Gain on securities- net Others Total other income Total income Other expenses Workers' Welfare Fund Other charges Total other expenses Workers' Welfare Fund Other charges Total other expenses Profit before credit loss allowance Charge / (reversal) of credit loss allowance and write offs - net Profit before taxation	38.8	For the three mc           March 31, 2024           (Rupees           21,340,795           11,253,785           10,087,010           520,262           -           182,442           -           16,280           -           718,984           10,805,994           2,793,724           152,745           125           2,946,594           7,859,400           222,158           7,637,242	anths ended           March 31, 2023           in '000)           14,681,770           8,879,084           5,802,686           308,391           -           372,769           -           4,484           -           685,644           6,488,330           2,086,683           94,639           120           2,181,442           4,306,888           (425,084)           4,731,972
PROFIT AND LOSS ACCOUNT Profit / return earned Profit / return expensed Net profit / return Other income Fee and commission income Dividend income Foreign exchange income Income from derivatives Gain on securities- net Others Total other income Total income Other s Operating expenses Workers' Welfare Fund Other charges Total other expenses Profit before credit loss allowance Charge / (reversal) of credit loss allowance and write offs - net	38.8	For the three mc           March 31, 2024           (Rupees           21,340,795           11,253,785           10,087,010           520,262           -           182,442           -           16,280           -           718,984           10,805,994           2,793,724           152,745           125           2,946,594           7,859,400           222,158	anths ended           March 31, 2023           in '000)           14,681,770           8,879,084           5,802,686           308,391           -           372,769           -           4,484           -           685,644           6,488,330           2,086,683           94,639           120           2,181,442           4,306,888           (425,084)

38.1	Due from Financial Institutions			(Unaudited) March 31, 2024 (Rupees	(Audited) December 31, 2023 in '000)
				31 000 000	17 000 000
	Call money lendings Secured lendings			31,000,000 5,000,000	17,000,000 2,500,000
				36,000,000	19,500,000
38.2	Investments by segments		March 31, 202	24 (Unaudited)	
		Cost /	Credit loss	Surplus /	
		amortised cost	allowance	(deficit)	Carrying value
	Debt he town out		(Rupee	s in '000)	
	Debt Instruments Fair value through profit and loss (FVTPL)				
	Federal Government securities				
	- Ijarah Sukuk	5,900	-	5	5,905
	Fair value through other comprehensive income (FVOCI) Federal Government securities				
	- Ijarah Sukuk	194,282,026	- 1	(2,474,616)	191,807,410
	- Other Federal Government securities	3,727,205	-	-	3,727,205
	Non-Government debt securities	198,009,231	-	(2,474,616)	195,534,615
	- Listed	44,610,211	(68,209)	44,292	44,586,294
	- Unlisted	1,401,000	(8,982)	3,673	1,395,691
	Amortised cost	46,011,211	(77,191)	47,965	45,981,985
	Federal Government securities				
	- Ijarah Sukuk	5,000,000	-	-	5,000,000
	- Other Federal Government securities	- 5,000,000			- 5,000,000
	Non-Government debt securities				
	- Listed	-	-	-	-
	- Unlisted	12,984,187 12,984,187	(224,528) (224,528)		12,759,659 12,759,659
	Total Investments	262,010,529	(301,719)	(2,426,646)	259,282,164
			December 31,	2023 (Audited)	
		Cost / amortised cost	Provision for diminution	Surplus / (deficit)	Carrying value
			(Rupee	s in '000)	
	Available for sale (AFS) securities		(itupoo	o 000)	
	Federal Government securities - Ijarah Sukuk	164 925 661	rir-	(2,631,310)	162,194,351
	- Other Federal Government securities	164,825,661 5,543,158	-	(2,031,310) -	5,543,158
		170,368,819	-	(2,631,310)	167,737,509
	Non-Government debt securities - Listed	44,891,462		36,836	44,928,298
	- Unlisted	1,401,000	-	1,500	1,402,500
		46,292,462	-	38,336	46,330,798
	Held to maturity (HTM) securities Non-Government debt securities				
	- Unlisted	12,484,187	-	-	12,484,187
	Total Investments	229,145,468		(2,592,974)	226,552,494
			March 31, 202	24 (Unaudited)	
		Stage 1	Stage 2	Stage 3	Total
38.2.1	Particulars of credit loss allowance		(Rupee:	s in '000)	
-					
	Non Government debt securities - unlisted	148,719		153,000	301,719

		(Unaudited) March 31, 2024	(Audited) December 31, 2023
38.3	Islamic financing and related assets - net	(Rupees	
	Diminishing Musharakah	91,130,754	93,090,122
	Running Musharakah	46,460,457	46,748,573
	Wakalah	14,757,354	15,112,848
	ljarah	4,067,200	3,771,372
	Murabaha	2,143,539	1,937,342
	Currency Salam	-	82,738
	Tijarah	2,859,002	2,422,198
	Istisna	1,815,405	2,053,597
	Musawamah Advance far Dimininking Musharakah	1,593,083 3,242,815	3,191,914
	Advance for Diminishing Musharakah Advance for Ijarah	3,678,345	3,820,249 3,498,372
	Advance for Murabaha	13,628,797	10,561,441
	Advance for Salam	1,394,777	2,032,234
	Advance for Istisna	12,373,737	16,079,982
	Advance for Musawamah	881,566	595,848
	Inventories against Murabaha	446,411	5,784,149
	Inventories against Salam	2,032,234	-
	Inventories against Tijarah	4,511,817	5,088,392
	Inventories against Istisna	3,678,350	3,842,828
	Islamic financing and related assets - gross	210,695,643	219,714,199
	Credit loss allowance against Islamic financing and related assets	(700,400)	
	- Stage 1 - Stage 2	(769,439) (2,503,810)	-
	- Stage 2 - Stage 3	(5,593,734)	-
	- Specific	(0,090,704)	(5,523,177)
	- General	(677,559)	(1,136,557)
		(9,544,542)	(6,659,734)
	Islamic financing and related assets - net of credit loss allowance	201,151,101	213,054,465
38.4	Due to financial institutions		
	Acceptances from the SBP under:		
	- Islamic export refinance scheme	10,982,347	19,406,548
	- Islamic export refinance scheme for bill discounting	532,906	556,808
	- Islamic long term financing facility	6,311,570	6,481,973
	- Islamic financing facility for renewable energy power plants	712,164	644,321
	- Islamic refinance facility for modernization of Small & Medium Enterprises (SMEs)	268,947	286,208
	<ul> <li>Islamic refinance and credit guarantee scheme for women entrepreneurs</li> </ul>	1,208	1,765
	- Islamic refinance facility for combating COVID-19	453,337	355,448
	- Islamic temporary economic refinance facility	2,275,518	2,386,365
	Acceptances from Pakistan Mortgage Refinance Company	2,000,000 23,537,997	2,000,000 32,119,436
38.5	Deposits and other accounts		
	Customers		
		440 440 200 10	400.005.100
	Current deposits	112,443,922	109,005,139
	Savings deposits	293,268,535	279,911,025
	Term deposits	22,775,146 428,487,603	29,238,524 418,154,688
	Financial Institutions	420,401,003	410,104,000
	Current deposits	111,137	92,442
	Savings deposits	55,459,086	4,360,958
	Term deposits	301,646	101,646
		55,871,869	4,555,046
		484,359,472	422,709,734

Islamic Banking business unappropriated profit		
Opening Balance	43,688,438	32,922,558
Impact of adoption of IFRS 9	(3,083,456)	-
Add: Islamic Banking profit for the period / year	7,637,242	21,124,836
Less: Taxation	(3,742,247)	(10,351,170)
Less: Transferred / Remitted to Head Office	(26,396)	(7,786)
Closing Balance	44,473,581	43,688,438
	Opening Balance Impact of adoption of IFRS 9 Add: Islamic Banking profit for the period / year Less: Taxation Less: Transferred / Remitted to Head Office	Opening Balance43,688,438Impact of adoption of IFRS 9(3,083,456)Add: Islamic Banking profit for the period / year7,637,242Less: Taxation(3,742,247)Less: Transferred / Remitted to Head Office(26,396)

38.7	Contingencies and commitments	Note	(Unaudited) March 31, 2024 (Rupees	(Audited) December 31, 2023 in '000)
	- Performance Guarantees - Commitments	38.7.1	5,023,248 62,145,546 67,168,794	3,783,771 53,232,828 57,016,599
38.7.1	Commitments:			
	Trade-related contingent liabilities Commitments in respect of forward foreign exchange contracts	38.7.1.1	33,861,856 28,283,690 62,145,546	30,703,557 22,529,271 53,232,828
38.7.1.1	1 Commitments in respect of forward foreign exchange contracts			
	Purchase Sale		15,810,608 12,473,082 28,283,690	11,450,911 11,078,360 22,529,271
			(Unau For the three m	
38.8	Profit / return earned		March 31, 2024	March 31, 2023
			(Rupees	in '000)
	On: Financing Investments Amounts due from financial institutions		8,903,091 11,763,477 <u>674,227</u> 21,340,795	7,438,007 7,094,626 149,137 14,681,770
38.9	Profit / return expensed			
	On: Deposits and other accounts Amounts due to financial institutions Foreign currency deposits for Wa'ad based transactions Lease liability against right-of-use assets		9,225,033 1,569,117 156,742 302,893	5,899,374 2,766,338 4,842 208,530

#### 39 NON-ADJUSTING EVENTS AFTER THE BALANCE SHEET DATE

39.1 The Board of Directors, in its meeting held on April 23, 2024, has declared a cash dividend of Rs 4.00 per share in respect of the quarter ended March 31, 2024 (March 31, 2023: Rs 1.50 per share). These condensed interim consolidated financial statements do not include the effect of this appropriation which will be accounted for subsequent to the period end.

#### 40 DATE OF AUTHORISATION FOR ISSUE

These condensed interim consolidated financial statements were authorised for issue in the Board of Directors meeting held on April 23, 2024.

#### 41 GENERAL

41.1 Comparative figures have been re-arranged and reclassified for comparison purposes.



# CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

For the three months ended March 31, 2024

## Habib Bank Limited Condensed Interim Unconsolidated Statement of Financial Position As at March 31, 2024

	Note	(Unaudited) March 31, 2024 (Rupees	(Audited) December 31, 2023 s in '000)
ASSETS			
Cash and balances with treasury banks	5	471,881,197	505,181,227
Balances with other banks	6	48,453,039	43,012,856
Lendings to financial institutions	7	71,569,018	88,598,160
Investments	8	2,547,830,075	2,499,929,784
Advances	9	1,558,480,812	1,664,016,203
Property and equipment	10	114,486,276	114,023,722
Right-of-use assets	11	21,722,507	21,648,036
Intangible assets	12	15,422,891	14,988,816
Deferred tax assets	13	17,379,153	11,405,839
Other assets	14	269,083,406	238,866,520
		5,136,308,374	5,201,671,163
LIABILITIES			
Bills payable	15	44,902,975	51,228,670
Borrowings	16	328,661,417	659,342,821
Deposits and other accounts	17	4,104,636,816	3,870,179,912
Lease liabilities	18	28,032,856	26,864,447
Subordinated debt	19	18,874,000	18,874,000
Deferred tax liabilities		-	-
Other liabilities	20	273,605,789	241,401,905
		4,798,713,853	4,867,891,755
NET ASSETS	•	337,594,521	333,779,408
REPRESENTED BY			
Shareholders' equity			
Share capital		14,668,525	14,668,525
Reserves		85,458,408	86,239,700
Surplus on revaluation of assets - net of tax	21	31,114,123	26,379,538
Unappropriated profit	_	206,353,465	206,491,645
	:	337,594,521	333,779,408
CONTINGENCIES AND COMMITMENTS	22		

The annexed notes 1 to 41 form an integral part of these condensed interim unconsolidated financial statements.

**Chief Financial Officer** 

Director

Director

## Habib Bank Limited Condensed Interim Unconsolidated Profit and Loss Account (Unaudited) For the three months ended March 31, 2024

	Note	January 01 to March 31, 2024 (Rupee	January 01 to March 31, 2023 es in '000)	
Mark-up / return / profit / interest earned	24	186,437,496	140,284,550	
Mark-up / return / profit / interest expensed	25	130,578,896	88,708,410	
Net mark-up / return / profit / interest income		55,858,600	51,576,140	
Non mark-up / interest income				
Fee and commission income	26	10,530,818	8,244,010	
Dividend income		1,653,891	1,216,253	
Foreign exchange income		3,812,945	383,143	
Income / (loss) from derivatives		2,417,841	(6,160,416)	
Loss on securities - net	27	(287,107)	(1,079,004)	
Other income	28	40,112	9,568,932	
Total non mark-up / interest income		18,168,500	12,172,918	
Total income		74,027,100	63,749,058	
Non mark-up / interest expenses				
Operating expenses	29	41,559,086	35,203,661	
Workers' Welfare Fund		579,105	508,167	
Other charges	30	158,496	15,765	
Total non mark-up / interest expenses		42,296,687	35,727,593	
Profit before credit loss allowance and taxation		31,730,413	28,021,465	
Credit loss allowance and write offs - net	31	2,038,597	2,679,788	
Profit before taxation		29,691,816	25,341,677	
Taxation	32	15,096,839	10,041,791	
Profit after taxation		14,594,977	15,299,886	
		(Rupees)		
Basic and diluted earnings per share	33	9.95	10.43	

The annexed notes 1 to 41 form an integral part of these condensed interim unconsolidated financial statements.

**Chief Financial Officer** 

Director

## Habib Bank Limited Condensed Interim Unconsolidated Statement of Comprehensive Income (Unaudited) For the three months ended March 31, 2024

	January 01 to March 31, 2024 (Rupees	March 31, 2023
Profit after taxation for the period	14,594,977	15,299,886
Other comprehensive income / (loss)		
Items that may be reclassified to the profit and loss account in subsequent periods:		
Effect of translation of net investment in foreign branches - net of tax	(2,240,790)	11,834,059
Movement in surplus / deficit on revaluation of debt investments designated at Fair value through other comprehensive income (FVOCI) - net of tax	3,226,834	-
Movement in surplus / deficit on revaluation of available for sale investments - net of tax	-	(15,134,326)
Items that are not to be reclassified to the profit and loss account in subsequent periods:		
Movement in surplus / deficit on revaluation of equity investments - net of tax	66,175	-
Total comprehensive income	15,647,196	27,133,945

The annexed notes 1 to 41 form an integral part of these condensed interim unconsolidated financial statements.

#### Habib Bank Limited Condensed Interim Unconsolidated Statement of Changes In Equity (Unaudited) For the three months ended March 31, 2024

			Reserves		Surplus /	(deficit) on		
			Car	oital		ation of		
	Share capital	Statutory	Exchange Translation	Non - distributable	Investments	Property & Equipment / Non-banking assets	Unappropriated profit	Total
Balance as at December 31, 2022	14,668,525	43,130,076	28,058,506	(Ruj 547,115	<b></b> (25,021,142)	27,005,916	165,386,520	253,775,516
	14,000,323	43, 130,070	20,000,000	547,115	(23,021,142)	27,000,910	105,500,520	200,770,010
Comprehensive income for the three months ended March 31, 2023 Profit after taxation for the three months ended March 31, 2023	-	-	-	-	-	-	15,299,886	15,299,886
Other comprehensive income / (loss) Effect of translation of net investment in foreign branches - net of tax	-	-	11,834,059	-	-	-	-	11,834,059
Movement in surplus / deficit on revaluation of assets - net of tax	-	-	- 11.834.059	-	(15,134,326) (15,134,326)	-	- 15,299,886	(15,134,326) 11,999,619
Transferred to statutory reserve Transferred from surplus on revaluation of assets - net of tax	-	1,529,989 -	-	-	-	- (70,689)	(1,529,989) 70,689	-
Transactions with owners, recorded directly in equity Final cash dividend - Rs 1.5 per share declared subsequent to the year ended December 31, 2022	-	-	-	-	-	-	(2,200,279)	(2,200,279)
Balance as at March 31, 2023	14,668,525	44,660,065	39,892,565	547,115	(40,155,468)	26,935,227	177,026,827	263,574,856
Comprehensive income for the nine months ended December 31, 2023	11,000,020	11,000,000	00,002,000	011,110	(10,100,100)	20,000,221	111,020,021	200,07 1,000
Profit after taxation for the nine months ended December 31, 2023	-	-	-	-	-	-	41,556,109	41,556,109
Other comprehensive income / (loss) Effect of translation of net investment in foreign branches - net of tax Remeasurement gain on defined benefit obligations - net of tax	-	-	(3,015,656) -	-	-	-	- 451,982	(3,015,656) 451,982
Movement in surplus / deficit on revaluation of assets - net of tax	-	-	(3,015,656)	-	24,003,467	15,643,052 15.643.052	42,008,091	39,646,519 78,638,954
Transferred to statutory reserve Transferred from surplus on revaluation of assets - net of tax	-	4,155,611 -	-	-	-	(46,740)	(4,155,611)	-
Transactions with owners, recorded directly in equity 1st interim cash dividend - Rs 1.50 per share		<u> </u>					(2,200,279)	(2,200,279)
2nd interim cash dividend - Rs 2.00 per share	-	-	-	-	-	-	(2,933,705)	(2,933,705)
3rd interim cash dividend - Rs 2.25 per share	-	-	-	-	-	-	(3,300,418)	(3,300,418)
	-	-	-	-	-	-	(8,434,402)	(8,434,402)
Balance as at December 31, 2023 - as reported	14,668,525	48,815,676	36,876,909	547,115	(16,152,001)	42,531,539	206,491,645	333,779,408
Change in accounting policy as at January 01, 2024 - note 3.4	-	-	-	-	1,562,237	-	(7,526,910)	(5,964,673)
Balance as at January 01, 2024 - as restated	14,668,525	48,815,676	36,876,909	547,115	(14,589,764)	42,531,539	198,964,735	327,814,735
Comprehensive income for the three months ended March 31, 2024	r							
Profit after taxation for the three months ended March 31, 2024	-	-	-	-	-	-	14,594,977	14,594,977
Other comprehensive income / (loss) Effect of translation of net investment in foreign branches - net of tax	-	-	(2,240,790)	-	-	-	-	(2,240,790)
Movement in surplus / deficit on revaluation of investments in equity instruments - net of tax					66,175	_	_	66,175
Movement in surplus / deficit on revaluation of investments in debt					00,175			00,170
instruments - net of tax	-	-	-	-	3,226,834	-	-	3,226,834
<b>-</b> / 10 10 1	-	-	(2,240,790)	-	3,293,009	-	14,594,977	15,647,196
Transferred to statutory reserve Net realised gain on investments in equity instruments designated at	-	1,459,498	-	-	-	-	(1,459,498)	-
FVOCI - net of tax	-	-	-	-	(99,174)	-	99,174	-
Transferred from surplus on revaluation of assets - net of tax	-	-	-	-	-	(21,487)	21,487	-
Transactions with owners, recorded directly in equity Final cash dividend - Rs 4.00 per share declared subsequent								
to the year ended December 31, 2023	-	-	-	-	-	-	(5,867,410)	(5,867,410)
Balance as at March 31, 2024	14,668,525	50,275,174	34,636,119	547,115	(11,395,929)	42,510,052	206,353,465	337,594,521

The annexed notes 1 to 41 form an integral part of these condensed interim unconsolidated financial statements.

Director

### Habib Bank Limited Condensed Interim Unconsolidated Cash Flow Statement (Unaudited) For the three months ended March 31, 2024

	January 01 to March 31, 2024	January 01 to March 31, 2023
CASH FLOWS FROM OPERATING ACTIVITIES	(Rupees	in '000)
Profit before taxation	29,691,816	25,341,677
Dividend income	(1,653,891)	(1,216,253)
Mark-up / return / profit / interest expensed on subordinated debt	1,088,714	885,926
Adjustments:	29,126,639	25,011,350
Depreciation	2,460,172	2,174,511
Amortisation	642,821	471,464
Depreciation on right-of-use assets	947,857	927,293
Mark-up / return / profit / interest expensed on lease liability against right-of-use assets	861,673	823,636
Credit loss allowance against investments Credit loss allowance against loans and advances	285,224 1,731,727	1,587,076 536,207
Credit loss allowance against other assets	405	896,367
Charge / (reversal) of credit loss allowance against off-balance sheet obligations	231,936	(255,051)
Unrealised loss on fair value through profit and loss (FVTPL) securities	125,359	-
Unrealised loss on held-for-trading securities Gain on derecognition of joint venture		370,861 (9,333,221)
Gain on sale of property and equipment - net	(12,723)	(106,259)
Workers' Welfare Fund	579,105	508,167
	7,853,556	(1,398,949)
(Increase) / decrease in operating assets	36,980,195	23,612,401
Lendings to financial institutions	17,029,142	85,851,403
FVTPL securities	9,420,338	-
Held-for-trading securities	-	(69,711,066)
Advances	83,951,214	15,819,362
Other assets (excluding advance taxation)	<u>(31,791,837)</u> 78,608,857	(56,083,522) (24,123,823)
Increase / (decrease) in operating liabilities	10,000,001	(24,120,020)
Bills payable	(6,325,695)	(5,817,965)
Borrowings from financial institutions	(330,681,404)	103,579,239
Deposits and other accounts Other liabilities	234,456,904	121,032,565
Other habilities	<u>29,085,159</u> (73,465,036)	50,777,446 269,571,285
	42,124,016	269,059,863
Income tax paid	(16,292,247)	(5,862,566)
Net cash flows generated from operating activities	25,831,769	263,197,297
CASH FLOWS FROM INVESTING ACTIVITIES		
Net investment in FVOCI securities	(32,808,843)	-
Net investment in securities carried at Amortised Cost Net investment in available-for-sale securities	(11,730,884)	- (162,519,684)
Net investment in held-to-maturity securities		39,183,914
Net investment in subsidiaries	(2,000,000)	(1,000,000)
Net investment in associates	4,880	5,990
Dividend received	1,337,629	950,911 (3,826,652)
Investments in property and equipment Investments in intangible assets	(2,995,050) (1,110,315)	(3,826,652) (475,194)
Proceeds from sale of property and equipment	27,130	209,090
Effect of translation of net investment in foreign branches - net of tax	(2,240,790)	11,834,059
Net cash flows used in investing activities	(51,516,243)	(115,637,566)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of mark-up on subordinated debt	(1,518,632)	(891,174)
Payment of lease liability against right-of-use assets	(653,020)	(1,061,405)
Dividend paid	(3,721) (2,175,373)	(4,425)
Net cash flows used in financing activities		(1,957,004)
(Decrease) / increase in cash and cash equivalents during the period	(27,859,847)	145,602,727
Cash and cash equivalents at the beginning of the period	550,572,814	287,604,092
Effect of exchange rate changes on cash and cash equivalents	(2,378,731)	1,083,133
	548,194,083	288,687,225
Cash and cash equivalents at the end of the period	520,334,236	434,289,952

The annexed notes 1 to 41 form an integral part of these condensed interim unconsolidated financial statements.

**Chief Financial Officer** 

Director

Director

## 1 STATUS AND NATURE OF BUSINESS

Habib Bank Limited (the Bank) is incorporated in Pakistan and is engaged in commercial banking services in Pakistan and overseas. The Bank's registered office is at Habib Bank Tower, 9th Floor, Jinnah Avenue, Blue Area, Islamabad, Pakistan and its principal office is at HBL Tower, Plot # G-4, KDA Scheme 5, Block 7, Clifton, Karachi, Pakistan. The Bank's shares are listed on the Pakistan Stock Exchange. The Bank operates 1,728 (December 31, 2023: 1,728) branches inside Pakistan including 408 (December 31, 2023: 408) Islamic Banking Branches and 30 (December 31, 2023: 30) branches outside the country including in the Karachi Export Processing Zone (KEPZ). The Aga Khan Fund for Economic Development S.A. (AKFED) is the parent company of the Bank and its registered office is in Geneva, Switzerland.

- 1.1 The Bank had commenced an orderly winding down of its operations in Afghanistan and banking operations were ceased on June 10, 2019. The remaining formalities required for closure are now in progress.
- 1.2 The Bank has entered into an agreement to sell its operations in Mauritius, and will be transferring the business to its new owners in due course, subject to requisite regulatory approvals.
- 1.3 The Bank has commenced an orderly wind-down of its Lebanon operations. Formalities for completion of the wind-down are underway.
- 1.4 After obtaining approval from the Central Bank of Oman for the deregistration of its Oman operations, the Bank had commenced an orderly and phase wise exit. Banking operations were ceased on August 02, 2023 and the remaining formalities required for closure are in progress.
- 1.5 HBL Zarai Services Limited (HZSL) is an unlisted public limited company, incorporated in Pakistan with its registered office at 4th floor, Habib Bank Tower, Jinnah Avenue, Blue Area, Islamabad, Pakistan. The objective of the company is to promote economic development by supporting the agricultural sector through establishing hubs for providing agricultural services. The company commenced operations on March 14, 2024.

During the period, the Bank has subscribed to 200 million shares issued by HZSL amounting to Rs 2 billion.

## 2 BASIS OF PRESENTATION

## 2.1 STATEMENT OF COMPLIANCE

These condensed interim unconsolidated financial statements have been prepared in accordance with accounting and reporting standards as applicable in Pakistan. These comprise of:

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan (ICAP) as are notified under the Companies Act, 2017;
- Provisions of and directives issued under the Banking Companies Ordinance, 1962;
- Provisions of and directives issued under the Companies Act, 2017; and
- Directives issued by the State Bank of Pakistan (SBP) and the Securities and Exchange Commission of Pakistan (SECP) from time to time.

Whenever the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 or the directives issued by the SBP and the SECP differ with the requirements of IFRS or IFAS, the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 and the said directives, shall prevail.

2.2 The disclosures made in these condensed interim unconsolidated financial statements have been limited based on the format prescribed by the SBP vide BPRD Circular Letter No. 2 dated February 09, 2023 and IAS 34. These condensed interim unconsolidated financial statements do not include all the information and disclosures required for annual unconsolidated financial statements and should be read in conjunction with the unconsolidated financial statements for the year ended December 31, 2023.

## 2.3 New standards and amendments to existing accounting and reporting standards that have become effective in the current year

As directed by SBP via BPRD Circular letter no. 7 of 2023, IFRS 9, Financial Instruments is effective for periods beginning on or after January 1, 2024. IFRS 9 has been applicable in several overseas jurisdictions at various effective dates starting from January 1, 2018. The requirements of this standard are already incorporated in the Bank's financial statements for the jurisdictions where IFRS 9 has been adopted. The results of those overseas operations where IFRS 9 is not applicable will be directly incorporated in the Bank's financial statements as per the respective host country's regulations, for the year ending December 31, 2024.

Except for the implementation of IFRS 9 in Pakistan, as discussed in note 3.1, the Bank expects that amendments to existing accounting and reporting standards will not affect its financial statements in the period of initial application.

### 2.4 Amendments to existing accounting and reporting standards that are not yet effective

There are various standards and amendments to accounting and reporting standards as applicable in Pakistan that are not yet effective. These are not likely to have a material effect on the Bank's financial statements.

### 2.5 Critical accounting estimates and judgements

The basis for accounting estimates adopted in the preparation of these condensed interim unconsolidated financial statements is the same as that applied in the preparation of the unconsolidated financial statements for the year ended December 31, 2023, except for changes as discussed in note 3.2 and 3.3.

## 3 MATERIAL ACCOUNTING POLICY INFORMATION

Except as disclosed in note 3.1, the material accounting policies adopted in the preparation of these condensed interim unconsolidated financial statements are consistent with those followed in the preparation of the unconsolidated financial statements for the year ended December 31, 2023. The key changes to the Bank's accounting policies resulting from its adoption of IFRS 9 are summarized below:

## 3.1 IFRS 9 Financial Instruments

### 3.1.1 Classification of Financial Assets

The Bank classifies its financial assets, other than its investments in subsidiaries and associates, into the following categories:

- at Fair Value through Profit and Loss (FVTPL);
- at Fair Value through Other Comprehensive Income (FVOCI);
- at Amortised Cost.

### **Classification of Equity Instruments**

Equity securities that are traded in an active market and are held for trading purposes will be classified as FVTPL. Equity securities that are not held for trading purposes will be classified as FVOCI; however, gains and losses on disposal of securities classified as FVOCI will not be recycled through the profit and loss account. The classification decision is made on a case by case basis at the time of purchase, is documented, and is irrevocable.

## **Classification of other Financial Assets**

Financial Assets other than equity will be classified based on their cash flow characteristics and business model assessment:

- Amortised Cost: These will be classified as amortised cost if the objective is to hold the asset only for collecting contractual cash flows (principal and interest).
- FVOCI: These will be classified at FVOCI when the objective is to collect contractual cash flows (principal and interest) and also to potentially sell the same depending on market conditions. Any unrealized profit or loss on debt instruments classified as FVOCI is reflected in other comprehensive income and is recycled through the profit and loss account when the investment is sold.

- FVTPL: This includes financial assets:
- a. which are not classified as either at amortised cost or FVOCI;
- b. which do not have fixed maturity.

In addition, on initial recognition, the Bank may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

#### **Subsequent Measurement**

#### Equity and debt securities classified as FVTPL

These securities are subsequently measured at fair value. Changes in the fair value of these securities are taken through the profit and loss account.

#### Equity and debt securities classified as FVOCI

These securities are subsequently measured at fair value. Changes in the fair value of these securities are recorded in OCI. When a debt security is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the profit and loss account. When an equity security is derecognised, gains and losses previously recognised in OCI are not recycled through the profit and loss account but are transferred directly to retained earnings.

### Other financial assets classified at amortised cost

Other financial assets initially classified at amortised cost continue to be subsequently measured at amortised cost.

#### 3.1.2 Classification of Financial Liabilities

Financial liabilities are either classified at FVTPL, when they are held for trading purposes, or at amortised cost. Financial liabilities classified as FVTPL are measured at fair value.

Financial liabilities classified at amortised cost are initially recorded at fair value and subsequently measured using the effective interest rate method.

### 3.1.3 Impairment

An ECL provision will be calculated on financial assets designated at FVOCI or at Amortised cost in accordance with the requirements of IFRS 9 and the guidelines issued by the SBP. Credit exposures (in local currency) that have been guaranteed by the Government and Government Securities are exempted from the application of ECL Framework.

Equity securities are not subject to impairment.

### 3.1.4 Transitional Impact

The Bank has elected to follow the modified retrospective approach for restatement i.e. comparative figures have not been restated on the initial application of IFRS 9. Instead, the cumulative impact has been recorded as an adjustment to equity as of January 01, 2024. Accordingly, the information presented as of December 31, 2023 and for the period ended March 31, 2023 does not reflect the requirements of IFRS 9.

The following table reconciles the original measurement and carrying amounts of financial instruments in accordance with the previous financial reporting framework with the new measurement categories for the Bank.

Financial Assets / Liabilities	Previous classification	Classification under IFRS 9	Carrying amount as of December 31, 2023	Change in classification	Fair valuation of unlisted securities	ECL	Carrying amount as of January 01, 2024
Cash and balances with treasury banks	Cost	Amortised Cost	505,181,227	-	-	-	505,181,227
Balances with other banks	Cost	Amortised Cost	43,012,856	-	-	(991)	43,011,865
Lendings to financial institutions	Cost	Amortised Cost	88,598,160	-	-	(8)	88,598,152
Investments							
Held for trading	HFT	FVTPL	233,455,128	15,911,835	5,437,373	-	254,804,336
Available for sale	AFS	FVOCI	1,777,376,128	(15,911,835)	4,935,570	(458,275)	1,765,941,588
Held to maturity	HTM	Amortised Cost	452,866,850	-	-	(11,312)	452,855,538
Associates and subsidiaries	Associates and subsidiaries	Associates and subsidiaries	36,231,678	-	-	-	36,231,678
Advances	Cost	Amortised Cost	1,664,016,203	-	-	(19,852,450)	1,644,163,753
Other assets	Cost	Amortised Cost	226,843,375	-	-	(53,536)	226,789,839
Derivatives and forward foreign exchange contracts	Fair value	FVTPL	2,337,050	-	-	-	2,337,050
Total Financial Assets			5,029,918,655	-	10,372,943	(20,376,572)	5,019,915,026
Bills payable	Cost	Amortised Cost	51,228,670	-	-	-	51,228,670
Borrowings	Cost	Amortised Cost	659,342,821	-	-	-	659,342,821
Deposits and other accounts	Cost	Amortised Cost	3,870,179,912	-	-	-	3,870,179,912
Subordinated debt	Cost	Amortised Cost	18,874,000	-	-	-	18,874,000
Other liabilities	Cost	Amortised Cost	212,234,375	-	-	1,691,810	213,926,185
Derivatives, forward foreign exchange contracts and liabilities against trading of securities	Fair value	FVTPL	30,513,878	-	-	-	30,513,878
Total Financial Liabilities			4,842,373,656	-	-	1,691,810	4,844,065,466
Net Financial Assets			187,544,999	-	10,372,943	(22,068,382)	175,849,560
Net Non Financial Assets			146,234,409	-	-	-	146,234,409
Total Net Assets			333,779,408	-	10,372,943	(22,068,382)	322,083,969

#### 3.2 Measurement of the expected credit loss allowance

The measurement of the ECL allowance for financial assets measured at amortised cost and at FVOCI is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behavior.

A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as:

- Choosing appropriate models and assumptions for the measurement of ECL:
- Establishing groups of similar financial assets for the purpose of measuring ECL:
- Establishing the number and relative weightages of forward-looking macroeconomic scenarios for each segment and the associated ECL; and
- Determining whether an asset shows a significant increase in credit risk.

#### 3.3 Fair valuation of unlisted equity securities

The measurement of the fair value of investments in unquoted equity securities involves the use of different methodologies and assumptions. The Bank uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation techniques incorporate all the factors that market participants would consider in pricing a transaction.

When observable inputs are not readily available, the fair value is determined using valuation techniques that include the use of mathematical models.

#### 3.4 Reconciliation of retained earnings and surplus on revaluation of investments

The impact of transition to IFRS 9 on retained earnings and surplus on revaluation of investments as at January 01, 2024 is as follows:

Retained earnings	(Rupees in '000)
Closing balance as at December 31, 2023 - as reported	206,491,645
Recognition of IFRS 9 ECLs	(22,068,381)
Adjustments in relation to fair valuation of unlisted equity securities	5,437,373
Transfer out - Other impacts on adoption of IFRS 9	1,872,360
Deferred tax in relation to the above	7,231,738
	(7,526,910)
Closing balance as at January 01, 2024 under IFRS 9 - as restated	198,964,735

Surplus on revaluation of investments	(Rupees in '000)
Closing balance as at December 31, 2023 - as reported	(16,152,001)
Adjustments in relation to fair valuation of unlisted equity securities Transfer in - Other impacts on adoption of IFRS 9 Deferred tax in relation to the above	4,935,570 (1,872,360) (1,500,973)
Closing balance as at January 01, 2024 under IFRS 9 - as restated	<u>1,562,237</u> (14,589,764)

## 4 FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies adopted by the Bank are consistent with those disclosed in the unconsolidated financial statements for the year ended December 31, 2023.

5	CASH AND BALANCES WITH TREASURY BANKS	Note	(Unaudited) March 31, 2024 (Rupe	(Audited) December 31, 2023 es in '000)
	In hand Local currency		61,768,810	59,791,328
	Foreign currencies		7,755,915	11,079,805
	5		69,524,725	70,871,133
	With State Bank of Pakistan in			
	Local currency current accounts		175,324,859	173,022,678
	Foreign currency current accounts		12,563,158	12,284,194
	Foreign currency deposit accounts		25,578,867	25,275,511
			213,466,884	210,582,383
	With other Central Banks in			
	Foreign currency current accounts		42,234,358	44,773,670
	Foreign currency deposit accounts		49,597,259	32,466,191
			91,831,617	77,239,861
	With National Bank of Pakistan in local currency current accounts		96,802,203	146,169,430
	National Prize Bonds		255,768	318,420
			471,881,197	505,181,227
6	BALANCES WITH OTHER BANKS			
	In Pakistan		44 700	47.404
	In current accounts		41,723	17,161
	Outside Pakistan			
	In current accounts		23,200,806	25,493,889
	In deposit accounts		25,211,501	17,501,806
	Less: credit loss allowance		48,412,307 (991)	42,995,695
	Balances with other banks - net of credit loss allowance		48,453,039	43,012,856
7	LENDINGS TO FINANCIAL INSTITUTIONS			
	Call money lendings		31,300,000	17,000,000
	Repurchase agreement lendings (reverse repo)		40,269,026	71,598,160
			71,569,026	88,598,160
	Less: credit loss allowance	7.1	(8)	-
	Lendings to financial institutions - net of credit loss allowance		71,569,018	88,598,160
7.1	Lendings to financial institutions are all classified as Stage 1.			

INVESTMENTS	Note	March 31, 2024	(Unaudited)				2023 (Audited)	
	Cost / amortised cost		Surplus / (deficit)	Carrying value	Cost / amortised cost	Provision for diminution	Surplus / (deficit)	Carrying value
Investments by type				(Rupees i	n '000)		,	
Fair value through profit or loss (FVTPL)	)							
Federal Government securities								
- Market Treasury Bills	61,284,297	-	(129,060)	61,155,237	-	-	-	-
- Pakistan Investment Bonds	139,185,230	-	(42,240)	139,142,990	-	-	-	
- Ijarah Sukuk	13,018,917	-	134,665	13,153,582	-	-	-	
- Other Federal Government securities	3,727,205	-	-	3,727,205	-	-	-	
Shares								
- Listed companies	860,942	-	(20,194)	840,748	-	-	-	
- Unlisted companies	8,791,178	-	-	8,791,178	-	-	-	
Non-Government debt securities								
- Listed	1,891,233	-	6,157	1,897,390	-	-	-	
- Unlisted	1,632,625	-	(19)	1,632,606	-	-	-	
Foreign securities								
- Government debt securities	2,852,214	-	(34,768)	2,817,446	-	-	-	
Preference shares								
- Listed	877,400	-	(39,900)	837,500	-	-	-	
- Unlisted	30,151	-	-	30,151	-	-	-	
Real Estate Investment Trust units - Unli	sted 3,258,464	_	-	3,258,464	-	-	-	
	237,409,856	-	(125,359)	237,284,497	-	-	-	
Held for trading (HFT) securities								
Federal Government securities								
- Market Treasury Bills	-	-	-	-	83,148,921	-	(31,591)	83,117,3
- Pakistan Investment Bonds	_	-	-	-	139,454,335	-	96,035	139,550,3
- Ijarah Sukuk	_	-	-	-	7,497,896	-	296,498	7,794,3
Shares								
- Listed companies	_	-	-	-	109,681	-	(1,994)	107,6
Foreign securities								
- Government debt securities	_	-	-	-	2,965,340	-	(79,993)	2,885,3
Fair value through other comprehensive	- income (FVOCI)	-	-	-	233,176,173	-	278,955	233,455,1
Federal Government securities								
- Market Treasury Bills	185,638,560		(107,280)	185,531,280				
- Pakistan Investment Bonds	1,159,873,491	-	(107,200)	1,134,246,469	-	-	-	
- Ijarah Sukuk	243,917,629	-	(848,220)	243,069,409	-	-	-	
- Government of Pakistan US Dollar Bor			1,778,800	19,228,963				
Shares	20,000,007	(2,000,724)	1,770,000	13,220,300	_		-	
- Listed companies	18,373,675		(2,316,079)	16,057,596			_	
- Unlisted companies	1,018,684		4,753,333	5,772,017	-	-	-	
Non-Government debt securities	1,010,004	-	4,700,000	5,772,017	-	-	-	
- Listed	50,009,431	(1,533,092)	147,452	48,623,791				
- Unlisted	995,383		147,452	603,673			-	
Foreign securities	330,000	(+0+,303)	12,000	000,070	-		-	
- Government debt securities	155,169,277	(1,928,167)	(233,199)	153,007,911				
- Non-Government debt securities	100,109,277	(1,920,107)	(200,199)	100,007,911	-		-	
- Listed	2,090,270	(9,799)	(0 206)	2 072 075				
- Unlisted	2,090,270	(9,799)	(8,396)	2,072,075	-	-	-	
- Equity securities - Unlisted	-	_	- 44,874	- 54,311	-	-	-	
	9,437 11,113		44,874 41,424	54,311 52,537	-	-	-	
National investment Unit Trust units			41 474	52.53/			-	1
National Investment Unit Trust units Real Estate Investment Trust units - Liste			16,700	71,700			-	

INVESTMENTS - continued	Note	March 31, 2024	(Unaudited)			December 31	2023 (Audited)	
	Cost / amortised cost	Credit loss allowance	Surplus / (deficit)	Carrying value	Cost / amortised cost	Provision for diminution	Surplus / (deficit)	Carrying value
				(Rupees i	n '000)			
Available for sale (AFS) securities								
Federal Government securities	1						]	
- Market Treasury Bills								
- Pakistan Investment Bonds	-	-	-	-	220,034,947	-	143,767	220,178,714
- Ijarah Sukuk	-	-	-	-	1,129,055,695	-	(28,446,005)	1,100,609,690
- Government of Pakistan US Dollar Bond	- Is	-	-	-	214,469,251	-	(992,900)	213,476,351
- Other Federal Government securities	-	-	-	-	20,607,015	(3,015,329)	(307,522)	17,284,164
Shares	-	-	-	-	5,543,158	-	-	5,543,158
- Listed companies					10.010.110	(1.055.000)	(570.000)	10 110 051
- Unlisted companies	-	-	-	-	18,346,143	(1,355,890)	(573,899)	16,416,354
Non-Government debt securities	-	-	-	-	5,372,623	(137,414)	-	5,235,209
- Listed						(1 and an ()	<i>((</i> , ( , ( , ( , ( , ( , ( , ( , ( , (	
- Unlisted	-	-	-	-	52,313,888	(1,288,294)	(1,410,827)	49,614,767
Foreign securities	-	-	-	-	2,654,051	(403,050)	(16,875)	2,234,126
- Government debt securities								
- Non-Government debt securities - Listed	-	-	-	-	142,118,151	(1,920,274)	(241,068)	139,956,809
- Equity securities - Unlisted	· -	-	-	-	4,243,558	(24,966)	(11,593)	4,206,999
National Investment Unit Trust units	-	-	-	-	9,701	(239)	-	9,462
Real Estate Investment Trust units	-	-	-	-	11,113	-	39,632	50,745
- Listed								
	-	-	-	-	55,000	-	13,700	68,700
- Unlisted Preference shares	-	-	-	-	1,575,000	-	-	1,575,000
- Listed	-	-	-	-	744,400	-	133,000	877,400
- Unlisted			-		354,985 1,817,508,679	(316,505) (8,461,961)	- (31,670,590)	38,480 1,777,376,128
Amortised cost	8.2						<b>x</b> · · · <b>x</b>	
Federal Government securities								
- Market Treasury Bills	117,044,230	_	-	117,044,230	_	_	-	-
- Pakistan Investment Bonds	298,135,830	_	-	298,135,830	_	_	-	-
- Ijarah Sukuk	5,000,000	_	-	5,000,000	_	_	-	-
- Government of Pakistan US Dollar Bond		(402,551)	-	4,743,831	-	-	-	-
Non-Government debt securities	-,	(,,		.,,				
- Listed	899,380	(4,294)	-	895,086	-	_	-	
- Unlisted	23,581,601	(541,102)	-	23,040,499	-	_	-	
Foreign Securities	20,001,001	(011,102)		20,010,100				
- Government debt securities	15,166,875	(15,536)		15,151,339		_	_	_
- Non-Government debt securities - Unlist		(10,000)		46,265				_
	465,020,563	(000 (00)	-					
	403,020,303	(963,483)	-	464,057,080			-	-
Held to maturity (HTM) securities	403,020,303	(963,483)	-		-	-		-
Held to maturity (HTM) securities Federal Government securities	405,020,303	(963,483)	-		-		-	-
	-	(963,483)	-		- 111,622,170	-	-	- 111,622,170
Federal Government securities			-		- 111,622,170 297,803,454	-	-	
Federal Government securities - Market Treasury Bills	-	(963,483) - - -	-			(408,218)	-	297,803,454
Federal Government securities - Market Treasury Bills - Pakistan Investment Bonds	-	(963,483) - - -	-		297,803,454	- - (408,218)	-	297,803,454
Federal Government securities - Market Treasury Bills - Pakistan Investment Bonds - Government of Pakistan US Dollar Bond	-	(963,483)	-		297,803,454	- - (408,218)	-	297,803,454 4,839,702
Federal Government securities - Market Treasury Bills - Pakistan Investment Bonds - Government of Pakistan US Dollar Bond Non-Government debt securities	-	(963,483)	-		297,803,454 5,247,920	- - (408,218) - -		297,803,454 4,839,702 1,899,450
Federal Government securities - Market Treasury Bills - Pakistan Investment Bonds - Government of Pakistan US Dollar Bond Non-Government debt securities - Listed	-	(963,483) - - - - - - -	-		297,803,454 5,247,920 1,899,450	- - (408,218) - -		297,803,454 4,839,702 1,899,450
Federal Government securities - Market Treasury Bills - Pakistan Investment Bonds - Government of Pakistan US Dollar Bond Non-Government debt securities - Listed - Unlisted	-	(963,483)	-		297,803,454 5,247,920 1,899,450 23,419,101	- - (408,218) - -	-	297,803,454 4,839,702 1,899,450 23,419,10
Federal Government securities  - Market Treasury Bills  - Pakistan Investment Bonds  - Government of Pakistan US Dollar Bond Non-Government debt securities  - Listed  - Unlisted Foreign securities	Is	(963,483)	-		297,803,454 5,247,920 1,899,450 23,419,101 13,123,544	-	-	297,803,454 4,839,702 1,899,450 23,419,101 13,123,544
Federal Government securities  - Market Treasury Bills  - Pakistan Investment Bonds  - Government of Pakistan US Dollar Bond Non-Government debt securities  - Listed  - Unlisted  Foreign securities  - Government debt securities	Is	(963,483) - - - - - - - - - - - - - - - -	-		297,803,454 5,247,920 1,899,450 23,419,101	- - (408,218) - - (14,611) (422,829)		297,803,454 4,839,702 1,899,450 23,419,101 13,123,544 159,429
Federal Government securities  - Market Treasury Bills  - Pakistan Investment Bonds  - Government of Pakistan US Dollar Bond Non-Government debt securities  - Listed  - Unlisted  Foreign securities  - Government debt securities	Is	(963,483) - - - - - - - - - (90,481)	-		297,803,454 5,247,920 1,899,450 23,419,101 13,123,544 174,040	- - (14,611)		- 111,622,170 297,803,454 4,839,702 1,899,450 23,419,101 13,123,544 <u>159,429</u> 452,866,850 7,058,755
Federal Government securities  - Market Treasury Bills  - Pakistan Investment Bonds  - Government of Pakistan US Dollar Bond Non-Government debt securities  - Listed  - Unlisted Foreign securities  - Government debt securities - Non-Government debt securities - No	ls	- - - - - - - - - - - - - - - - -		464,057,080	297,803,454 5,247,920 1,899,450 23,419,101 13,123,544 <u>174,040</u> 453,289,679	- - (14,611) (422,829)		297,803,454 4,839,702 1,899,450 23,419,101 13,123,544 159,429 452,866,850

	(Unaudited)	(Audited)		
	March 31,	December 31,		
	2024	2023		
8.1.1 Investments given as collateral	(Rupees	(Rupees in '000)		
The market value of investments given as collateral against	horrowings is as follows:			

The market value of investments given as collateral against borrowings is as follows:

Federal Government securities		
- Market Treasury Bills	19,522,558	30,947,292
- Pakistan Investment Bonds	36,462,094	336,459,407
Foreign securities		
- Government debt securities	208,193	-
	56,192,845	367,406,699

8.2 The market value of investments classified as amortised cost and investment in listed associates are as follows

		(Unauc March 31		(Audited) December 31, 2023		
		Book value	Market value	Book value	Market value	
			(Rupees in '0	00)		
	<ul> <li>Investments classified as amortised cost</li> </ul>	464,057,080	434,695,447	-	-	
	<ul> <li>Investments classified as held-to-maturity</li> </ul>			452,866,850	419,278,122	
	- Investment in listed associates	- 6,785,017	- 8,975,735	452,860,850 6,802,524	6,788,865	
		470,842,097	443,671,182	459,669,374	426,066,987	
	=	410,042,001	440,071,102	400,000,014	420,000,007	
				(Unaudited) March 31, 2024	(Audited) December 31, 2023	
8.3	Credit loss allowance for diminut	tion in value of invest	stments	(Rupees		
				0.000.044	7 050 575	
	Opening balance Impact of adoption of IFRS 9			8,962,644 (1,340,461)	7,859,575	
	Exchange adjustment Charge / (reversal)			(1,340,401) (97,296)	- 1,209,319	
	Charge for the period / year		]	285,224	2,424,752	
	Reversal for the period / year			-	(1,658,491)	
	Reversal on disposal during the p	eriod / year		-	(1,094,619)	
	Net charge / (reversal)		-	285,224	(328,358)	
	Transferred in		-	-	222,108	
	Closing balance		=	7,810,111	8,962,644	
8.4	Particulars of provision against o	lebt securities				
				(Unaud March 31		
	Category of classification			Outstanding	Credit loss	
	Category of classification			amount	allowance	
	Domestic			(Rupees	in '000)	

Domestic Performing Underperforming Non-performing Loss

Loss	395,383	395,383
	2,300,242,278	1,017,969
Overseas		
Performing	166,516,621	138,520
Underperforming	46,864,416	5,172,632
Non-performing		
Loss	1,390,509	1,390,509
	214,771,546	6,701,661
Total	2,515,013,824	7,719,630
		13

2,297,184,395

2,662,500

422,562 200,024

			Performing Non - performing		Total			
9	ADVANCES	Note	(Unaudited) March 31, 2024	(Audited) December 31, 2023	(Unaudited) March 31, 2024	(Audited) December 31, 2023	(Unaudited) March 31, 2024	(Audited) December 31, 2023
					(Rupee	s in '000)		
	Loans, cash credits, running finances, etc.		1,244,029,455	1,313,235,990	75,574,220	73,208,971	1,319,603,675	1,386,444,961
	Islamic financing and related assets	38.3	200,603,295	208,404,435	10,092,348	11,309,850	210,695,643	219,714,285
	Bills discounted and purchase		134,668,364	144,388,017	9,678,973	9,753,378	144,347,337	154,141,395
		u						
	Advances - gross		1,579,301,114	1,666,028,442	95,345,541	94,272,199	1,674,646,655	1,760,300,641
	Credit loss allowance against	advanc						
	- Stage 1		(9,369,009)		-	-	(9,369,009)	
	- Stage 2		(17,591,776)	-	-	-	(17,591,776)	
	- Stage 3	9.3	-	-	(80,206,248)		(80,206,248)	
	Specific		-	-	(1,023,555)	(80,251,974)	(1,023,555)	
	General		(7,975,255)		-	-	(7,975,255)	( /
			(34,936,040)	(16,032,464)	(81,229,803)	(80,251,974)	(116,165,843)	(96,284,438)
	Advances - net of credit							
	loss allowance		1,544,365,074	1,649,995,978	14,115,738	14,020,225	1,558,480,812	1,664,016,203
							(Unaudited)	(Audited)
9.1	Particulars of advances (Gro	oss)					March 31, 2024 (Rupees	December 31, 2023 5 in '000)

In local currency In foreign currencies

9.2 Advances include Rs 95,345.141 million (December 31, 2023: Rs 94,272.199 million) which have been placed under non-performing status as detailed below:

Category of Classification	•	(Unaudited) March 31, 2024		ted) <sup>•</sup> 31, 2023
	Non - performing advances	Credit loss allowance / Provision	Non - performing advances	Provision
		(Rupee	es in '000)	
Domestic				
Other assets especially mentioned	-	-	700,185	-
Substandard	12,174,108	3,399,461	6,608,336	1,519,520
Doubtful	9,053,823	5,252,184	10,695,635	5,347,817
Loss	43,112,006	43,535,270	42,990,993	42,309,472
	64,339,937	52,186,915	60,995,149	49,176,809
Overseas				
Overseas				
Substandard	62,968	23,245	69.615	23,650
Doubtful	1,252,418	631,107	21,889	11,155
Loss	29,690,218	28,388,536	33,185,546	31,040,360
	31,005,604	29,042,888	33,277,050	31,075,165
Total	95,345,541	81,229,803	94,272,199	80,251,974

,306,753,500 367,892,666 409,914,000 274 646.655 1,760,300,641

1,306,753,989 1,350,385,836

1,674,646,655

### 9.3 Particulars of credit loss allowance against advances

	(Unaudited) March 31, 2024						
	Stage 1	Stage 2	Stage 3	Specific	General	Total	
			(Rupees in	'000)		-	
Opening balance - as reported	-	-	-	80,251,974	16,032,464	96,284,438	
Impact of adoption of IFRS 9	10,835,556	16,219,576	80,588,079	(79,243,853)	(8,546,908)	19,852,450	
Opening balance - as restated	10,835,556	16,219,576	80,588,079	1,008,121	7,485,556	116,136,888	
Transfer to stage 1	7,008	(7,008)	-	-	-	-	
Transfer to stage 2	(390,817)	379,612	11,205	-	-	-	
Transfer to stage 3	-	(1,695,370)	1,695,370	-	-	-	
Exchange adjustment	(64,859)	(5,010)	(445,479)	(57,232)	(1,636)	(574,216)	
Charge for the period	429,004	3,360,154	1,222,924	72,666	491,335	5,576,083	
Reversal for the period	(1,446,883)	(660,178)	(1,737,295)	-	-	(3,844,356)	
Net charge / (reversal) against advances	(1,017,879)	2,699,976	(514,371)	72,666	491,335	1,731,727	
Charged off during the period - agricu	ulture						
financing	-	-	(46,890)	-	-	(46,890)	
Written off during the period	-	-	(1,081,666)	-	-	(1,081,666)	
Closing balance	9,369,009	17,591,776	80,206,248	1,023,555	7,975,255	116,165,843	

	(Audited) December 31, 2023						
	Stage 1 	Stage 2	Stage 3 (Rupees ir	Specific 1 '000)	General	Total -	
Opening balance Exchange adjustment	-	-	-	74,638,423 7,357,277	12,175,445 774,217	86,813,868 8,131,494	
Charge for the year Reversal for the year	-	-	-	12,972,930 (5,385,938)	3,692,583 (609,781)	16,665,513 (5,995,719)	
Net charge against advances	-	-	-	7,586,992	3,082,802	10,669,794	
Charged off during the year - agricu financing	Iture -	-	-	(503,799)	-	(503,799)	
Written off during the year	-	-	-	(8,826,919)	-	(8,826,919)	
Closing balance	-	-	-	80,251,974	16,032,464	96,284,438	

9.4 General provision also includes Rs 140.371 million pertaining to overseas advances to meet the requirements of the regulatory authorities of those countries in which the Group operates where IFRS 9 is not applicable. General provision also includes Rs 7,834.884 million carried as a matter of prudence, on account of borrowers impacted by the currently stressed economic conditions.

9.5 Advances - Category of classification	•	(Unaudited) March 31, 2024		
	Outstanding amount	Credit loss allowance / Provision held		
	(Rupee	s in '000)		
Domestic				
Performing	1,079,948,358	14,318,045		
Underperforming	256,870,832	15,776,308		
Non-performing	64,339,937	52,186,915		
	1,401,159,127	82,281,268		
Overseas				
Performing	204,624,130	3,026,219		
Underperforming	37,857,794	1,815,468		
Non-performing	31,005,604	29,042,888		
	273,487,528	33,884,575		
Total	1,674,646,655	116,165,843		

		Note	(Unaudited) March 31, 2024	(Audited) December 31, 2023
10	PROPERTY AND EQUIPMENT			s in '000)
	Capital work-in-progress Property and equipment	10.1	7,857,603 106,628,673 114,486,276	6,900,469 107,123,253 114,023,722
10.1	Capital work-in-progress		114,400,270	114,023,722
	Civil works		1,046,612	919,737
	Equipment		1,093,166	930,756
	Advances to suppliers and contractors		5,717,825	5,049,976
			7,857,603	6,900,469
10.2	Additions to property and equipment		(Unau	dited)
				months ended
			March 31,	March 31,
			2024 (Rupee	2023 s in '000)
	The following additions have been made to property and equipment during the		(itaboo	0 000)
	Capital work-in-progress - net		957,134	1,743,216
	Property and equipment			
	Leasehold land		-	2,500
	Building on leasehold land		99,982	44,685
	Machinery Leasehold improvements		- 336,602	24,252 275,056
	Furniture and fixtures		253,830	432,181
	Electrical, office and computer equipment		1,347,031	1,290,126
	Vehicles		471	14,636
			2,037,916	2,083,436
			2,995,050	3,826,652
10.3	Disposal of property and equipment			
	The net book value of property and equipment disposed off during the period is	as follo	ows:	
	Property and equipment			
	Building on freehold land		-	102,515
	Building on leasehold land		13,512	-
	Leasehold improvements Furniture and fixtures		5 552	-
	Electrical, office and computer equipment		338	316
			14,407	102,831
11	RIGHT-OF-USE ASSETS		(Unaudited) March 31, 2024	(Audited) December 31, 2023
				s in '000)
	At January 1,			
	Cost		34,140,236	30,360,152
	Accumulated Depreciation		(12,492,201)	(9,921,472)
	Net Carrying amount at January 1,		21,648,035	20,438,680
	Exchange adjustment		(76,189)	382,848
	Additions during the period / year		1,094,791	4,663,585
	Deletions during the period / year		-	(128,537)
	Depreciation charge for the period / year Other adjustments		(947,857) 3,727	(3,683,074) (25,466)
	Net carrying amount at period / year		21,722,507	21,648,036

	Note	March 31, 2024	(Audited) December 31, 2023 es in '000)
12	INTANGIBLE ASSETS		es in 000)
	Capital work-in-progress - computer software Computer software	7,532,449 7,890,442 15,422,891 (Una	6,570,613 8,418,203 14,988,816 udited)
			months ended
40.4		March 31,	March 31,
12.1	Additions to intangibles assets	2024	2023 es in '000)
	The following additions have been made to intangible assets during the period:	(itapo)	
	Capital work-in-progress - net Computer software	961,836 148,479 1,110,315	276,198 198,996 475,194
13	DEFERRED TAX ASSETS / (LIABLITIES)	(Unaudited) March 31, 2024	(Audited) December 31, 2023
		(Rupe	es in '000)
	Deductible temporary differences on - Credit loss allowance against investments		638,780
	- Credit loss allowance against doubtful debts and off-balance sheet obligations	17,005,506	5,526,165
	- Liabilities written back under section 34(5) of the Income Tax Ordinance (ITO) 2001		2,847,597
	- Deficit on revaluation of investments 21	10,949,030	15,518,589
	- Ijarah financing	397,371	332,429
	Taxable temporary differences on	31,071,564	24,863,560
	- Accelerated tax depreciation	(3,016,236)	(3,209,476)
	- Surplus on revaluation of property and equipment 21	(3,658,791)	(3,679,435)
	- Exchange translation reserve	(7,017,384)	(6,568,810)
		(13,692,411)	(13,457,721)
	Net deferred tax assets	17,379,153	11,405,839
14	OTHER ASSETS		
	Mark-up / return / profit / interest accrued in local currency - net of provision	153,957,116	119,691,426
	Mark-up / return / profit / interest accrued in foreign currency - net of provision	7,441,581	8,499,414
	Advances, deposits, advance rent and other prepayments	6,729,301	3,928,788
	Advance taxation	2,698,404	5,107,654
	Advances against subscription of securities	228,514	903,514
	Stationery and stamps on hand	233,897	215,745
	Accrued fees and commissions	336,216	430,308
	Due from Government of Pakistan / SBP Mark to market gain on forward foreign exchange contracts	7,588,037 3,480,012	6,622,630 2,263,654
	Mark to market gain on derivative instruments	- 3,400,012	73,396
	Non-banking assets acquired in satisfaction of claims	239,457	242,317
	Receivable from defined benefit plan	845,404	845,404
	Acceptances	56,153,424	53,823,454
	Clearing and settlement accounts	29,858,407	37,268,393
	Dividend receivable	325,355	9,093
	Claims receivable against fraud and forgeries	570,233	634,106
	Others	796,381	693,274
		271,481,739	241,252,570
	Credit loss allowance held against other assets 14.1	(2,589,924)	(2,577,641)
	Other assets - net of credit loss allowance	268,891,815	238,674,929
	Surplus on revaluation of non-banking assets acquired in satisfaction of claims 21 Other assets - total	<u>191,591</u> 269,083,406	191,591
		203,003,400	238,866,520

March 31 2024 (Pu	l, December 31, 2023 pees in '000)
14.1 Credit loss allowance held against other assets	
	00 004400
Claims receivable against fraud and forgeries 570,2	
Suit filed cases 4,9	
Others	
	24 2,077,041
14.1.1 Movement in credit loss allowance against other assets	
Opening balance 2,577,6	
Impact of adoption of IFRS 9 53,5	
Exchange adjustment (3,9	09) 10,045
Charge for the period / year 38,2	47 1,240,885
Reversal for the period / year (37,8)	
Net charge 4	05 1,240,885
Written off during the period / year (37,74)	49) (243,072)
Transferred out	(222,108)
Closing balance 2,589,9	24 2,577,641
15 BILLS PAYABLE	
In Pakistan 42,960,0 Outside Pakistan 1,942,9	
44,902,9	
44,902,9	75 51,220,070
16 BORROWINGS	
Secured	
Borrowings from the SBP under	
- Export refinance scheme 54,470,8	
- Export refinance scheme for bill discounting 21,665,3	
<ul> <li>Long term financing facility 35,662,2</li> <li>Financing facility for renewable energy power plants 7,236,8</li> </ul>	
- Refinance facility for modernization of Small and Medium Enterprises (SMEs) 700,5	
- Refinance and credit guarantee scheme for women entrepreneurs 31,7	
- Financing facility for storage of agricultural produce 543,4	
- Refinance facility for combating COVID-19 1,648,7	79 1,567,557
- Temporary economic refinance facility 31,692,9	
- Refinance facility for SME Asaan Finance (SAAF) 6,954,1	
160,606,9	
Repurchase agreement borrowings 56,354,8	
216,961,8 Unsecured	549,523,628
- Call money borrowings 6,970,1	20 320,000
- Overdrawn nostro accounts 2,328,7	
- Borrowings of overseas branches 38,129,7	
- Other long-term borrowings 16.1 64,271,0	
111,699,6	109,819,193
328,661,4	17 659,342,821

#### 16.1 This includes the following:

- 16.1.1 A loan from the International Finance Corporation amounting to US\$ 49.980 million (December 31, 2023: US\$ 49.980 million). The principal amount is payable in six equal semi-annual installments from June 2022 to December 2024. Interest at LIBOR + 5.00% is payable semi-annually.
- 16.1.2 A long-term financing facility arrangement from China Development Bank, utilized for on-lending to projects of the Bank's customers. The current amount outstanding is US\$ 174.059 million (December 31, 2023: US\$ 181.640 million). The principal amount is payable in semi-annual installments from January 2023 to January 2033. Interest at a fixed spread over LIBOR is payable semi-annually.
- 16.1.3 A mortgage refinancing facility on Musharakah basis from Pakistan Mortgage Refinance Company Limited (PMRC) amounting to Rs 2 billion (December 31, 2023: Rs 2 billion) for on-lending to customers. The principal amount is payable in semi-annual installments from April 2025 to October 2026. Profit at a rate of 16.61% per annum (December 31, 2023: 16.61% per annum) is payable semi-annually.

#### 17 DEPOSITS AND OTHER ACCOUNTS

	March 31, 2024 (Unaudited)			December 31, 2023 (Audited)				
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total		
			(Rupees	s in '000)				
Customers								
Current deposits	1,151,746,436	197,177,020	1,348,923,456	1,080,853,309	195,260,092	1,276,113,401		
Savings deposits	1,688,774,828	148,568,173	1,837,343,001	1,561,063,491	150,303,167	1,711,366,658		
Term deposits	374,596,678	338,554,656	713,151,334	414,510,599	321,198,865	735,709,464		
	3,215,117,942	684,299,849	3,899,417,791	3,056,427,399	666,762,124	3,723,189,523		
Financial institutions								
Current deposits	16,088,256	1,523,864	17,612,120	9,785,450	2,312,605	12,098,055		
Savings deposits	173,570,218	27,081	173,597,299	120,168,627	711,626	120,880,253		

Savings deposits	173,370,216	27,001	173,397,299	120,100,027	711,020	120,000,200	
Term deposits	4,643,324	9,366,282	14,009,606	4,482,843	9,529,238	14,012,081	
	194,301,798	10,917,227	205,219,025	134,436,920	12,553,469	146,990,389	
	3,409,419,740	695,217,076	4,104,636,816	3,190,864,319	679,315,593	3,870,179,912	

Opening balance         26,864,447         24,293,255           Exchange adjustment         (74,995)         725,696           Additions during the period / year         1,034,751         3,929,038           Interest expense         861,673         2,938,166           Lease payments including interest         (653,020)         (4,981,733)           Others / deletion         -         (39,975)           Closing balance         26,864,447         24,203,256           18.1         Liabilities Outstanding         -         (39,975)           Not later than one year         1,757,126         1,586,901           Later than one year and upto five years         7,220,316         6,154,396           Over five years         19,055,414         19,123,150           Total         28,032,856         26,864,447           19         SUBORDINATED DEBT         28,032,856         26,864,447           19         SUBORDINATED DEBT         19,1.1         12,374,000         12,374,000           Additional Tier I Term Finance Certificates         19,1.2         6,500,000         6,500,000           18,874,000         18,874,000         18,874,000         18,874,000	18	LEASE LIABILITIES	Note	(Unaudited) March 31, 2024	(Audited) December 31, 2023
Exchange adjustment         (74,995)         725,696           Additions during the period / year         1,034,751         3,929,038           Interest expense         861,673         2,938,166           Lease payments including interest         (653,020)         (4,981,733)           Others / deletion         -         (39,975)           Closing balance         28,032,856         26,864,447           18.1         Liabilities Outstanding         -         (39,975)           Not later than one year         1,757,126         1,586,901           Later than one year and upto five years         7,220,316         6,154,396           Over five years         19,055,414         19,123,150         28,032,856         26,864,447           19         SUBORDINATED DEBT         -         4dditional Tier I Term Finance Certificates         19.1.1         12,374,000         12,374,000           Additional Tier I Term Finance Certificates         19.1.2         6,500,000         6,500,000				(Rupee	s in '000)
Additions during the period / year       1,034,751       3,929,038         Interest expense       1,034,751       3,929,038         Lease payments including interest       (653,020)       (4,981,733)         Others / deletion       -       (39,975)         Closing balance       28,032,856       26,864,447         18.1       Liabilities Outstanding       -       (39,975)         Not later than one year       1,757,126       1,586,901         Later than one year and upto five years       7,220,316       6,154,396         Over five years       19,055,414       19,123,150         Z8,032,856       26,864,447		Opening balance		26,864,447	24,293,255
Interest expense       861,673       2,938,166         Lease payments including interest       (653,020)       (4,981,733)         Others / deletion       -       (39,975)         Closing balance       28,032,856       26,864,447         18.1       Liabilities Outstanding       -       (39,975)         Not later than one year       1,757,126       1,586,901         Later than one year and upto five years       7,220,316       6,154,396         Over five years       19,055,414       19,123,150         Total       28,032,856       26,864,447         19       SUBORDINATED DEBT       -         Additional Tier I Term Finance Certificates       19.1.1       12,374,000         Additional Tier I Term Finance Certificates       19.1.2       6,500,000		Exchange adjustment		(74,995)	725,696
Lease payments including interest       (653,020)       (4,981,733)         Others / deletion       -       (39,975)         Closing balance       28,032,856       26,864,447         18.1       Liabilities Outstanding       -       (1,757,126)       1,586,901         Not later than one year       1,757,126       1,586,901       -       19,055,414       19,123,150         Over five years       19,055,414       19,123,150       28,032,856       26,864,447         19       SUBORDINATED DEBT       -       -       -       -         Additional Tier I Term Finance Certificates       19,1.1       12,374,000       6,500,000       6,500,000		Additions during the period / year		1,034,751	3,929,038
Others / deletion       -       (39,975)         Closing balance       28,032,856       26,864,447         18.1       Liabilities Outstanding       1,757,126       1,586,901         Not later than one year       1,757,126       1,586,901         Later than one year and upto five years       7,220,316       6,154,396         Over five years       19,055,414       19,123,150         Total       28,032,856       26,864,447         19       SUBORDINATED DEBT       28,032,856       26,864,447         Additional Tier I Term Finance Certificates       19.1.1       12,374,000       12,374,000         Additional Tier I Term Finance Certificates       19.1.2       6,500,000       6,500,000		Interest expense		861,673	2,938,166
Closing balance       28,032,856       26,864,447         18.1       Liabilities Outstanding       1,757,126       1,586,901         Not later than one year       1,757,126       1,586,901         Later than one year and upto five years       7,220,316       6,154,396         Over five years       19,055,414       19,123,150         Total       28,032,856       26,864,447         19       SUBORDINATED DEBT       12,374,000         Additional Tier I Term Finance Certificates       19.1.1       12,374,000         Additional Tier I Term Finance Certificates       19.1.2       6,500,000		Lease payments including interest		(653,020)	(4,981,733)
18.1       Liabilities Outstanding         Not later than one year       1,757,126       1,586,901         Later than one year and upto five years       7,220,316       6,154,396         Over five years       19,055,414       19,123,150         Total       28,032,856       26,864,447         19       SUBORDINATED DEBT       19.1.1       12,374,000         Additional Tier I Term Finance Certificates       19.1.2       6,500,000       6,500,000		Others / deletion		-	(39,975)
Not later than one year       1,757,126       1,586,901         Later than one year and upto five years       7,220,316       6,154,396         Over five years       19,055,414       19,123,150         Total       28,032,856       26,864,447         19       SUBORDINATED DEBT         Additional Tier I Term Finance Certificates       19.1.1       12,374,000         Additional Tier I Term Finance Certificates       19.1.2       6,500,000		Closing balance		28,032,856	26,864,447
Later than one year and upto five years       7,220,316       6,154,396         Over five years       19,055,414       19,123,150         Total       28,032,856       26,864,447         19       SUBORDINATED DEBT       19.1.1       12,374,000         Additional Tier I Term Finance Certificates       19.1.2       6,500,000       6,500,000	18.1	Liabilities Outstanding			
Over five years Total         19,055,414         19,123,150           19         SUBORDINATED DEBT         28,032,856         26,864,447           19         Additional Tier I Term Finance Certificates Additional Tier I Term Finance Certificates         19.1.1         12,374,000           19.1.2         6,500,000         6,500,000		Not later than one year		1,757,126	1,586,901
Total         28,032,856         26,864,447           19         SUBORDINATED DEBT         Additional Tier I Term Finance Certificates         19.1.1         12,374,000         12,374,000           Additional Tier I Term Finance Certificates         19.1.2         6,500,000         6,500,000		Later than one year and upto five years		7,220,316	6,154,396
19SUBORDINATED DEBTAdditional Tier I Term Finance Certificates19.1.112,374,000Additional Tier I Term Finance Certificates19.1.26,500,0006,500,0006,500,000		-			
Additional Tier I Term Finance Certificates         19.1.1         12,374,000         12,374,000           Additional Tier I Term Finance Certificates         19.1.2         6,500,000         6,500,000		Total		28,032,856	26,864,447
Additional Tier I Term Finance Certificates19.1.26,500,0006,500,000	19	SUBORDINATED DEBT			
		Additional Tier I Term Finance Certificates	19.1.1	12,374,000	12,374,000
18,874,000 18,874,000		Additional Tier I Term Finance Certificates	19.1.2	6,500,000	
				18,874,000	18,874,000

19.1 The Bank has issued listed, fully paid up, rated, privately placed, perpetual, unsecured, subordinated, non-cumulative and contingent convertible debt instruments in the nature of Term Finance Certificates (TFCs) issued as instruments of redeemable capital under Section 66 of the Companies Act, 2017 which qualify as Additional Tier 1 Capital (AT 1) as outlined by the State Bank of Pakistan (SBP) under BPRD Circular No. 6 dated August 15, 2013.

The key features of these issues are as follows:

Issue date	September 26, 2019
Issue amount	Rs 12.374 billion
Rating	AA+ (Double A plus) [December 31, 2023: AA+ (Double A plus)]
Original Tenor	Perpetual
Security	Unsecured and subordinated to all other indebtedness of the Bank including depositors and general
	creditors, but superior to the claims of ordinary shareholders.
Profit payment frequency	Quarterly in arrears
Redemption	Perpetual, hence not applicable.
Mark-up	Floating rate of return at Base Rate + 1.60%. The Base Rate is defined as the average "Ask Side" rate of the three months Karachi Interbank Offered Rate (KIBOR).
	The Bank may, at its sole discretion, call the TFCs any time after five years from the Issue Date subject to the following: (a) Prior approval of the SBP having been obtained; and (b) The Bank replacing the TFCs with capital of the same or better quality and the capital position of the Bank being above the minimum capital requirement after the Call Option is exercised. If the Bank decides to exercise the Call Option, the Bank shall notify the Trustee and the investors not less than 30 calendar days prior to the date of exercise of such Call Option, which notice shall specify the date fixed for the exercise of the Call Option (the "Call Option Exercise Date").
Lock-in clause	Mark-up will only be paid from the current year's earnings and only if the Bank is in compliance with regulatory capital and liquidity requirements.
Loss absorbency	The TFCs will be subject to a loss absorbency clause as stipulated under the SBP's "Instructions for Basel III Implementation in Pakistan".

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9.1.2	Issue date	December 28, 2022
	Issue amount	Rs 6.500 billion
	Rating	AA+ (Double A plus) [December 31, 2023: AA+ (Double A plus)]
	Original Tenor	Perpetual
	Security	Unsecured and subordinated to all other indebtedness of the Bank including depositors and general
		creditors, but superior to the claims of ordinary shareholders.
	Profit payment	Quarterly in arrears
	frequency	
	Redemption	Perpetual, hence not applicable.
	Mark-up	Floating rate of return at Base Rate + 2.00%. The Base Rate is defined as the average "Ask Side" rate of
	iviark-up	the three months Karachi Interbank Offered Rate (KIBOR).
		The Bank may, at its sole discretion, call the TFCs any time after five years from the Issue Date subject to
		the following:
		(a) Prior approval of the SBP having been obtained; and
		(b) The Bank replacing the TFCs with capital of the same or better quality and the capital position of the
	Call option	Bank being above the minimum capital requirement after the Call Option is exercised.
		If the Bank decides to exercise the Call Option, the Bank shall notify the Trustee and the Investors not less
		than 30 calendar days prior to the date of exercise of such Call Option, which notice shall specify the date
		fixed for the exercise of the Call Option (the "Call Option Exercise Date").
Ī	Lock-in clause	Mark-up will only be paid from the current year's earnings and only if the Bank is in compliance with
		regulatory capital and liquidity requirements.
	Loss absorbonov	The TFCs will be subject to a loss absorbency clause as stipulated under the SBP's "Instructions for Basel
	Loss absorbency	III Implementation in Pakistan".

20	OTHER LIABILITIES		(Unaudited) March 31, 2024 (Rupee	(Audited) December 31, 2023 s in '000)
	Mark-up / return / profit / interest payable in local currency		68,815,427	39,885,124
	Mark-up / return / profit / interest payable in foreign currency		8,984,034	9,462,487
	Security deposits		1,566,040	1,597,855
	Accrued expenses		30,646,830	31,647,978
	Mark to market loss on forward foreign exchange contracts		5,316,884	4,229,670
	Mark to market loss on derivative instruments		8,313,860	10,321,082
	Unclaimed dividends		787,827	764,376
	Dividends payable		7,915,917	2,075,679
	Provision for post retirement medical benefits		4,068,388	3,966,429
	Provision for employees' compensated absences		718,666	746,630
	Credit loss allowance against off-balance sheet obligations	20.1	3,818,736	1,927,866
	Acceptances		56,153,424	53,823,454
	Branch adjustment account		3,090,629	2,766,198
	Provision for staff retirement benefits		1,675,432	1,646,076
	Payable to defined benefit plans		822,532	851,133
	Provision for Workers' Welfare Fund		11,747,766	11,168,661
	Unearned income		5,852,981	5,680,169
	Qarz-e-Hasna Fund		338,409	338,409
	Levies and taxes payable		7,725,388	14,349,438
	Insurance payable		742,740	669,442
	Provision for rewards program expenses		3,107,456	2,699,951
	Liability against trading of securities		10,863,422	15,963,126
	Clearing and settlement accounts		22,552,157	18,094,169
	Payable to HBL Foundation		233,906	866,494
	Contingent consideration payable		500,000	500,000
	Charity fund		24,980	10,578
	Unclaimed deposits		2,234,789	2,030,722
	Others		4,987,169	3,318,709
			273,605,789	241,401,905
20.1	Credit loss allowance against off-balance sheet obligations			
	Opening balance		1,927,866	1,633,326
	Impact of adoption of IFRS 9		1,691,809	-
	Exchange adjustment		(32,875)	388,430
	Charge for the period / year		247,496	191,387
	Reversal for the period / year		(15,560)	(285,277)
	Net charge / (reversal)		231,936	(93,890)
	Closing balance		3,818,736	1,927,866
	-			

For th	three months ended March 31, 2024			
		Note	(Unaudited) March 31, 2024	(Audited) December 31, 2023
21	SURPLUS ON REVALUATION OF ASSETS - NET OF TAX		(Rupees	s in '000)
	Surplus arising on revaluation of:			
	- Property and equipment		45,977,252	46,019,383
	- FVOCI securities - debt		(24,885,210)	-
	- FVOCI securities - equity	8.1	2,540,252	-
	- Available-for-sale securities		-	(31,670,590)
	<ul> <li>Non-banking assets acquired in satisfaction of claims</li> </ul>	14	191,591	191,591
			23,823,885	14,540,384
	Deferred tax on surplus on revaluation of:			
	- Property and equipment		3,658,791	3,679,435
	- FVOCI securities - debt		(12,193,753)	-
	- FVOCI securities - equity		1,244,723	-
	- Available-for-sale securities		-	(15,518,589)
	- Non-banking assets acquired in satisfaction of claims		-	-
			(7,290,239)	(11,839,154)
	Surplus on revaluation of assets - net of tax		31,114,124	26,379,538
22	CONTINGENCIES AND COMMITMENTS			
	- Guarantees	22.1	345,326,415	287,242,149
	- Commitments	22.2	1,131,482,565	910,401,292
	- Other contingent liabilities	22.3	22,833,730	22,969,646
			1,499,642,710	1,220,613,087
22.1	Guarantees:			
	Financial guarantees		69,911,472	48,697,946
	Performance guarantees		265,385,741	227,128,552
	Other guarantees		10,029,202	11,415,651
			345,326,415	287,242,149
22.2	Commitments:			
	Trade-related contingent liabilities		345,626,493	330,830,539
	Commitments in respect of:		,,	
	- Forward foreign exchange contracts	22.2.1	615,759,401	474,521,265
	- Forward Government securities transactions	22.2.2	92,221,860	24,383,498
	- Derivatives	22.2.3	45,033,358	53,095,033
	- Forward lending	22.2.4	21,570,658	15,480,187
			774,585,277	567,479,983
	Commitments for acquisition of:			
	- Property and equipment		6,241,698	4,675,879
	- Intangible assets		5,029,097	7,414,891
			11,270,795	12,090,770
			1,131,482,565	910,401,292
22.2.1	Commitments in respect of forward foreign exchange contracts			
	Purchase		27/ 702 567	200 214 260
	Sale		374,793,567 240,965,834	290,314,260 184,207,005
	odic		615,759,401	474,521,265
			010,100,101	17 1,02 1,200

	(Unaudited) March 31, 2024 (Rupee	(Audited) December 31, 2023 s in '000)
22.2.2 Commitments in respect of forward Government securities transactions		
Purchase	47,635,778	21,450,842
Sale	44,586,082	2,932,656
	92,221,860	24,383,498
22.2.3 Commitments in respect of derivatives		
Foreign currency options		
Purchase	-	2,289,956
Sale	-	2,289,956
	-	4,579,912
Cross currency swaps		
Purchase	17,370,109	18,112,623
Sale	26,338,249	28,827,498
	43,708,358	46,940,121
Interest rate swaps		
Purchase	-	-
Sale	1,325,000	1,575,000
	1,325,000	1,575,000
22.2.4 Commitments in respect of forward lending		
Undrawn formal standby facilities, credit lines and other commitments to extend credit	21,570,658	15,480,187

These represent commitments that are irrevocable because they can not be withdrawn at the discretion of the Bank without the risk of incurring a significant penalty or expense.

	(Unaudited) March 31, 2024 (Rupee	(Audited) December 31, 2023 s in '000)
22.3 Other contingent liabilities		-
22.3.1 Claims against the Bank not acknowledged as debts	22,833,730	22,969,646

These mainly represent counter claims by borrowers for damages, claims filed by former employees of the Bank and other claims relating to banking transactions. Based on legal advice and / or internal assessments, management is confident that the matters will be decided in the Bank's favour and the possibility of any adverse outcome is remote. Accordingly, no provision has been made in these condensed interim unconsolidated financial statements.

22.3.2 There were no tax related contingencies as at the period end.

### 23 DERIVATIVE INSTRUMENTS

Product Analysis			March 31, 2024	(Unaudited)		
	Foreign Currer	ncy Options	Cross curre	ncy swaps	Interest r	ate swaps
-	Notional	Mark to	Notional	Mark to	Notional	Mark to
	principal	market loss	principal	market loss	principal	market loss
			'(Rupees	in '000)		
Hedging	-	-	-	-	-	-
Market Making	-		43,708,358	(8,224,966)	1,325,000	(88,894)
			December 21 2	022 (Audited)		
-			December 31, 2	· ·	-	
_	Foreign Currer	ncy Options	Cross curre	ncy swaps	Interest r	ate swaps
	Notional	Mark to	Notional	Mark to	Notional	Mark to
	principal	market loss	principal	market loss	principal	market loss
			'(Rupees	in '000)		
Hedging	-	-	-	-	-	-
Market Making	2,289,956	73,396	46,940,121	(10,109,288)	1,575,000	(138,398)

	he three months ended March 31, 2024		(Unau	dited)
			For the three r	•
		Note	March 31,	March 31,
			2024	2023
24	MARK-UP / RETURN / PROFIT / INTEREST EARNED		(Rupees	in '000)
	On:			
	Loans and advances		69,282,881	58,229,902
	Investments		109,160,647	71,916,544
	Lendings to financial institutions		5,275,607	8,815,321
	Balances with banks		2,718,361	1,322,783
			186,437,496	140,284,550
4.1	INTEREST INCOME RECOGNISED			
	On:			
	Financial assets measured at amortised cost		92,550,260	-
	Financial assets measured at FVOCI		85,076,807	-
	Financial assets measured at FVTPL		8,810,429	-
			186,437,496	-
-				
25	MARK-UP / RETURN / PROFIT / INTEREST EXPENSED			
	On:			
	Deposits		103,713,613	62,702,718
	Securities sold under repurchase agreement borrowings		14,929,661	18,804,245
	Borrowings		7,547,280	5,766,614
	Subordinated debt		1,088,714	885,926
	Cost of foreign currency swaps against foreign currency deposits / borro	owings	2,437,955	(274,729)
	Lease liability against right-of-use assets		861,673	823,636
			130,578,896	88,708,410
6	FEE AND COMMISSION INCOME			
	Branch banking customer fees		1,405,136	1,066,067
	Branchless banking customer fees		102,656	156,339
	Consumer finance related fees		677,674	595,587
	Card related fees (debit and credit cards)		3,408,238	2,849,206
	Credit related fees		302,249	259,242
	Investment banking fees		181,854	239,380
	Commission on trade related products and guarantees		2,255,346	1,603,520
	Commission on cash management		399,202	411,897
	Commission on remittances (including home remittances)		571,963	152,563
	Commission on bancassurance		287,873	88,656
	Commission on Government to Person (G2P) payments		396,617	371,552
	Merchant discount and interchange fees		1,908,908	1,623,213
	Wealth Management Fee		3,759	9,036
	Others		95,334	57,840
			11,996,809	9,484,098
	Less: Sales tax / Federal Excise Duty on fee and commission income		(1,465,991)	(1,240,088)
			10,530,818	8,244,010
7	LOSS ON SECURITIES - NET			
	Realised	27.1	(161,748)	(708,143)
	Unrealised - measured at FVTPL		(125,359)	(700,140)
	Unrealised - held-for-trading	8.1	-	(370,861)
			(287,107)	(1,079,004)
7.1	Gain / (Loss) on securities - realised			<u> </u>
/	On:			
	On: Federal Government securities			
	- Market Treasury Bills		117,566	105,662
	- Pakistan Investment Bonds		(409,880)	(679,188)
	- Ijarah Sukuk		23,431	4,485
	-		175,844	(544,329)
	Shares			
	Shares Non-Government debt securities		(69 493)	404 471
	Non-Government debt securities		(69,493) 17.141	404,421 (44.682)
			17,141	(44,682)
	Non-Government debt securities Foreign securities			

For the three multises on securities - realised         For the three multises and securities - realised           27.1.1 Composition of gain / (loss) on securities - realised	Forti	ne three months ended March 31, 2024	(Unau	dited)
2024         2023         2024         2023           Net loss on securities measured at FVTPL         (325,057)         -         -           Net loss on sale of Associates         (161,749)         -         -           28         OTHER INCOME         (161,749)         -         -           28         OTHER INCOME         -         111,951         -         -           29         OPERATING EXPENSES         -         111,831         - </th <th></th> <th></th> <th></th> <th>months ended</th>				months ended
27.1.1 Composition of gain / (loss) on securities - realised				
Net loss on securities measured at FVTPL         (325,057)           Net loss on sale of Associates         (161,748)           28         OTHER INCOME         (161,749)           Incidental charges         111,951           Gain on detecognition of joint venture         9,333,221           Gain on sale of Associates         27,399           29         OPERATING EXPENSES         27,399           7500         7500           7611         9,5068,932           29         OPERATING EXPENSES         288,911           8000         13,531,842         11,831,038           Property expense         288,911         360,592           10111         95,068,932         97,6301           111,931         360,592         11,337,944           111,31,31,31         39,005         11,337,944           111,31,31,344         11,337,944         11,337,944           111,329,333         13,339,343         13,333,344           111,329,333         13,339,343         13,333,344           111,327,444         39,005         1,207,843         97,333,344           111,329,343         13,333,344         13,333,345         1,221,410         32,221,410           111,227,410         1,227,4	27.1	Composition of gain / (loss) on securities - realised	-	
Net gain on debt securities measured at FVOCI         1729,666         1729,666         -           28         OTHER INCOME         (163,577)         -         (161,746)         -           29         OPTER INCOME         111,951         -         9,333,221         -         9,333,221           29         OPTERATING EXPENSES         -         111,951         -         9,368,382           29         OPTERATING EXPENSES         -         11,831,038         -         -         9,368,382           29         OPTERATING EXPENSES         -         11,831,038         -         -         9,368,382           29         OPTERATING EXPENSES         -         13,531,842         11,831,038         -           70aptity expense         Rent and taxes         13,30,928         1,37,944         -	27.1.			· ··· ····
Net ioss on sale of Associates         (16.377)         -           28         OTHER INCOME         (161.748)         -           Incidential charges         -         111.951           Gain on sale of property and equipment - net         27.23         106.258           29         OPERATING EXPENSES         40.112         9.568.932           20         OPERATING EXPENSES         40.112         9.568.932           21         Total compensation expense         13.531.842         11.831.038           Property expense         13.531.842         11.831.038           Rent and taxes         1.300.301         59.005.02           Unities cost         1.300.301         1.300.301         59.005.02           Unities cost         1.207.9613         977.834         977.834           Depreciation on propenty and equipment         1.207.974.33         977.834         977.834           Depreciation on propenty and equipment         1.300.361         1.207.773         50.433.567           Software maintenance         2.830.560         1.897.130         1.242.140           Depreciation         1.002.773         750.168         433.507           Consultancy charges         5.472.497         4.775.0168         433.507				-
28         OTHER INCOME         -         <		-		-
28         OTHER INCOME				
Incidental charges         111,951           Gain on derecognition of joint venture         9,333,221           Gain on sale of property and equipment - net         9,333,221           Rent on properties         27,389           29         OPERATING EXPENSES         10,521           29         OPERATING EXPENSES         13,531,842           7         11,831,038           Property expense         28,911           Rent and taxes         1,303,028           Insurance         1,303,028           Utilities cost         3,003,028           Socurity (including guards)         747,102           Repair and maintenance (including janitorial charges)         1,207,483           Deprecitation on right-of-use assets         5,946,901           947,887         967,834           1,300,309         1,383,0364           1,202,743         978,384           1,300,309         1,811,130           1,202,743         978,384           1,202,773         5,946,901           Consultancy charges         2,830,560           Consultancy charges         5,947,497           Visourder senitose costs         1,157,461           Coster operating expenses         1,157,461			(161,748)	-
Gain on derecoprition of joint venture         -         9.332.21           Gain on sale of property and equipment - net         12.723         106.259           Rent on properties         27.389         17.501           29         OPERATING EXPENSES         13.531.842         11.831.038           Property expense         8         13.531.842         11.831.038           Property expense         28.911         360.592         59.005           Insurance         1.303.028         1.137.944         59.005           Depreciation on property and equipment         1.207.843         1.242.140         927.283           Depreciation on property and equipment         5.945.981         5.333.844         1.242.140         927.283           Software maintenance         28.30.580         1.242.140         927.283         5.945.981         5.333.364           Depreciation on right-of-use assets         5.945.981         5.333.364         1.002.773         470.686         433.573         433.507           Consultancy charges         5.872.497         4.176.760         12.203.560         1.837.34         433.507           Legal and professional charges         5.872.497         4.176.760         158.322         12.020.202           Remittance charges         11.157.46	28	OTHER INCOME		
Gain on sale of property and equipment - net         12,723         106,259           Rent on properties         27,389         17,501           29         OPERATING EXPENSES         40,112         9,568,932           20         OPERATING EXPENSES         13,531,842         11,831,038           Property expense         28,911         66,0592           Rent and taxes         13,331,842         11,831,038           Property expense         13,309,028         1,399,028           Rent and taxes         1,399,028         1,399,028           Utilities cost         1,309,028         1,137,944           Security (including guards)         8,606,031         5,946,391           Repair and maintenance (including janitorial charges)         5,946,391         5,333,364           Depreciation on right-of-use assets         5,946,391         5,333,364           Mardware maintenance         2,830,580         1,891,130         430,741           Depreciation         76,64,844         438,753         220,580         430,741           Network charges         5,872,497         4,177,570         4,177,570           Other operating expenses         1,115,746         62,226,381         738,333         433,336         239,820         1,313,982 <td< td=""><td></td><td>•</td><td>-</td><td></td></td<>		•	-	
Rent on properties         27.389         17.501           29         OPERATING EXPENSES         40,112         9.568,932           701         compensation expense         13,531,842         11,831,038           Property expense         8         13,531,842         11,831,038           Property expense         63,031         59,005         59,005           Insurance         11,303,028         1,137,944         59,005           Utilities cost         1,300,309         1,242,140         927,283           Depreciation on right-of-use assets         5,945,5981         5,945,5981         5,945,5981           Software maintenance         2830,580         1,891,130         1,427,140           Hardware maintenance         2830,580         1,891,130         1,427,140           Network charges         2433,057         241,204         437,457           Consultancy charges         5,872,497         4,177,570         20,0560           Discover d services costs         660,053         716,386         733,384           Outsourced services costs         660,053         114,679         133,384           Outsource d services costs         660,053         114,679         153,988           Outsource d services costs         660		÷ .	-	
29         OPERATING EXPENSES           Total compensation expense         13.531,842         11.831,038           Property expense         13.531,842         11.831,038           Property expense         13.531,842         11.831,038           Renit and taxes         11.300,228         150,005           Utilities cost         13.031         59,006           Utilities cost         1,300,228         1747,102           Depreciation on right-of-use assets         947,857         978,334           Information technology expenses         5,945,981         5,333,64           Information technology expenses         5,945,981         5,333,64           Network charges         28,073         927,293           Consultancy charges         947,857         927,293           Outsourced services costs         716,636         1,891,130           Outsourced services costs         943,753         230,200           Outsourced services costs         5,872,497         4,177,570           Remitance charges         1,115,746         62,063,133,386           Cash transportation and sorting charges         1,14,673         13,333,861           Cash transportation and sorting charges         114,673         158,398           Cash transportation </td <td></td> <td></td> <td></td> <td></td>				
29         OPERATING EXPENSES         13,531,842         11,831,038           Property expense         288,911         360,592           Rent and faxes         13,931,842         11,831,038           Insurance         288,911         59,005           Utilities cost         13,90,928         17,137,944           Security (including guards)         828,001         5,333,364           Pepreciation on property and equipment         1,300,309         1,227,283           Depreciation on right-of-use assets         5,945,961         5,333,364           Information technology expenses         5,945,961         5,333,364           Software maintenance         2,830,580         1,891,130           Hardware maintenance         2,830,580         1,891,130           Pepreciation         716,366         430,741           Network charges         241,204         200,660           Outsourced services costs         5,872,497         4,177,570           Outsourced services costs         11,157,46         753,988           Insurance         661,102         482,573           Remittance charges         11,157,990         182,203           Cash transportation and sorting charges         215,727         153,988           Cash		Rent on properties		
Total compensation expense         13,531,842         11,831,038           Property expense         288,911         360,592           Insurance         63,031         59,005           Utilities cost         1,309,928         1,137,944           Security (including guards)         747,102         628,006           Repair and maintenance (including janitorial charges)         1,207,843         978,384           Depreciation on property and equipment         1,300,309         1,242,140           Depreciation on property and equipment         2,830,580         1,284,981         5,333,842           Information technology expenses         2,830,580         1,284,981         5,333,577           Software maintenance         2,830,580         1,891,130         247,257           Hardware maintenance         2,830,580         1,807,741         1,002,773         750,168           Amortisation         642,821         471,464         438,573         433,507           Consultancy charges         5,872,497         4,177,570         241,204         200,826           Usucred services costs         660,503         753,833         143,33,531         433,338           Cash transportation and sorting charges         2,848,860         715,842         14679         153,388 <td>20</td> <td></td> <td>40,112</td> <td>9,000,902</td>	20		40,112	9,000,902
Property expense         288,911         360,592           Rent and taxes         63,031         53,031         53,035           Utilities cost         1,30,028         1,137,344           Security (including guards)         747,102         628,006           Repair and maintenance (including janitorial charges)         1,207,843         978,384           Depreciation on property and equipment         947,857         927,293           Depreciation on property and equipment         947,857         927,293           Software maintenance         5,845,981         5,333,344           Depreciation         1,002,773         750,168           Amortisation         1,437,51         433,557           Amortisation         5,872,497         4,177,570           Other operating expenses         5,872,497         4,177,570           Legal and professional charges         66,105,03         738,333           Travelling and conveyance         11,15,746         2,206,381           Insurance         641,102         485,273           Depreciation         1,115,746         2,206,381           Travelling and conveyance         641,102         485,273           Insurance         641,102         485,273           Depreciation <td>29</td> <td></td> <td>42 524 942</td> <td>44 004 000</td>	29		42 524 942	44 004 000
Rent and taxes       288.911       360.0592         Insurance       6.3.031       59.005         Utilities cost       1,390.928       1,137.944         Security (including guards)       747.102       628.006         Repair and maintenance (including janitorial charges)       1,207.843       1,300.309       1,242.140         Depreciation on property and equipment       947.857       927.233         Depreciation on right-of-use assets       5,945.981       5,333.364         Software maintenance       2,830.580       1,891.130         Hardware maintenance       2,830.580       1,891.130         Amortisation       642.821       4433.673         Attrace       2,41.204       220.560         Other operating expenses       2,41.204       220.560         Legal and professional charges       1,115.746       2,206.381         Outsourced services costs       5,872.497       4,177.570         Other operating expenses       1,115.746       2,206.381         Insurance       299.821       233.306       715.842         Repairs and maintenance       299.821       233.893       518.332       233.893         Travelling and conveyance       157.090       182.203       114.679       153.888			13,531,842	11,831,038
Insurance         53.001         59.005           Utilities cost         1,390.928         1,137,944           Security (including guards)         747,102         628.005           Repair and maintenance (including janitorial charges)         1,207,843         978,384           Depreciation on properly and equipment         1,300,309         927,223           Software maintenance         947,857         927,223           Software maintenance         2,300,580         1,891,130           Hardware maintenance         2,300,580         1,891,130           Amortisation         1,002,773         750,168           Consultancy charges         241,204         200,560           Systematics         1,115,746         2,206,381           Outsourced services costs         5,872,497         4,177,570           Cash transportation and sorting charges         114,679         153,382           Cash transportation and sorting charges         114,679         153,988           Cash transportation and sorting				
Utilities cost       1,390,928       1,137,944         Security (including guards)       747,102       628,006         Repair and maintenance (including janitorial charges)       1,207,843       1,300,309       1,242,140         Depreciation on right-of-use assets       947,857       927,293       5,945,981       5,333,364         Information technology expenses       5,945,981       5,333,364       1,300,309       1,242,140         Markware maintenance       2,830,580       1,891,130       716,366       1,307,741       1,002,773       750,168         Amortisation       642,821       433,657       220,953       1,417,570         Other operating expenses       2,115,746       220,663       1,339,933       1,784,433,930         Travelling and conveyance       518,332       433,807       209,821       230,202         Remittance charges       1,115,746       2,206,381       1,39,83       114,679       153,988         Cash transportation and sorting charges       844,860       715,842       133,982       114,679       153,988         Cash transportation and sorting charges       241,424       243,845       243,848       114,679       153,988         Cash transportation and sorting charges       244,1467       156,264       107,94				
Security (including guards)         747,102         528,005           Repair and maintenance (including janitorial charges)         1,207,843         978,384           Depreciation on property and equipment         947,857         927,233           Depreciation on right-of-use assets         5,945,981         5,333,364           Information technology expenses         5,945,981         5,333,364           Hardware maintenance         2,830,580         716,336         430,741           Depreciation         716,366         430,741         1,002,773         750,168           Amortisation         642,821         471,464         438,753         433,507           Consultancy charges         5,872,497         4,177,570         200,560           Other operating expenses         1,115,746         660,503         738,393           Travelling and conveyance         1,115,746         660,503         738,393           Insurance         209,821         230,202         230,202           Remittance charges         211,467         215,272         183,195           Communication         157,090         182,203         148,203           Travelling and conveyance         156,284         107,843         153,988           Cash transportation and sorting cha				
Repair and maintenance (including janitorial charges)         1,207,843         978,334           Depreciation on right-of-use assets         1,300,309         947,857           Depreciation on right-of-use assets         5,945,981         5,333,364           Information technology expenses         5,945,981         5,333,364           Mardware maintenance         2,830,580         1,891,130           Hardware maintenance         7,16,366         1,307,713           Amortisation         642,821         471,464           Network charges         241,204         433,875           Consultancy charges         5,872,497         4,177,570           Other operating expenses         5,872,497         4,177,570           Charges         1,115,746         2,206,381           Outsourced services costs         1,14,679         153,882           Cash transportation and sorting charges         114,679         153,888           Cash transportation and sorting charges         215,272         183,195           Communication         1,62,624         107,847         178,832           Depreciation         156,264         107,847         158,883           Stationery and printing         321,44         585,867         215,272         183,195				
Depreciation on property and equipment         1,300,309         1,242,140         927,233           Information technology expenses         5,945,981         5,333,364           Software maintenance         2,830,580         1,891,130           Hardware maintenance         2,830,580         1,891,130           Amortisation         1,002,773         750,168           Amortisation         642,821         471,464           Network charges         241,204         2200,580           Consultancy charges         241,204         2200,580           Legal and professional charges         1,115,746         660,503         738,393           Travelling and conveyance         114,679         153,988         433,386           Insurance         209,821         230,202         Remittance charges         1114,679         153,988           Cash transportation and sorting charges         211,46,79         153,988         153,933         153,988           Communication         1,101,047         155,867         116,709         158,223           Depreciation         1,101,047         558,483         233,906         273,263           Cash transportation and sorting charges         215,272         183,195         200,821         230,708				
Depreciation on right-of-use assets         947,857         927,293           Information technology expenses         5,945,981         5,333,364           Software maintenance         2,830,580         1,891,130           Hardware maintenance         716,366         430,741           Depreciation         716,366         430,741           Amortisation         642,821         477,454           Network charges         243,753         433,507           Consultancy charges         241,204         200,660           Other operating expenses         5,872,497         4,177,570           Other operating expenses         1,115,746         62,206,381           Custourced services costs         660,503         738,393           Travelling and conveyance         158,332         433,386           Insurance         209,821         230,202           Remittance charges         114,679         158,322           Cash transportation and sorting charges         848,860         718,842           Repairs and maintenance         641,102         485,273           Depreciation         157,090         182,203           Training and development         156,264         107,847           Postage and courier charges         215,272<				
Information technology expenses         5,945,981         5,333,364           Software maintenance         2,830,580         1,891,130           Hardware maintenance         2,830,580         1,891,130           Amortisation         1,002,773         642,821         471,464           Network charges         241,204         200,560         200,560           Consultancy charges         2,115,746         642,821         471,464           Outsourced services costs         5,872,497         4,177,570           Other operating expenses         1,115,746         2,206,381         6,05,00           Legal and professional charges         1,115,746         2,206,381         733,336           Outsourced services costs         6,61,822         2,206,381         733,393           Travelling and conveyance         1,115,746         2,206,381         733,393           Insurance         209,821         230,202         209,821         230,202           Remittance charges         114,679         153,988         743,933         715,398           Cash transportation and sorting charges         114,679         153,988         715,842           Repairs and maintenance         241,203         156,264         107,847           Postage and courier cha				
Software maintenance         2,830,580         1,891,130           Hardware maintenance         716,366         430,741           Depreciation         642,821         471,464           Network charges         438,753         433,507           Consultancy charges         241,204         200,560           Outsourced services costs         5,872,497         4,177,570           Outsourced services costs         660,503         738,393           Insurance         209,821         230,202           Remittance charges         114,679         153,332           Cash transportation and sorting charges         114,679         153,832           Outperceitation         157,090         182,203           Training and development         166,264         107,847           Postage and courier charges         215,272         183,195           Communication         1,101,047         155,867           Marketing, advertisement and publicity         2,488,462         2,396,708           Donations         233,906         273,2263           Auditors' remuneration         98,256         81,484           Brokerage and commission         230,716         22,598           Subscription         230,716         22,396,708				
Hardware maintenance       716,366       430,741         Depreciation       1,002,773       750,168         Amortisation       642,821       431,464         Network charges       433,507       241,204       200,560         Consultancy charges       5,872,497       4,177,570       758,393         Legal and professional charges       1,115,746       2,206,381       660,503       738,393         Travelling and conveyance       518,332       433,366       718,393       230,202         Remittance charges       114,679       1153,988       Cash transportation and sorting charges       848,860       715,848         Cash transportation and sorting charges       641,102       448,273       107,847         Depreciation       157,990       182,203       182,203         Training and development       156,264       107,847       1082,203         Training and development       156,264       107,847       182,203         Communication       1,101,047       558,483       548,306       273,263         Auditors' remuneration       98,256       814,848       52,954,708         Donations       233,906       273,263       241,248       230,716       222,598         Subscription		Information technology expenses		
Depreciation         1,002,773         750,168           Amortisation         642,821         471,464           Network charges         241,204         200,560           Consultancy charges         5,872,497         4,177,570           Other operating expenses           Legal and professional charges         1,115,746         660,503           Outsourced services costs         660,503         738,393           Travelling and conveyance         209,821         230,202           Remittance charges         114,679         153,988           Cash transportation and sorting charges         848,860         715,842           Repairs and maintenance         644,102         482,203           Training and development         157,090         182,203           Training and development         156,264         107,847           Postage and courier charges         215,272         183,195           Communication         1,101,047         558,483           Stationery and printing         832,184         895,867           Marketing, advertisement and publicity         2,498,436         2,396,708           Donations         233,906         233,906         233,906           Subscription         98,256         81		Software maintenance	2,830,580	1,891,130
Amortisation       642,821       471,464         Network charges       241,204       200,560         Consultancy charges       200,560 <b>Other operating expenses</b> 1,115,746       2,206,381         Legal and professional charges       660,503       738,393         Travelling and conveyance       1060,503       738,393         Insurance       200,821       230,202         Remittance charges       114,679       153,988         Cash transportation and sorting charges       848,860       715,842         Repairs and maintenance       641,102       485,273         Depreciation       156,264       107,847         Postage and courier charges       215,272       183,195         Communication       1,101,047       558,483         Stationery and printing       832,184       595,867         Marketing, advertisement and publicity       2,498,436       2,396,708         Donations       230,716       222,598         Subscription       102,106       88,708         Documentation and processing charges       2,814,898       2,097,115         Entertainement       188,266       17,672         Consultancy charges       513,531       325,554      <				
Network charges         438,753 241,204         433,507 200,560           Consultancy charges         5,872,497         4,177,570           Other operating expenses         1,115,746         2,206,381           Legal and professional charges         1,115,746         2,206,381           Outsourced services costs         660,503         738,393           Travelling and conveyance         209,821         230,202           Remittance charges         114,679         153,988           Cash transportation and sorting charges         848,860         715,842           Repairs and maintenance         641,102         485,273           Depreciation         156,264         107,847           Postage and courier charges         215,272         183,195           Communication         1,101,047         558,483           Stationery and printing         832,184         695,867           Marketing, advertisement and publicity         2,498,436         2,396,708           Donations         233,906         273,263           Subscription         102,106         88,708           Documentation and processing charges         2,31,418,488         2,097,115           Entretainment         188,351         177,7350           Documentation a				
Consultancy charges         241,204         200,560           5,872,497         4,177,570           Other operating expenses         1,115,746         2,206,381           Course of expressional charges         1,115,746         2,206,381           Outsourced services costs         660,503         738,393           Travelling and conveyance         209,821         230,202           Remittance charges         114,679         153,988           Cash transportation and sorting charges         848,860         715,842           Repairs and maintenance         641,102         485,273           Depreciation         156,264         107,847           Postage and courier charges         215,272         183,195           Communication         1,101,047         558,483           Stationery and printing         832,184         595,867           Marketing, advertisement and publicity         2,498,436         2,396,708           Donations         233,906         273,263           Auditors' remuneration         98,256         81,484           Brokerage and commission         230,716         222,598           Subscription         102,106         88,708           Documentation and processing charges         2,814,4898				
Status         5,872,497         4,177,570           Other operating expenses         Legal and professional charges         1,115,746         2,206,381           Outsourced services costs         660,503         518,332         433,386           Insurance         209,821         230,202           Remittance charges         848,860         715,842           Cash transportation and sorting charges         8448,660         715,842           Repairs and maintenance         641,102         485,273           Depreciation         157,090         182,203           Training and development         156,264         107,847           Postage and courier charges         2,139,092         248,498           Communication         1,101,047         558,483           Stationery and printing         832,184         595,867           Marketing, advertisement and publicity         2,498,436         2,396,708           Documentation and processing charges         2,30,716         222,598           Subscription         2,814,898         2,097,115           Entertainment         188,351         177,672           Consultancy charges         513,531         325,954           Deposits insurance premium expense         909,381         777,350 <td></td> <td>-</td> <td></td> <td></td>		-		
Other operating expenses           Legal and professional charges         1,115,746         2,206,381           Outsourced services costs         660,503         738,393           Travelling and conveyance         209,821         230,202           Remittance charges         114,679         153,988           Cash transportation and sorting charges         848,860         715,842           Repairs and maintenance         641,102         485,273           Depreciation         156,264         107,847           Postage and courier charges         215,272         183,195           Communication         1,101,047         558,483           Stationery and printing         832,184         595,867           Marketing, advertisement and publicity         2,498,436         2,396,708           Donations         230,716         222,598           Subscription         98,256         81,484           Brokerage and commission         230,716         222,598           Subscription         2,814,898         2,097,115           Entertainment         188,351         177,672           Consultancy charges         513,531         325,954           Deposits insurance premium expense         909,381         177,350		Consultancy charges		
Legal and professional charges         1,115,746         2,206,381           Outsourced services costs         660,503         738,393           Travelling and conveyance         209,821         230,202           Remittance charges         114,679         153,988           Cash transportation and sorting charges         848,860         715,842           Repairs and maintenance         641,102         4485,273           Depreciation         156,264         107,847           Postage and courier charges         215,272         183,195           Communication         1,101,047         558,483           Stationery and printing         832,184         595,667           Marketing, advertisement and publicity         2,498,436         2,306,708           Donations         233,906         2773,263           Auditors' remuneration         98,256         81,484           Brokerage and commission         230,716         222,598           Subscription         00,716         28,708           Documentation and processing charges         2,814,898         2,097,115           Entertainment         188,351         177,750           Deposits insurance premium expense         999,381         777,350           Product feature cost </td <td></td> <td>Other operating expenses</td> <td>5,672,497</td> <td>4,177,370</td>		Other operating expenses	5,672,497	4,177,370
Outsourced services costs         660,503         738,393           Travelling and conveyance         518,332         433,386           Insurance         209,821         230,202           Remittance charges         114,679         153,988           Cash transportation and sorting charges         848,860         715,842           Repairs and maintenance         641,102         485,273           Depreciation         157,090         182,203           Training and development         156,264         107,847           Postage and courier charges         215,272         183,195           Communication         1,101,047         558,483           Stationery and printing         832,184         595,867           Marketing, advertisement and publicity         2,498,436         2,396,708           Donations         230,716         222,598           Subscription         102,106         88,708           Documentation and processing charges         2,814,898         2,097,115           Entertainment         188,351         177,672           Consultancy charges         513,531         325,954           Deposits insurance premium expense         90,9381         777,350           Product feature cost         1,586,137 </td <td></td> <td></td> <td>1,115,746</td> <td>2.206.381</td>			1,115,746	2.206.381
Travelling and conveyance       518,332       433,386         Insurance       209,821       230,202         Remittance charges       1114,679       153,988         Cash transportation and sorting charges       848,860       715,842         Repairs and maintenance       641,102       485,273         Depreciation       157,090       182,203         Training and development       156,264       107,847         Postage and courier charges       215,272       183,195         Communication       1,101,047       558,483         Stationery and printing       832,184       595,867         Marketing, advertisement and publicity       2,498,436       2,396,708         Donations       233,906       273,263         Auditors' remuneration       98,256       81,484         Brokerage and commission       230,716       222,598         Subscription       102,106       88,708         Documentation and processing charges       2,114,898       2,097,115         Entertainment       188,351       177,672         Consultancy charges       513,531       325,954         Deposits insurance premium expense       909,381       777,350         Product feature cost       15,861,377 </td <td></td> <td></td> <td></td> <td></td>				
Insurance         209,821         230,202           Remittance charges         114,679         153,988           Cash transportation and sorting charges         848,860         715,842           Repairs and maintenance         641,102         485,273           Depreciation         156,264         107,847           Postage and courier charges         215,272         183,195           Communication         1,101,047         558,483           Stationery and printing         832,184         595,867           Marketing, advertisement and publicity         2,498,436         2,396,708           Donations         233,906         273,263           Auditors' remuneration         98,256         81,484           Brokerage and commission         230,716         222,598           Subscription         102,106         88,708           Documentation and processing charges         2,814,898         2,097,115           Entertainment         188,351         177,672           Consultancy charges         513,531         325,954           Deposits insurance premium expense         909,381         777,350           Product feature cost         1,586,137         611,599           Others         16,208,766         13,86		Travelling and conveyance		
Cash transportation and sorting charges         848,860         715,842           Repairs and maintenance         641,102         485,273           Depreciation         157,090         182,203           Training and development         156,264         107,847           Postage and courier charges         215,272         183,195           Communication         1,101,047         558,483           Stationery and printing         832,184         595,667           Marketing, advertisement and publicity         2,498,436         2,396,708           Donations         233,906         273,263           Auditors' remuneration         98,256         81,484           Brokerage and commission         230,716         222,598           Subscription         102,106         88,708           Documentation and processing charges         2,814,898         2,097,115           Entertainment         188,351         177,672           Consultancy charges         513,531         325,954           Deposits insurance premium expense         909,381         777,350           Product feature cost         1,586,137         611,599           Others         16,208,766         13,861,689			209,821	230,202
Repairs and maintenance         641,102         485,273           Depreciation         157,090         182,203           Training and development         156,264         107,847           Postage and courier charges         215,272         183,195           Communication         1,101,047         558,483           Stationery and printing         832,184         595,867           Marketing, advertisement and publicity         2,498,436         2,396,708           Donations         233,906         273,263           Auditors' remuneration         98,256         81,484           Brokerage and commission         200,716         222,598           Subscription         102,106         88,708           Documentation and processing charges         2,814,898         2,097,115           Entertainment         188,351         177,672           Consultancy charges         513,531         322,554           Deposits insurance premium expense         909,381         777,350           Product feature cost         1,586,137         611,599           Others         462,148         218,178		Remittance charges		
Depreciation         157,090         182,203           Training and development         156,264         107,847           Postage and courier charges         215,272         183,195           Communication         1,101,047         558,483           Stationery and printing         832,184         595,867           Marketing, advertisement and publicity         2,498,436         2,396,708           Donations         233,906         273,263           Auditors' remuneration         98,256         81,484           Brokerage and commission         230,716         222,598           Subscription         102,106         88,708           Documentation and processing charges         2,814,898         2,097,115           Entertainment         188,351         177,672           Consultancy charges         513,531         325,954           Deposits insurance premium expense         909,381         777,350           Product feature cost         1,586,137         611,599           Others         462,148         218,178				
Training and development       156,264       107,847         Postage and courier charges       215,272       183,195         Communication       1,101,047       558,483         Stationery and printing       832,184       595,867         Marketing, advertisement and publicity       2,498,436       2,396,708         Donations       233,906       273,263         Auditors' remuneration       98,256       81,484         Brokerage and commission       230,716       222,598         Subscription       102,106       88,708         Documentation and processing charges       2,814,898       2,097,115         Entertainment       188,351       177,672         Consultancy charges       513,531       325,954         Deposits insurance premium expense       909,381       777,350         Product feature cost       1,586,137       611,599         Others       462,148       218,178				
Postage and courier charges         215,272         183,195           Communication         1,101,047         558,483           Stationery and printing         832,184         595,867           Marketing, advertisement and publicity         2,498,436         2,396,708           Donations         233,906         273,263           Auditors' remuneration         98,256         81,484           Brokerage and commission         230,716         222,598           Subscription         102,106         88,708           Documentation and processing charges         2,814,898         2,097,115           Entertainment         188,351         177,672           Consultancy charges         513,531         325,954           Deposits insurance premium expense         909,381         777,350           Product feature cost         1,586,137         611,599           Others         16,208,766         13,861,689		•		
Communication         1,101,047         558,483           Stationery and printing         832,184         595,867           Marketing, advertisement and publicity         2,498,436         2,396,708           Donations         233,906         273,263           Auditors' remuneration         98,256         81,484           Brokerage and commission         230,716         222,598           Subscription         102,106         88,708           Documentation and processing charges         2,814,898         2,097,115           Entertainment         188,351         177,672           Consultancy charges         513,531         325,954           Deposits insurance premium expense         909,381         777,350           Product feature cost         1,586,137         611,599           Others         462,148         218,178				
Stationery and printing       832,184       595,867         Marketing, advertisement and publicity       2,498,436       2,396,708         Donations       233,906       273,263         Auditors' remuneration       98,256       81,484         Brokerage and commission       230,716       222,598         Subscription       102,106       88,708         Documentation and processing charges       2,814,898       2,097,115         Entertainment       188,351       177,672         Consultancy charges       513,531       325,954         Deposits insurance premium expense       909,381       777,350         Product feature cost       1,586,137       611,599         Others       16,208,766       13,861,689				
Marketing, advertisement and publicity       2,498,436       2,396,708         Donations       233,906       273,263         Auditors' remuneration       98,256       81,484         Brokerage and commission       230,716       222,598         Subscription       102,106       88,708         Documentation and processing charges       2,814,898       2,097,115         Entertainment       188,351       177,672         Consultancy charges       513,531       325,954         Deposits insurance premium expense       909,381       777,350         Product feature cost       1,586,137       611,599         Others       16,208,766       13,861,689				
Donations         233,906         273,263           Auditors' remuneration         98,256         81,484           Brokerage and commission         230,716         222,598           Subscription         102,106         88,708           Documentation and processing charges         2,814,898         2,097,115           Entertainment         188,351         177,672           Consultancy charges         513,531         325,954           Deposits insurance premium expense         909,381         777,350           Product feature cost         1,586,137         611,599           Others         462,148         218,178				
Auditors' remuneration       98,256       81,484         Brokerage and commission       230,716       222,598         Subscription       102,106       88,708         Documentation and processing charges       2,814,898       2,097,115         Entertainment       188,351       177,672         Consultancy charges       513,531       325,954         Deposits insurance premium expense       909,381       777,350         Product feature cost       1,586,137       611,599         Others       462,148       218,178				
Subscription         102,106         88,708           Documentation and processing charges         2,814,898         2,097,115           Entertainment         188,351         1777,672           Consultancy charges         513,531         325,954           Deposits insurance premium expense         909,381         777,350           Product feature cost         1,586,137         611,599           Others         16,208,766         13,861,689		Auditors' remuneration		
Documentation and processing charges         2,814,898         2,097,115           Entertainment         188,351         177,672           Consultancy charges         513,531         325,954           Deposits insurance premium expense         909,381         777,350           Product feature cost         1,586,137         611,599           Others         462,148         218,178		Brokerage and commission	230,716	222,598
Entertainment         188,351         177,672           Consultancy charges         513,531         325,954           Deposits insurance premium expense         909,381         777,350           Product feature cost         1,586,137         611,599           Others         462,148         218,178           16,208,766         13,861,689				
Consultancy charges         513,531         325,954           Deposits insurance premium expense         909,381         777,350           Product feature cost         1,586,137         611,599           Others         462,148         218,178           16,208,766         13,861,689				
Deposits insurance premium expense         909,381         777,350           Product feature cost         1,586,137         611,599           Others         462,148         218,178           16,208,766         13,861,689				
Product feature cost         1,586,137         611,599           Others         462,148         218,178           16,208,766         13,861,689				
Others         462,148         218,178           16,208,766         13,861,689				
16,208,766 13,861,689				

			(Unaudited)	
		Note	For the three	months ended
			March 31,	March 31,
			2024	2023
30	OTHER CHARGES		(Rupees	s in '000)
	Penalties imposed by the State Bank of Pakistan		145,939	15,369
	Penalties imposed by other regulatory bodies		12,557	396
			158,496	15,765
31	CREDIT LOSS ALLOWANCE / (REVERSALS) AND WRITE OFFS - NET			
	Credit loss allowance against investments	8.3	285,224	1,587,076
	Credit loss allowance against loans and advances	9.3	1,731,727	536,207
	Credit loss allowance against other assets	14.1.1	405	896,367
	Credit loss allowance / (reversal of credit loss allowance) against off-balance			
	sheet obligations	20.1	231,936	(255,051)
	Recoveries against written off / charged off bad debts		(241,699)	(151,128)
	Recoveries against other assets written off		(250)	-
	Other write offs and operational lossess		31,254	66,317
			2,038,597	2,679,788
32	ΤΑΧΑΤΙΟΝ			
	- Current		15,911,366	9,880,495
	- Deferred		(814,527)	161,296
			15,096,839	10,041,791
33	BASIC AND DILUTED EARNINGS PER SHARE			
55				
	Profit for the period		14,594,977	15,299,886
			(Nun	nber)
	Weighted average number of ordinary shares		1,466,852,508	1,466,852,508
			(Rupees)	
	Basic and diluted earnings per share		9.95	10.43

33.1 Diluted earnings per share has not been presented separately as the Bank does not have any convertible instruments in issue.

### 34 FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair values of traded investments are based on quoted market prices.

The fair value of unquoted debt securities, fixed term advances, fixed term deposits and borrowings, other assets and other liabilities, cannot be calculated with sufficient reliability due to the absence of a current and active market for such assets and liabilities and reliable data regarding market rates for similar instruments and therefore, are not reported as part of this disclosure.

In the opinion of the management, the fair value of the remaining financial assets and liabilities are not significantly different from their carrying values since they are either short-term in nature or, in the case of customer advances, deposits and certain long term borrowings, are frequently repriced.

All assets and liabilities for which fair value is measured or disclosed in these condensed interim unconsolidated financial statements are categorised within the following fair value hierarchy based on the lowest level input that is significant to the fair value measurement.

Level 1 - Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Fair value measurements using inputs, other than quoted prices included within Level 1, that are observable for the assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Fair value measurements using inputs that are not based on observable market data.

Federal Government securities	The fair values of Federal Government securities are determined on the basis of rates / prices sourced from Reuters.
Non-Government debt securities	Non-Government debt securities denominated in Rupees are valued on the basis of rates announced by the Mutual Funds Association of Pakistan (MUFAP). Non-Government debt securities denominated in other currencies are valued on the basis of rates taken from Bloomberg / Reuters.
Foreign Government debt securities	The fair values of Foreign Government debt securities are determined on the basis of rates taken from Bloomberg / Reuters.
Unquoted equity securities	The fair values of unquoted equity investments are estimated using the adjusted break-up value of the investee company. These are further discounted for marketability concerns. Where the agreed / indicative prices are available, the Bank uses the same as an estimate for fair value.
Units of mutual funds	The fair values of units of mutual funds are determined based on their net asset values as published at the close of each business day.
Derivatives	The Bank enters into derivatives contracts with various counterparties. Derivatives that are valued using valuation techniques based on market observable inputs are mainly interest rate swaps and cross currency swaps. The most frequently applied valuation techniques include forward pricing and swap models using present value calculations.
Forward foreign exchange contracts and Forward Government securities transactions	The fair values of forward foreign exchange contracts and forward Government securities transactions are determined using forward pricing calculations.
Property and equipment and non-banking assets acquired in satisfaction of claims	Land, buildings and non-banking assets acquired in satisfaction of claims are revalued on a periodic basis using professional valuers. The valuation is based on their assessment of the market value of the assets. The effect of changes in the unobservable inputs used in the valuations cannot be determined with certainty. Accordingly, a qualitative disclosure of sensitivity, required for Level 3 assets, has not been presented in these condensed interim unconsolidated financial statements.

#### 34.1 Fair value of financial assets

The following table provides the fair values of those Bank's financial assets that are recognised or disclosed at fair value in these condensed interim unconsolidated financial statements:

	As at March 31, 2024 (Unaudited)					
	Carrying value	Level 1	Level 2	Level 3	Total	
On balance sheet financial instruments			(Rupees in '000)			
Financial assets - measured at fair value Investments						
- Federal Government securities	1,795,527,930	-	1,795,527,930	-	1,795,527,930	
- Shares						
Listed companies	16,898,344	10,317,104	6,581,240	-	16,898,344	
Unlisted companies	14,563,195	-	-	14,563,195	14,563,195	
- Non-Government debt securities - Listed	50,521,181	40,000,000	10,521,181	-	50,521,181	
- Foreign securities						
Government debt securities	155,825,357	-	155,825,357	-	155,825,357	
Non-Government debt securities - Listed	2,072,075	-	2,072,075	-	2,072,075	
- National Investment Unit Trust units	52,537	-	52,537	-	52,537	
- Real Estate Investment Trust units - Listed	71,700	71,700	-	-	71,700	
- Preference shares - Listed	837,500	837,500	-	-	837,500	
	2,036,369,819	51,226,304	1,970,580,320	14,563,195	2,036,369,819	
Financial assets - disclosed but not measured at fair value						
Investments						
- Federal Government securities	424,923,891		395,434,007		395,434,007	
- Non-Government debt securities - Listed	895,086		895,093		895,093	
- Foreign securities	030,000		030,030	_	030,030	
Government debt securities	15,151,339	-	15,279,583	-	15,279,583	
- Associates	6,785,017	8,975,735	-	-	8,975,735	
	447,755,333	8,975,735	411,608,683		420,584,418	
	2,484,125,152	60,202,039	2,382,189,003	14,563,195	2,456,954,237	

#### Off-balance sheet financial instruments - measured at fair value

Commitments

- Forward foreign exchange contracts

- Derivative instruments

615,759,401		(5,316,884)		(5,316,884)
92,221,860	-	(18,379)	-	(18,379)
45,033,358		(8,074,403)	-	(8,074,403)

		As at December 31, 2023 (Audited)			
	Carrying value	evel 1	Level 2	Level 3	Total
On balance sheet financial instruments		(F	Rupees in '000)		
Financial assets - measured at fair value					
Investments					
- Federal Government securities	1,782,011,013	-	1,782,011,013	-	1,782,011,013
- Shares - listed companies		9,057,018	7,467,023	-	16,524,041
- Non-Government debt securities - Listed	49,614,767 40	0,000,000	9,614,767	-	49,614,767
- Foreign securities					
Government debt securities	142,842,156	-	142,842,156	-	142,842,156
Non-Government debt securities- Listed	4,206,999	-	4,206,999		4,206,999
- National Investment Unit Trust units	50,745	-	50,745	-	50,745
- Real Estate Investment Trust units	68,700	68,700	-	-	68,700
- Preference shares - Listed	877,400	877,400	-	-	877,400
	1,996,195,821 50	),003,118	1,946,192,703	-	1,996,195,821
Financial assets - disclosed but not measured at fair value Investments					
- Federal Government securities	414,265,326	. 1	380,620,887		380,620,887
- Non-Government debt securities - Listed	1,899,450		1,898,829		1,898,829
- Foreign securities	1,000,400		1,000,020		1,000,020
Government debt securities	13,123,544		13,179,876	_	13,179,876
- Associates		6,788,865	10,170,070		6,788,865
- Associates		5,788,865	395,699,592		402,488,457
		5,791,983	2,341,892,295		2,398,684,278
	Notional		ember 31, 2023 (A		
Off-balance sheet financial instruments - measured at fair value	Value	evel 1	Level 2	Level 3	Total
Commitments		(F	Rupees in '000)		
	474 504 005		(4.000.040)		(4.000.040
- Forward foreign exchange contracts	474,521,265	-	(1,966,016)	-	(1,966,016
<ul> <li>Forward Government securities transactions</li> </ul>	24,383,498	-	(46,908)	-	(46,908
- Derivative instruments	48,515,121	-	(10,247,686)	-	(10,247,686
Fair value of non-financial assets		As at Mar	ch 31, 2024 (Una	udited)	
	Carrying	evel 1	Level 2	Level 3	Total
	value		Rupees in '000)		
		(F	supees in 000)		
Land and Buildings	79,543,751	-	-	79,543,751	79,543,751
Non-banking assets acquired in satisfaction of claims	431,048	-	-	431,048	431,048
	79,974,799	-	-	79,974,799	79,974,799
		As at Dece	ember 31, 2023 ( <i>A</i>	Audited)	
	Carrying L value	evel 1	Level 2	Level 3	Total
		(F	Rupees in '000)		
Land and Buildings	79,629,624	- ''	-	79,629,624	79,629,624
Non-banking assets acquired in satisfaction of claims	433,908	-	-	433,908	433,908
Test serving about acquired in satisfaction of stating	80,063,532	<u> </u>		80,063,532	80,063,532
	00,003,332	-	-	00,003,332	00,003,532

### 35 SEGMENT INFORMATION

### 35.1 Segment Details with respect to Business Activities

	For the three months ended March 31, 2024 (Unaudited)							
	Branch banking	Consumer,SME & Agriculture lending	Islamic	Corporate, Commercial and Investment banking	Treasury	International and correspon- dent banking	Head Office / Others	Total
				(Rupees i	n million)			
Profit and loss account								
Net mark-up / return / profit / interest income	(72,330)	14,437	10,087	19,563	80,956	5,073	(1,927)	55,859
Inter segment revenue / (expense) - net	105,528	(10,748)	-	(9,384)	(90,477)	437	4,644	-
Non mark-up / interest income	1,489	4,721	719	1,896	4,367	3,263	1,713	18,168
Total income	34,687	8,410	10,806	12,075	(5,154)	8,773	4,430	74,027
Segment direct expenses	8,814	6,039	2,598	1,127	188	4,616	18,915	42,297
Inter segment expense allocation	9,832	2,970	349	3,193	511	439	(17,294)	-
Total expenses	18,646	9,009	2,947	4,320	699	5,055	1,621	42,297
Credit loss allowance - charge / (reversal)	22	500	222	1,035	-	(154)	413	2,038
Profit / (loss) before tax	16,019	(1,099)	7,637	6,720	(5,853)	3,872	2,396	29,692

				As at March 31,	2024 (Unaudite	d)		
	Branch banking	Consumer,SME & Agriculture lending	Islamic	Corporate, Commercial and Investment banking	Treasury	International and correspon- dent banking	Head Office / Others	Total
Statement of financial position				(Rupees i	n million)			
Cash and bank balances	149,452	-	36,305	656	193,537	139,935	449	520,334
Lendings to financial institutions	-	-	36,000	-	35,569	-	-	71,56
Inter segment lending	2,221,921	-	-	-	-	94,880	274,977	2,591,77
Investments Advances - performing	-	- 245,504	259,282 195,725	13,158 786,910	2,009,995	221,829 290,245	43,566 25,981	2,547,83 1,544,36
Advances - performing Advances - non-performing	-	245,504 2,917	5,426	6,494	-	1,962	(2,683)	1,544,36
Others	29,694	8,118	47,229	76,832	131,210	24,316	120,695	438,09
Total assets	2,401,067	256,539	579,967	884,050	2,370,311	773,167	462,985	7,728,08
Borrowings	-	5,705	23,538	133,364	65,070	100,984	- 1	328,66
Subordinated debt	-	-	-	-	-	-	18,874	18,87
Deposits and other accounts	2,331,168	1,718	484,359	643,732	-	574,987	68,673	4,104,63
Inter segment borrowing	-	223,399	3,023	49,047	2,291,512	24,797	-	2,591,77
Others Total liabilities	69,899	25,718	25,311 536,231	57,906	25,826	10,051	131,830	346,54
Equity	2,401,067	256,540	43,736	884,049	2,382,408 (12,097)	710,819 62,346	219,377 243,610	7,390,49 337,59
Total equity and liabilities	2,401,067	256,540	579,967	884,049	2,370,311	773,165	462,987	7,728,08
Contingencies and commitments			67,169	609,846	619,825	169,186	33,617	1,499,64
			For the three	e months ended	March 31, 202	3 (Unaudited)		
		Consumer,SME		Corporate, Commercial		International	Head	
	Branch banking	& Agriculture lending	Islamic	and Investment banking	Treasury	and correspon- dent banking	Office / Others	Total
				-	n million)			
Profit and loss account Net mark-up / return / profit / interest income	(43,541)	11,778	5,802	21,322	53,304	4,873	(1,962)	51,57
Inter segment revenue / (expense) - net	69,628	(7,651)	-	(10,908)	(51,769)	(751)	1,451	-
Non mark-up / interest income	920	4,181	686	1,123	22	1,430	3,811	12,17
Total income	27,007	8,308	6,488	11,537	1,557	5,552	3,300	63,74
Segment direct expenses	7,454	4,038	1,866	1,092	283	4,062	16,933	35,72
Inter segment expense allocation	7,877	2,705	315	3,430	446	451	(15,224)	-
Total expenses	15,331	6,743	2,181	4,522	729	4,513	1,709	35,72
Credit loss allowance - charge / (reversal) Profit / (loss) before tax	575	555	(425)			-		
	11 101		(425)	(227)	(423)	2,320	305	
	11,101	1,010	4,732	(227) 7,242	(423) 1,251	2,320 (1,281)		
	11,101		4,732	7,242 s at December 3	1,251	(1,281)	305	
	Branch banking		4,732	7,242	1,251	(1,281)	305	
	Branch	1,010 Consumer,SME & Agriculture	4,732 A	7,242 s at December 3 Corporate, Commercial and Investment banking	1,251 31, 2023 (Audite	(1,281) ed) International and correspon- dent banking	305 1,286 Head Office /	25,34
Statement of financial position Cash and bank balances	Branch	1,010 Consumer,SME & Agriculture	4,732 A Islamic 40,896	7,242 s at December 3 Corporate, Commercial and Investment banking	1,251 31, 2023 (Audit Treasury n million) 190,638	(1,281) ed) International and correspon- dent banking	305 1,286 Head Office /	25,34 Total 548,19
<b>Statement of financial position</b> Cash and bank balances Lendings to financial institutions	Branch banking 195,852	1,010 Consumer,SME & Agriculture	4,732 A Islamic	7,242 s at December 3 Corporate, Commercial and Investment banking (Rupees in	1,251 31, 2023 (Audit Treasury n million)	(1,281) ed) International and correspon- dent banking 120,218	305 1,286 Head Office / Others	25,34 Total 548,19 88,59
<b>Statement of financial position</b> Cash and bank balances Lendings to financial institutions Inter segment lending	Branch banking	1,010 Consumer,SME & Agriculture	4,732 A Islamic 40,896 19,500	7,242 s at December 3 Corporate, Commercial and Investment banking (Rupees in 590 - -	1,251 31, 2023 (Audit Treasury n million) 190,638 69,098	(1,281) International and correspon- dent banking 120,218 - 75,037	305 1,286 Head Office / Others	25,34 Total 548,19 88,59 2,371,79
Statement of financial position Cash and bank balances Lendings to financial institutions Inter segment lending Investments	Branch banking 195,852	1,010 Consumer,SME & Agriculture	4,732 A Islamic 40,896	7,242 s at December 3 Corporate, Commercial and Investment banking (Rupees in 590 - 4,417	1,251 31, 2023 (Audit Treasury n million) 190,638	(1,281) International and correspon- dent banking 120,218 - 75,037 216,242	305 1,286 Head Office / Others	25,34 Total 548,19 88,59 2,371,79 2,499,93
Statement of financial position Cash and bank balances Lendings to financial institutions Inter segment lending Investments Advances - performing	Branch banking 195,852	1,010 Consumer,SME & Agriculture lending - - - - 256,677 2,072	4,732 A Islamic 40,896 19,500 - 226,552 206,739 6,316	7,242 s at December 3 Corporate, Commercial and Investment banking (Rupees in 590 - 4,417 844,497 3,272	1,251 31, 2023 (Audit Treasury n million) 190,638 69,098	(1,281) International and correspon- dent banking 120,218 - 75,037	305 1,286 Head Office / Others	25,34 Total 548,19 88,59 2,371,79 2,499,93 1,649,99 14,02
Statement of financial position Cash and bank balances Lendings to financial institutions Inter segment lending Investments Advances - performing Advances - non-performing Others	Branch banking 195,852 - 2,081,029 - - - 35,158	1,010 Consumer,SME & Agriculture lending - - - 256,677 2,072 7,642	4,732 A Islamic 40,896 19,500 - 226,552 206,739 6,316 39,132	7,242 s at December 3 Corporate, Commercial and Investment banking (Rupees in 590 - - 4,417 844,497 3,272 81,020	1,251 31, 2023 (Audit Treasury n million) 190,638 69,098 - 2,016,021 - - 92,166	(1,281) international and correspon- dent banking 120,218 - 75,037 216,242 304,049 2,202 23,415	305 1,286 Head Office / Others 215,727 36,698 38,034 158 122,400	25,34 Total 548,19 88,59 2,371,79 2,499,93 14,02 400,93
Statement of financial position Cash and bank balances Lendings to financial institutions Inter segment lending Investments Advances - performing Advances - non-performing Others Total assets	Branch banking 195,852 - 2,081,029 - -	1,010 Consumer,SME & Agriculture lending - - - 256,677 2,072 7,642 266,391	4,732 A Islamic 40,896 19,500 - 226,552 206,739 6,316 39,132 539,135	7,242 s at December 3 Corporate, Commercial and Investment banking (Rupees in 590 - - 4,417 844,497 3,272 81,020 933,796	1,251 31, 2023 (Audit Treasury n million) 190,638 69,098 - 2,016,021 - 92,166 2,367,923	(1,281) International and correspon- dent banking 120,218 - 75,037 216,242 304,049 2,202 23,415 741,163	305 1,286 Head Office / Others	25,34 <b>Total</b> 548,19 88,59 2,371,79 2,499,93 1,649,99 14,02 400,93 7,573,46
Statement of financial position Cash and bank balances Lendings to financial institutions Inter segment lending Investments Advances - performing Advances - non-performing Others Total assets Borrowings	Branch banking 195,852 - 2,081,029 - - - 35,158	1,010 Consumer,SME & Agriculture lending - - - 256,677 2,072 7,642	4,732 A Islamic 40,896 19,500 - 226,552 206,739 6,316 39,132	7,242 s at December 3 Corporate, Commercial and Investment banking (Rupees in 590 - - 4,417 844,497 3,272 81,020	1,251 31, 2023 (Audit Treasury n million) 190,638 69,098 - 2,016,021 - - 92,166	(1,281) international and correspon- dent banking 120,218 - 75,037 216,242 304,049 2,202 23,415	305 1,286 Head Office / Others 215,727 36,698 38,034 158 122,400 413,017	25,34 <b>Total</b> 548,19 88,59 2,371,79 2,499,93 1,649,99 14,02 400,93 7,573,46 659,34
Statement of financial position Cash and bank balances Lendings to financial institutions Inter segment lending Investments Advances - performing Advances - non-performing Others Total assets Borrowings Subordinated debt	Branch banking 	1,010 Consumer,SME & Agriculture lending - - - 256,677 2,072 7,642 266,391 - - 266,313 -	4,732 A Islamic 40,896 19,500 - 226,552 206,739 6,316 39,132 539,135 32,119 -	7,242 s at December 3 Corporate, Commercial and Investment banking (Rupees in 590 - 4,417 844,497 3,272 81,020 933,796 134,047 -	1,251 31, 2023 (Audit Treasury n million) 190,638 69,098 - 2,016,021 - 92,166 2,367,923	(1,281) International and correspon- dent banking 120,218 - 75,037 216,242 304,049 2,202 23,415 741,163 107,029 -	305 1,286 Head Office / Others 215,727 36,698 38,034 158 122,400 413,017 - 18,874	25,34 Total 548,19 88,59 2,371,79 2,499,93 1,649,99 14,02 400,93 7,573,46 659,34 18,87
Statement of financial position Cash and bank balances Lendings to financial institutions Inter segment lending Investments Advances - performing Advances - non-performing Others Total assets Borrowings Subordinated debt Deposits and other accounts	Branch banking 195,852 - 2,081,029 - - - 35,158	1,010 Consumer,SME & Agriculture lending - - - 256,677 2,072 7,642 266,391	4,732 A Islamic 40,896 19,500 - 226,552 206,739 6,316 39,132 539,135	7,242 s at December 3 Corporate, Commercial and Investment banking (Rupees in 590 - - 4,417 844,497 3,272 81,020 933,796	1,251 31, 2023 (Audit Treasury n million) 190,638 69,098 - 2,016,021 - 92,166 2,367,923	(1,281) International and correspon- dent banking 120,218 - 75,037 216,242 304,049 2,202 23,415 741,163	305 1,286 Head Office / Others 215,727 36,698 38,034 158 122,400 413,017	25,34 Total 548,19 88,59 2,371,79 2,499,93 1,649,99 14,02 400,93 7,573,46 
Statement of financial position Cash and bank balances Lendings to financial institutions Inter segment lending Investments Advances - performing Advances - non-performing Others Total assets Borrowings Subordinated debt Deposits and other accounts Inter segment borrowing Others	Branch banking 	1,010 Consumer,SME & Agriculture lending - - - 256,677 2,072 7,642 266,391 6,313 - 1,465 234,859 23,754	4,732 A Islamic 40,896 19,500 - 226,552 206,739 6,316 39,132 539,135 32,119 - 422,710 7,414 32,967	7,242 s at December 3 Corporate, Commercial and Investment banking 	1,251 31, 2023 (Audit Treasury n million) 190,638 69,098 - 2,016,021 - 92,166 2,367,923 379,835 - 1,968,233 32,810	(1,281) International and correspon- dent banking 120,218 - 75,037 216,242 304,049 2,202 23,415 741,163 107,029 - 553,103 17,973 6,785	305 1,286 Head Office / Others 215,727 36,698 38,034 158 122,400 413,017 - 18,874 29,706 - 117,901	25,34 Total 548,19 88,59 2,371,79 2,499,93 1,649,99 14,02 400,93 7,573,46 659,34 18,87 3,870,18 2,371,79 3,19,49 319,49
Statement of financial position Cash and bank balances Lendings to financial institutions Inter segment lending Investments Advances - performing Advances - non-performing Others Total assets Borrowings Subordinated debt Deposits and other accounts Inter segment borrowing Others Total liabilities	Branch banking 195,852 - 2,081,029 - - 35,158 2,312,039 - 2,258,343 -	1,010 Consumer,SME & Agriculture lending - - - 256,677 2,072 7,642 266,391 - - 266,391 - 1,465 234,859	4,732 A Islamic 40,896 19,500 - 226,552 206,739 6,316 39,132 539,135 32,119 - 422,710 7,414 32,967 495,210	7,242 s at December 3 Corporate, Commercial and Investment banking (Rupees in 590 - 4,417 844,497 3,272 81,020 933,796 134,047 - 604,853 143,314	1,251 31, 2023 (Audit Treasury n million) 190,638 69,098 - 2,016,021 - 92,166 2,367,923 379,835 - 1,968,233 32,810 2,380,878	(1,281) International and correspon- dent banking 120,218 - 75,037 216,242 304,049 2,202 23,415 741,163 107,029 - 553,103 17,973 6,785 684,890	305 1,286 Head Office / Others 215,727 36,698 38,034 158 122,400 413,017 - 18,874 29,706 - 117,901 166,481	25,34 <b>Total</b> 548,19 88,59 2,371,79 2,499,93 1,649,99 14,02 400,93 7,573,46 659,34 18,87 3,870,18 2,371,79 319,49 7,239,68
Statement of financial position Cash and bank balances Lendings to financial institutions Inter segment lending Investments Advances - performing Advances - non-performing Others Total assets Borrowings Subordinated debt Deposits and other accounts Inter segment borrowing Others Total liabilities Equity	Branch banking 	1,010 Consumer,SME & Agriculture lending - - - 256,677 2,072 7,642 266,391 6,313 - 1,465 234,859 23,754	4,732 A Islamic 40,896 19,500 - 226,552 206,739 6,316 39,132 539,135 32,119 - 422,710 7,414 32,967	7,242 s at December 3 Corporate, Commercial and Investment banking 	1,251 31, 2023 (Audit Treasury n million) 190,638 69,098 - 2,016,021 - 92,166 2,367,923 379,835 - 1,968,233 32,810	(1,281) International and correspon- dent banking 120,218 - 75,037 216,242 304,049 2,202 23,415 741,163 107,029 - 553,103 17,973 6,785	305 1,286 Head Office / Others 215,727 36,698 38,034 158 122,400 413,017 - 18,874 29,706 - 117,901	25,34 Total 548,19 88,59 2,371,79 2,499,93 1,649,99 14,02 400,93 7,573,46 659,34 18,87 3,870,18 2,371,79 319,49 7,239,68 333,77
Statement of financial position Cash and bank balances Lendings to financial institutions Inter segment lending Investments Advances - performing Advances - non-performing Others Total assets Borrowings Subordinated debt Deposits and other accounts Inter segment borrowing Others Total liabilities Equity Total equity and liabilities Contingencies and commitments	Branch banking 195,852 - 2,081,029 - - 35,158 2,312,039 - - 2,258,343 - 53,696 2,312,039 -	1,010 Consumer,SME & Agriculture lending - - - 256,677 2,072 7,642 266,391 - - 266,391 - - - 234,859 23,754 266,391 -	4,732 A Islamic 40,896 19,500 - 226,552 206,739 6,316 39,132 539,135 32,119 - 422,710 7,414 32,967 495,210 439,925	7,242 s at December 3 Corporate, Commercial and Investment banking (Rupees in 590 - 4,417 844,497 3,272 81,020 933,796 134,047 - 604,853 143,314 51,582 933,796 -	1,251 31, 2023 (Audit Treasury n million) 190,638 69,098 - 2,016,021 - - 92,166 2,367,923 379,835 - 1,968,233 32,810 2,380,878 (12,955)	(1,281) International and correspon- dent banking 120,218 - 75,037 216,242 304,049 2,202 23,415 741,163 107,029 - 553,103 17,973 6,785 684,890 56,273	305 1,286 Head Office / Others 215,727 36,698 38,034 158 122,400 413,017 - 18,874 29,706 - 117,901 166,481 246,536	2,68( 25,34 <b>Total</b> 548,19( 88,59( 2,371,79) 2,499,93( 14,02( 400,93) 7,573,46( 659,34( 18,87( 3,870,18( 2,371,79) 3,19,49( 7,239,68( 3,33,77) 7,573,46( 3,337,79) 7,573,46( 1,220,61)

#### 36 RELATED PARTY TRANSACTIONS

The Bank has related party relationships with various parties including its Directors, Key Management Personnel, Group entities, subsidiaries, associated companies and employee benefit schemes of the Bank.

Transactions with related parties, other than those under terms of employment, are executed on an arm's length basis i.e. do not involve more than normal risk and are substantially on the same terms, including mark-up rates and collateral, as those prevailing at the time for comparable transactions with unrelated parties.

Contributions to and accruals in respect of staff retirement and other benefit schemes are made in accordance with the actuarial valuations / terms of the schemes.

Details of transactions and balances with related parties as at the period / year end are as follows:

	As at March 31, 2024 (Unaudited)						
	Directors	Key Management Personnel	Group Entities	Subsidiary companies	Associates	Joint venture	Other related parties
Statement of financial position				(Rupees in '000)			
Balances with other banks							
In current accounts	-	-	109,152	1,361,590	-	-	-
Investments							
Opening balance	-	-	-	29,172,923	7,058,755	-	17,204,695
Impact of adoption of IFRS 9	-	-	-	-	-	-	4,406,616
Exchange Adjustment	-	-	-	(117,405) 2,000,000	-	-	(176,275)
Investment made during the period Investment redeemed / disposed off during the period	-	-	-	2,000,000	(4,880)	-	(837,500)
Transfer (out) / in - net	-	-	-	-	-	-	-
Revaluation of investment during the period	-	-	-	-	-	-	1,826,608
Provision for diminution in value of investments Closing balance	-	·		31,055,518	(12,628) 7,041,247		- 22,424,144
				31,033,310	7,041,247	_	22,424,144
Provision for diminution in value of investments	-			-	90,482	-	
Advances							
Opening balance	1,969	649,863	5,352,719	2,086,003	375,000	-	10,200,880
Exchange adjustment	-	-	(66,932)	-	-	-	-
Addition during the period Repaid during the period	2,895 (4,039)	125,971 (71,366)	8,440,237 (8,625,554)	71,917 (120,520)	-	-	5,696,777 (5,365,162)
Transfer out - net	(4,000)	(59,749)	-	(120,320)	-	-	-
Closing balance	825	644,719	5,100,470	2,037,400	375,000	-	10,532,495
Other Assets							
Interest / mark-up accrued	-	657	61,820	289,345	16,338	-	779,841
Receivables from defined benefit plan	-	-	6,519	-	-	-	845,404
Other receivables		1,925 2,582	68,339	12,700 302,045	361,935 378,273		15,417
P							
Borrowings Opening balance	-	-	5,169,268	1,409,304	16,686,344	-	4,536,746
Exchange adjustment	-	-	-	-	(255,927)	-	(35,221)
Borrowings during the period	-	-	-	-	16,545,661	-	2,515,388
Settled during the period Closing balance	-		(5,169,268)	(1,409,304)	(16,521,603) 16,454,475		(2,515,388) 4,501,525
	-	-		-	10,454,475	-	4,501,525
Deposits and other accounts	00.444	570 544	00 000 074	0.000.004	00.045.057		4 000 000
Opening balance Exchange adjustment	23,411 (78)	572,514 (4,119)	23,823,074 (203,571)	3,698,361	33,215,657 (6,423)	-	1,363,336 (7,407)
Received during the period	206,294	1,789,655	91,768,079	231,421,326	187,073,245	-	16,989,032
Withdrawn during the period	(129,621)	(1,658,619)	(91,070,863)	(229,821,990)	(190,757,625)	-	(15,905,620)
Transfer (out) / in - net Closing balance	- 100,006	(186,049) 513,382	- 24,316,719	5,297,697	- 29,524,854	-	<u>11,932</u> 2,451,273
-	100,000	515,502	24,310,719	5,297,097	23,324,034	_	2,431,273
Other liabilities	000	0.404	200 045	40.070	074 504		FF 440
Interest / mark-up payable Payable to defined benefit plan	369	8,491	306,815	49,676	271,531	-	55,140 822,532
Other payables		-	1,853	27,133	62,291		247,663
	369	8,491	308,668	76,809	333,822	-	1,125,335
Contingencies and Commitments			077 705				440.000
Letter of credit Guarantees	-	-	377,785 167,832	- 1,490	- 5	-	416,026 3,535,727
Forward purchase of Government securities	-	-	265,399	-	-	-	686,439
Forward purchase of foreign exchange contracts	-	-	-	416,922	-	-	-
Interest rate swaps	-	-	- 811,016	418,412	375,000 375,005	-	4,638,192
Others	-		011,010	410,412	373,005	-	4,030,192
Securities held as custodian	-	159,390	21,654,605	-	214,018,000		30,262,995

	For the three months ended March 31, 2024 (Unaudited)						
	Directors	Key Management Personnel	Group Entities	Subsidiary companies	Associates	Joint venture	Other relate parties
Profit and loss account				(Rupees in '000)			
Income							
Mark-up / return / profit / interest earned	9	7,265	108,362	332,388	20,169	-	614,34
Fee and commission income	132	2,085	82,632	36,396	216,203	-	1,45
Dividend income	-	-	-	-	646,814	-	703,58
Jnrealised loss on derivatives		-	_	-	(29,928)	_	
Gain on sale of securities - net	_	-	_		(23,320) 784	_	-
Rent on properties				42.067	-		
	-	-	-	43,967		-	-
Gain on disposal of property and equipment Other income	-	-	-	- 35,248	1,741	-	-
xpense							
Mark-up / return / profit / interest expensed	582	12,309	352,865	93,341	765,059	-	102,7
	002	12,000	002,000	00,041	100,000		102,1
Dperating expenses							
Total compensation expense	-	1,046,414	-	-	-	-	375,7
Non-Executive Directors' fees	30,300	-	-	-	-	-	-
Insurance premium expense	-	-	-	-	579,803	-	-
Product feature cost	-	-	66,221	-	-	-	
Travelling	-	-	1,104	-	-	-	
Subscription	-	-	-	-	-	-	1,8
Donation	-	-	-	-	-	-	247,6
Brokerage and Commission	-	-	-	-	-	-	74,0
Other expenses	-	-	12,592	3,922	19,780	-	12,0
Provision for diminution in value of investments	-	-	-		12,628	-	
Others							
Purchase of Government securities	-	7,116	41,517,777	69,364,535	25,161,116	_	1,887,5
Sale of Government securities		51,817	43,971,984	68,978,084	22,645,810	-	7,513,3
	-					-	
Purchase of foreign currencies	-	-	1,731,577	9,766,559	68,579	-	
Sale of foreign currencies	-	-	1,846,901	7,912,356	130,815	-	593,8
nsurance claims settled	-	-	-	-	-	-	-
			As at	December 31, 2023 (A	udited)		
	Directors	Key Management Personnel	Group Entities	Subsidiary companies	Associates	Joint venture	Other relat parties
Statement of financial position				(Rupees in '000)			
Balances with other banks							
n current accounts	-	-	24,874	866,164	-	-	
nvestments				26,510,029	7,286,430	135,665	9,755,3
Dening balance Exchange Adjustment	-	-	-	1,662,894	7,200,430	135,005	9,755,5 589,0
	-	-	-		-	-	303,0
nvestment made during the year	-	-	-	1,000,000	-	-	
hvestment redeemed / disposed off during the year	-	-	-	-	(149,821)		0 50 1 5
ransfer (out) / in - net	-	-	-	-	-	(135,665)	9,564,0
Revaluation of investment during the year	-	-	-	-	-	-	(2,686,1
Provision for diminution in value of investments	-	-		-	(77,854)	-	(17,6
Closing balance	-	-		29,172,923	7,058,755	-	17,204,6
rovision for diminution in value of investments	_				77,854	-	60,6
dvances							
pening balance	1,412	520,240	4,547,709	3,357,440	625,000	-	11,714,9
xchange adjustment	-	-	908,792	345,755	-	-	, .,-
ddition during the year	9,645	513,599	30,558,900	524,666	-	_	16,335,7
					(250,000)	-	
epaid during the year losing balance	(9,088) 1,969	(383,976) 649,863	(30,662,682) 5,352,719	(2,141,858) 2,086,003	(250,000) 375,000	-	(17,849,8 10,200,8
-							
iner Assets					17 014		298,5
	-	689	68 692	240 265	17 / 14	-	
nterest / mark-up accrued	-	689	68,692	240,265	17,214	-	
nterest / mark-up accrued Receivable from defined benefit plan	-	-	-	-	-	-	845,4
Other Assets Interest / mark-up accrued Receivable from defined benefit plan Other receivables / prepayments	-	689 - 2,673 3,362	68,692 - <u>9,779</u> 78,471	240,265 - 1,000 241,265	477,119 494,333	-	

			AS at	December 31, 2023 (A	uuiteu)		
	Directors	Key Management Personnel	Group Entities	Subsidiary companies	Associates	Joint venture	Other related parties
				(Rupees in '000)			
Borrowings			0.000.000	0.004.000	40.050.004	0 747 474	400.050
Opening balance Exchange adjustment	-	-	3,982,280 1,159,109	2,264,309 546,817	12,950,894 3,224,127	2,717,171 619,856	168,252 823,712
Borrowings during the year	-	-	20,166,148	9,812,754	83,310,506	2,348,700	19,662,958
Settled during the year	-	-	(20,138,269)	(11,214,576)	(82,799,183)	(3,131,600)	(18,672,303
Transfer (out) / in - net	-	-	-	-	-	(2,554,127)	2,554,127
Closing balance	-	-	5,169,268	1,409,304	16,686,344	-	4,536,746
Deposits and other accounts							
Opening balance	135,270	504,305	16,086,603	2,461,812	2,817,791	4,204	1,754,471
Exchange adjustment	22,601	43,837	192,882	115,020	37,425	795	17,474
Received during the year	780,596	5,692,787	364,791,560	1,079,990,251	1,418,318,927	3,996	187,434,72
Withdrawn during the year	(915,056)	(5,668,415)	(357,247,971)	(1,078,868,722)	(1,387,958,486)	(7,583)	(187,844,746
Transfer out - net	-	-	-	-	-	(1,412)	1,412
Closing balance	23,411	572,514	23,823,074	3,698,361	33,215,657	-	1,363,336
Other liabilities							
nterest / mark-up payable	1	1,508	242,441	13,972	237,842	-	39,339
Payable to defined benefit plan	-	-	-	-	-	-	851,13
Other payables		-	7,876	27,730	9,594	-	869,06
	1	1,508	250,317	41,702	247,436	-	1,759,53
Contingencies and Commitments			200 404				924,060
Letters of credit Guarantees	-	-	380,194 174,650	- 1,535	- 5	-	924,06 3,535,72
Forward purchase of Government securities	-	7,116	90,212	-	-	-	334,53
Forward purchase of foreign exchange contracts	-	-	-	1,240,184	-	-	-
Interest rate swaps		-	-	-	375,000	-	-
	-	7,116	645,056	1,241,719	375,005	-	4,794,32
Others							
Securities held as custodians		152,360	22,460,475	-	214,735,000	-	29,021,560
			For the three mo	onths ended March 31	2023 (Unaudited)		
	Directors	Key Management	Group Entities	Subsidiary	Associates	Joint	Other related
	Directors	Personnel	Group Entities	companies	ASSOCIALES	venture	parties
Profit and loss account				(Rupees in '000)			
ncome							
Mark-up / return / profit / interest earned							
Mark-up / Teluiti / pront / interest earned	1/18	8 077	185 032	410 167	27 623	_	530 050
Fee and commission income	148 191	8,977 1 217	185,032	419,167	27,623 89 319		
	148 191 -	8,977 1,217	185,032 70,826	419,167 17,723	89,319	- - 203 366	34
Dividend income					89,319 161,587	- - 203,366	34
Dividend income Loss from derivatives					89,319 161,587 (66,060)	- - 203,366 -	34
Fee and commission income Dividend income Loss from derivatives Gain on sale of securities - net Rent on properties				17,723 - - -	89,319 161,587	- - 203,366 - - -	34
Dividend income Loss from derivatives Gain on sale of securities - net Rent on properties					89,319 161,587 (66,060) 805,641 -	- 203,366 - - -	34
Dividend income Loss from derivatives Gain on sale of securities - net Rent on properties Gain on disposal of property and equipment				17,723 - - -	89,319 161,587 (66,060)	- 203,366 - - - - -	34
Dividend income Loss from derivatives Gain on sale of securities - net Rent on properties Gain on disposal of property and equipment Other income				17,723 - - 15,882 -	89,319 161,587 (66,060) 805,641 -	- 203,366 - - - - -	34
Dividend income Loss from derivatives Gain on sale of securities - net Rent on properties Gain on disposal of property and equipment Other income <b>Expense</b>	191 - - - - - -	1,217 - - - - - -	70,826 - - - - - - - - -	17,723 - - 15,882 - 9,547	89,319 161,587 (66,060) 805,641 - 31 -	- 203,366 - - - - -	34 681,48 - - - - -
Dividend income Loss from derivatives Gain on sale of securities - net Rent on properties Gain on disposal of property and equipment Other income Expense Mark-up / return / profit / interest expensed				17,723 - - 15,882 -	89,319 161,587 (66,060) 805,641 -	- 203,366 - - - - - - -	34 681,48 - - - - -
Dividend income Loss from derivatives Gain on sale of securities - net Rent on properties Gain on disposal of property and equipment Other income Expense Mark-up / return / profit / interest expensed Operating expenses	191 - - - - - -	1,217 - - - - - 6,549	70,826 - - - - - - - - -	17,723 - - 15,882 - 9,547	89,319 161,587 (66,060) 805,641 - 31 -	- 203,366 - - - - - - -	34 681.48 - - - - 123,45
Dividend income Loss from derivatives Gain on sale of securities - net Rent on properties Gain on disposal of property and equipment Other income Expense Mark-up / return / profit / interest expensed Operating expenses Total compensation expense	191 - - - - - - 3,553 -	1,217 - - - - - -	70,826 - - - - - - - - -	17,723 - - 15,882 - 9,547	89,319 161,587 (66,060) 805,641 - 31 -	- 203,366 - - - - - - -	34 681,48 - - - - 123,45
Dividend income Loss from derivatives Gain on sale of securities - net Rent on properties Gain on disposal of property and equipment Other income Expense Mark-up / return / profit / interest expensed Operating expenses Total compensation expense Non-Executive Directors' fees	191 - - - - - -	1,217 - - - - - 6,549	70,826 - - - - - - - 141,078 - -	17,723 - - 15,882 - 9,547	89,319 161,587 (66,060) 805,641 - 31 - 141,690 - -	- 203,366 - - - - - - - - - -	34 681.48 - - - - 123,45
Dividend income Loss from derivatives Gain on sale of securities - net Rent on properties Gain on disposal of property and equipment Other income Expense Mark-up / return / profit / interest expensed Operating expenses Total compensation expense Non-Executive Directors' fees Insurance premium expense	191 - - - - - - 3,553 -	1,217 - - - - - 6,549	70,826 - - - - - - - - - - - - - - - - - - -	17,723 - - 15,882 - 9,547	89,319 161,587 (66,060) 805,641 - 31 -	- 203,366 - - - - - - - - - - - -	34 681.48 - - - - 123,45
Dividend income Loss from derivatives Gain on sale of securities - net Rent on properties Gain on disposal of property and equipment Dther income Expense Mark-up / return / profit / interest expensed Diperating expenses Total compensation expense Non-Executive Directors' fees Insurance premium expense Product feature cost	191 - - - - - - 3,553 -	1,217 - - - - - 6,549	70,826 - - - - - - - - - - - - - - - - - - -	17,723 - - 15,882 - 9,547	89,319 161,587 (66,060) 805,641 - 31 - 141,690 - -	- 203,366 - - - - - - - - - - - - - - - - - -	34 681,48 - - - - 123,45
Dividend income Loss from derivatives Gain on sale of securities - net Rent on properties Gain on disposal of property and equipment Other income Expense Mark-up / return / profit / interest expensed Operating expenses Total compensation expense Non-Executive Directors' fees Insurance premium expense Product feature cost Travelling	191 - - - - - - 3,553 -	1,217 - - - - - 6,549	70,826 - - - - - - - - - - - - - - - - - - 39,328 896	17,723 - - 15,882 - 9,547	89,319 161,587 (66,060) 805,641 - 31 - 141,690 - -	- 203,366 - - - - - - - - - - - - - - - - - -	34 681,48 - - - 123,45 466,59 - - - -
Dividend income Loss from derivatives Gain on sale of securities - net Rent on properties Gain on disposal of property and equipment Dther income Expense Mark-up / return / profit / interest expensed Operating expenses Total compensation expense Non-Executive Directors' fees Insurance premium expense Product feature cost Travelling Subscription	191 - - - - - - 3,553 -	1,217 - - - - - 6,549	70,826 - - - - - - - - - - - - - - - - - - -	17,723 - - 15,882 - 9,547	89,319 161,587 (66,060) 805,641 - 31 - 141,690 - -	- 203,366 - - - - - - - - - - - - - - - - - -	34 681,48 - - - 123,45 466,59 - - - - - - - - - - - - - - - - - - -
Dividend income Loss from derivatives Gain on sale of securities - net Rent on properties Gain on disposal of property and equipment Dther income Expense Mark-up / return / profit / interest expensed Operating expenses Total compensation expense Non-Executive Directors' fees Insurance premium expense Product feature cost Travelling Subscription Donations	191 - - - - - - 3,553 -	1,217 - - - - - 6,549	70,826 - - - - - - - - - - - - - - - - - - 39,328 896	17,723 - - 15,882 - 9,547	89,319 161,587 (66,060) 805,641 - 31 - 141,690 - -	- 203,366 - - - - - - - - - - - - - - - - - -	34 681,48 - - - 123,45 466,59 - - - - - - - - - - - - - - - - - - -
Dividend income Loss from derivatives Gain on sale of securities - net Rent on properties Gain on disposal of property and equipment Other income Expense Mark-up / return / profit / interest expensed Operating expenses Total compensation expense Non-Executive Directors' fees Insurance premium expense Product feature cost Travelling Subscription Donations Brokerage and Commission	191 - - - - - - 3,553 -	1,217 - - - - - 6,549	70,826 - - - - - - 141,078 - - - - - - - - - - - - - - - - - - -	17,723 - - 15,882 - 9,547 36,872 - - - - - - - - - - - - - - - - - - -	89,319 161,587 (66,060) 805,641 - 31 - 141,690 - - 515,501 - - - - - - - - - - - - - - - - - - -	- 203,366 - - - - - - - - - - - - - - - - - -	34 681,48 - - - 123,45 466,59 - - - - - - - - - - - - - - - - - - -
Dividend income Loss from derivatives Gain on sale of securities - net Rent on properties Gain on disposal of property and equipment Other income Expense Mark-up / return / profit / interest expensed Operating expenses Total compensation expense Non-Executive Directors' fees Insurance premium expense Product feature cost Travelling Subscription Donations Brokerage and Commission Other expenses	191 - - - - - - 3,553 -	1,217 - - - - - 6,549	70,826 - - - - - - - - - - - - - - - - - - 39,328 896	17,723 - - 15,882 - 9,547	89,319 161,587 (66,060) 805,641 - 31 - 141,690 - -	- 203,366 - - - - - - - - - - - - - - - - - -	34 681,48 - - - 123,45 466,59 - - - - - - - - - - - - - - - - - - -
Dividend income Loss from derivatives Gain on sale of securities - net Rent on properties Gain on disposal of property and equipment Other income Expense Mark-up / return / profit / interest expensed Operating expenses Total compensation expense Non-Executive Directors' fees Insurance premium expense Product feature cost Travelling Subscription Donations Brokerage and Commission Other expenses	191 - - - - - - - - - - - - - - - - - -	1,217 - - - - - - - - - - - - - - - - - - -	70,826 - - - - - - 141,078 - - - 39,328 896 - - - - - 11,949	17,723 - - 15,882 - 9,547 36,872 - - - - - - - - - - - - - - - - - - -	89,319 161,587 (66,060) 805,641 - 31 - 141,690 - 515,501 - - - - 16,031	- 203,366 - - - - - - - - - - - - - - - - - -	34 681,48 - - - 123,45 466,59 - - - - 4,27 162,96 25,25 12,06
Dividend income Loss from derivatives Gain on sale of securities - net Rent on properties Gain on disposal of property and equipment Other income Expense Mark-up / return / profit / interest expensed Operating expenses Total compensation expense Non-Executive Directors' fees Insurance premium expense Product feature cost Travelling Subscription Donations Brokerage and Commission Other expenses Purchase of Government securities	191 - - - - - - 3,553 -	1,217 - - - - - - - - - - - - - - - - - - -	70,826 - - - - - - - 141,078 - - - 39,328 896 - - - 11,949 42,052,749	17,723 - - 15,882 - 9,547 36,872 - - - - - - 12,186 22,911,873	89,319 161,587 (66,060) 805,641 - 31 - 141,690 - - 515,501 - - - 16,031 25,558,785	- 203,366 - - - - - - - - - - - - - - - - - -	34 681,48 - - - 123,45 466,59 - - - 4,27 162,96 25,25 12,06 33,552,24
Dividend income Loss from derivatives Gain on sale of securities - net Rent on properties Gain on disposal of property and equipment Other income Expense Mark-up / return / profit / interest expensed Operating expenses Total compensation expense Non-Executive Directors' fees Insurance premium expense Product feature cost Travelling Subscription Donations Brokerage and Commission Other expenses Purchase of Government securities Sale of Government securities	191 - - - - - - - - - - - - - - - - - -	1,217 - - - - - - - - - - - - - - - - - - -	70,826 - - - - - - - - - - - - - - - - - - -	17,723 - - 15,882 - 9,547 36,872 - - - - - - 12,186 22,911,873 25,884,448	89,319 161,587 (66,060) 805,641 - 31 - 141,690 - 515,501 - - - - 16,031	- 203,366 - - - - - - - - - - - - - - - - - -	34 681,48 - - - 123,45 466,59 - - - 4,27 162,96 25,25 12,06 33,552,24
Dividend income Loss from derivatives Gain on sale of securities - net Rent on properties Gain on disposal of property and equipment Other income Expense Mark-up / return / profit / interest expensed Operating expenses Total compensation expense Non-Executive Directors' fees Insurance premium expense Product feature cost Travelling Subscription Donations Brokerage and Commission Other expenses Purchase of Government securities Sale of Government securities Purchase of foreign currencies	191 - - - - - - - - - - - - - - - - - -	1,217 - - - - - - - - - - - - - - - - - - -	70,826 - - - - - - - - - - - - - - - - - - -	17,723 - - 15,882 - 9,547 36,872 - - - - - - 12,186 22,911,873	89,319 161,587 (66,060) 805,641 - 31 - 141,690 - - 515,501 - - - 16,031 25,558,785 29,854,799 -	- 203,366 - - - - - - - - - - - - - - - - - -	539,950 34 681,48: - - - - 123,450 466,59: - - - 4,27: 162,960 25,25 12,060 33,552,24: 36,333,533
Dividend income Loss from derivatives Gain on sale of securities - net Rent on properties Gain on disposal of property and equipment Other income Expense Mark-up / return / profit / interest expensed Operating expenses Total compensation expense Non-Executive Directors' fees Insurance premium expense Product feature cost Travelling Subscription Donations Brokerage and Commission Other expenses Purchase of Government securities Sale of Government securities	191 - - - - - - - - - - - - - - - - - -	1,217 - - - - - - - - - - - - - - - - - - -	70,826 - - - - - - - - - - - - - - - - - - -	17,723 - - 15,882 - 9,547 36,872 - - - - - - 12,186 22,911,873 25,884,448	89,319 161,587 (66,060) 805,641 - 31 - 141,690 - - 515,501 - - - 16,031 25,558,785	- 203,366 - - - - - - - - - - - - - - - - - -	34 681,48 - - - 123,45 466,59 - - - 4,27 162,96 25,25 12,06

36.1 Balances and transactions with group entities include deposits of Rs 0.686 million (2023: Rs 0.695 million) from the parent and Rs 2.00 thousand (2023: 6.00 thousand) as mark-up expense thereon.

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-

-

63,445

-

-

Insurance claims settled

-

37	CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS	(Unaudited) March 31, 2024 (Rupees	(Audited) December 31, 2023 in '000)
	Minimum Capital Requirement (MCR):	(inapood	
	Paid-up capital (net of losses)	14,668,525	14,668,525
	Capital Adequacy Ratio (CAR):		
	Eligible Common Equity Tier 1 (CET 1) Capital	254,244,688	244,543,194
	Eligible Additional Tier 1 (ADT 1) Capital	14,747,561	15,209,811
	Total Eligible Tier 1 Capital	268,992,249	259,753,005
	Eligible Tier 2 Capital	79,620,954	74,258,880
	Total Eligible Capital (Tier 1 + Tier 2)	348,613,203	334,011,885
	Risk Weighted Assets (RWAs):		
	Credit Risk	1,510,891,819	1,484,105,134
	Market Risk	190,231,225	162,338,638
	Operational Risk	286,469,768	286,469,768
	Total	1,987,592,812	1,932,913,540
	Common Equity Tier 1 Capital Adequacy ratio	12.79%	12.65%
	Tier 1 Capital Adequacy Ratio	13.53%	13.44%
	Total Capital Adequacy Ratio	17.54%	17.28%
	Bank specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus any other buffer requirement)		
	of which: capital conservation buffer requirement	9.00%	9.00%
	of which: countercyclical buffer requirement	1.50%	1.50%
	of which: D-SIB buffer requirement	1.50%	1.50%
	CET1 available to meet buffers (as a percentage of risk weighted assets)	6.79%	6.65%
	Other information:		
	Minimum capital requirements prescribed by the SBP		
	CET1 ratio (%)	9.00%	9.00%
	Tier 1 ratio (%)	10.50%	10.50%
	Total capital ratio (%)	13.00%	13.00%
	Leverage Ratio (LR)	(Unaudited) March 31, 2024 (Rupees	(Audited) December 31, 2023 in '000)
	Eligible Tier-1 Capital	268,992,249	259,753,005
	Total Exposure	5,591,416,484	5,834,019,080
	Leverage Ratio (%)	4.81%	4.45%
	Minimum Requirement (%)	3.00%	3.00%
	Liquidity Coverage Ratio (LCR)		
	Average High Quality Liquid Assets	2,089,381,082	1,879,073,951
	Average Net Cash Outflow	799,417,882	693,860,676
	Liquidity Coverage Ratio (%)	261.36%	270.81%
	Minimum Requirement (%)	100.00%	100.00%
	Net Stable Funding Ratio (NSFR)		
	Total Available Stable Funding	3,981,912,215	3,812,112,933
	Total Required Stable Funding	2,378,277,918	2,384,738,674
	Net Stable Funding Ratio (%)	167.43%	159.85%
	Minimum Requirement (%)	100.00%	100.00%
		100.0070	

37.1 The SBP has permitted banks to adopt a transitional approach to phase in the initial impact of the ECL for stage 1 and 2 financial assets over a period of five years. Had there been no such relaxation the Bank's total CAR would have been lower by 67 bps.

## 38 ISLAMIC BANKING BUSINESS

The Bank operates 408 (December 31, 2023: 408) Islamic Banking branches and 553 (December 31, 2023: 553) Islamic Banking windows.

windows.			
STATEMENT OF FINANCIAL POSITION	Note	(Unaudited) March 31, 2024	(Audited) December 31, 2023
ASSETS		(Rupees	in '000)
Cash and balances with treasury banks		35,208,414	40,418,980
Balances with other banks		1,096,149	476,714
Due from financial institutions	38.1	36,000,000	19,500,000
Investments	38.2	259,282,164	226,552,494
Islamic financing and related assets - net	38.3	201,151,101	213,054,465
Property and equipment Right-of-use assets		7,331,425 6,671,494	7,392,659 6,526,100
Intangible assets		54,710	48,248
Due from Head Office		-	
Deferred tax assets		1,189,059	1,270,557
Other assets		31,982,791	23,894,137
		579,967,307	539,134,354
LIABILITIES			
Bills payable		39,839	40,454
Due to financial institutions	38.4	23,537,997	32,119,436
Deposits and other accounts	38.5	484,359,472	422,709,734
Due to Head Office		3,023,001	9,382,906
Lease liabilities Subordinated debt		8,988,903	8,572,063
Deferred tax liabilities			-
Other liabilities		16,282,107	23,443,740
		536,231,319	496,268,333
NET ASSETS		43,735,988	42,866,021
REPRESENTED BY			
Islamic Banking Fund Reserves		500,000 -	500,000 -
Surplus on revaluation of investments - net of tax		(1,237,593)	(1,322,417)
Unappropriated profit	38.6	44,473,581	43,688,438
		43,735,988	42,866,021
Contingencies and commitments	38.7		
		(Unau For the three m	
		For the three m March 31,	March 31,
		2024	2023
PROFIT AND LOSS ACCOUNT		(Rupees	
Profit / return earned	38.8	21,340,795	14,681,770
Profit / return expensed	38.9	11,253,785	8,879,084
Net profit / return	00.0	10,087,010	5,802,686
Other income			
Fee and commission income		520,262	308,391
Dividend income		-	-
Foreign exchange income Income from derivatives		182,442	372,769
Gain on securities- net		16,280	4,484
Others		-	-
Total other income		718,984	685,644
Total income		10,805,994	6,488,330
Other expenses			
Operating expenses		2,793,724	2,086,683
Workers' Welfare Fund		152,745	94,639
Other charges		125	120
Total other expenses		2,946,594	2,181,442
Profit before credit loss allowance		7,859,400	4,306,888
Charge / (reversal) of credit loss allowance and write offs - net		222,158	(425,084)
Profit before taxation Taxation		7,637,242 3,742,247	4,731,972 2,034,748
Profit after taxation		3,894,995	2,697,224
		0,00-1,000	2,001,227

For the	three months ended warch 31, 2024				
38.1	Due from Financial Institutions			(Unaudited) March 31, 2024 (Rupees	(Audited) December 31, 2023 in '000)
50.1				(Rupees	
	Call money lendings Secured lendings			31,000,000 5,000,000	17,000,000 2,500,000
	5			36,000,000	19,500,000
38.2	Investments by segments		March 31, 20	24 (Unaudited)	
		Cost / amortised cost	Credit loss allowance	Surplus / (deficit)	Carrying value
			(Rupee	s in '000)	
	Debt Instruments Fair value through profit and loss (FVTPL) Federal Government securities				
	- Ijarah Sukuk	5,900	-	5	5,905
	Fair value through other comprehensive income (FVOCI) Federal Government securities				
	- Ijarah Sukuk	194,282,026	-	(2,474,616)	191,807,410
	- Other Federal Government securities	3,727,205 198.009.231	-	- (2,474,616)	3,727,205 195,534,615
	Non-Government debt securities			(_,,,	
	- Listed	44,610,211	(68,209)	44,292	44,586,294
	- Unlisted	1,401,000 46,011,211	(8,982) (77,191)	3,673 47,965	1,395,691 45,981,985
	Amortised cost	,,	(,,	,	
	Federal Government securities	5 000 000	ı <del></del>	Ir	5 000 000
	- Ijarah Sukuk - Other Federal Government securities	5,000,000	-	-	5,000,000
		5,000,000	-	- 1	5,000,000
	Non-Government debt securities			ir	
	- Listed - Unlisted	- 12,984,187	- (224,528)	-	- 12,759,659
		12,984,187	(224,528)	- 11	12,759,659
	Total Investments	262,010,529	(301,719)	(2,426,646)	259,282,164
			December 31,	, 2023 (Audited)	
		Cost / amortised cost	Provision for diminution	Surplus / (deficit)	Carrying value
			(Rupee	s in '000)	
	Available for sale (AFS) securities Federal Government securities				
	- Ijarah Sukuk	164,825,661		(2,631,310)	162,194,351
	- Other Federal Government securities	5,543,158	-	-	5,543,158
	Non-Government debt securities	170,368,819	-	(2,631,310)	167,737,509
	- Listed	44,891,462	-	36,836	44,928,298
	- Unlisted	1,401,000	-	1,500	1,402,500
	Held to maturity (HTM) securities Non-Government debt securities	46,292,462	-	38,336	46,330,798
	- Unlisted	12,484,187	-	-	12,484,187
	Total Investments	229,145,468	-	(2,592,974)	226,552,494
				24 (Unaudited)	
		Stage 1	Stage 2	Stage 3 s in '000)	Total
38.2.1	Particulars of credit loss allowance		(i/upee	5 m 000j	
	Non Government debt securities - unlisted	148,719		153,000	301,719

For the	three months ended March 31, 2024	(Unaudited) March 31,	(Audited) December
38.3	Islamic financing and related access, not	2024 (Rupees	31, 2023
30.3	Islamic financing and related assets - net	(Kupees	III 000)
	Diminishing Musharakah	91,130,754	93,090,122
	Running Musharakah	46,460,457	46,748,573
	Wakalah	14,757,354	15,112,848
	ljarah Murababa	4,067,200	3,771,372
	Murabaha Currency Salam	2,143,539	1,937,342 82,738
	Tijarah	2,859,002	2,422,198
	Istisna	1,815,405	2,053,597
	Musawamah	1,593,083	3,191,914
	Advance for Diminishing Musharakah	3,242,815	3,820,249
	Advance for Ijarah	3,678,345	3,498,372
	Advance for Murabaha	13,628,797	10,561,441
	Advance for Salam	1,394,777	2,032,234
	Advance for Istisna	12,373,737	16,079,982
	Advance for Musawamah Inventories against Murabaha	881,566 446,411	595,848 5,784,149
	Inventories against Salam	2,032,234	-
	Inventories against Tijarah	4,511,817	5,088,392
	Inventories against Istisna	3,678,350	3,842,828
	Islamic financing and related assets - gross Credit loss allowance against Islamic financing and related assets	210,695,643	219,714,199
	- Stage 1	(769,439)	-
	- Stage 2	(2,503,810)	-
	- Stage 3	(5,593,734)	-
	Specific	-	(5,523,177)
	General	(677,559) (9,544,542)	(1,136,557) (6,659,734)
	Islamic financing and related assets - net of credit loss allowance	201,151,101	213,054,465
38.4	Due to financial institutions		
	Acceptances from the SBP under:		
	- Islamic export refinance scheme	10,982,347	19,406,548
	<ul> <li>Islamic export refinance scheme for bill discounting</li> </ul>	532,906	556,808
	- Islamic long term financing facility	6,311,570	6,481,973
	- Islamic financing facility for renewable energy power plants	712,164	644,321
	<ul> <li>Islamic refinance facility for modernization of Small &amp; Medium Enterprises (SMEs)</li> <li>Islamic refinance and credit guarantee scheme for women entrepreneurs</li> </ul>	268,947 1,208	286,208 1,765
	- Islamic refinance facility for combating COVID-19	453,337	355,448
	- Islamic temporary economic refinance facility	2,275,518	2,386,365
	Acceptances from Pakistan Mortgage Refinance Company	2,000,000	2,000,000
		23,537,997	32,119,436
38.5	Deposits and other accounts		
	Customers		
	Current deposits	112,443,922	109,005,139
	Savings deposits	293,268,535	279,911,025
	Term deposits	22,775,146 428,487,603	29,238,524
	Financial Institutions	428,487,603	418,154,688
	Current deposits	111,137	92,442
	Savings deposits	55,459,086	4,360,958
	Term deposits	301,646	101,646
		55,871,869	4,555,046
		484,359,472	422,709,734
38.6	Islamic Banking business unappropriated profit	10 600 400	22 022 550
	Opening Balance Impact of adoption of IFRS 9	43,688,438 (3,083,456)	32,922,558
	Add: Islamic Banking profit for the period / year	(3,083,456) 7,637,242	- 21,124,836
	Less: Taxation	(3,742,247)	(10,351,170)
	Less: Transferred / Remitted to Head Office	(26,396)	(7,786)
	Closing Balance	44,473,581	43,688,438

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38.7	Contingencies and commitments	Note	(Unaudited) March 31, 2024 (Rupees	(Audited) December 31, 2023 5 in '000)
	- Performance Guarantees - Commitments	38.7.1	5,023,248 62,145,546 67,168,794	3,783,771 53,232,828 57,016,599
38.7.1	Commitments:			
0074	Trade-related contingent liabilities Commitments in respect of forward foreign exchange contracts	38.7.1.1	33,861,856 28,283,690 62,145,546	30,703,557 22,529,271 53,232,828
38.7.1.7	1 Commitments in respect of forward foreign exchange contracts			
	Purchase Sale		15,810,608 12,473,082 28,283,690	11,450,911 11,078,360 22,529,271
			(Unaudited) For the three months ended	
			-	-
38.8	Profit / return earned		-	-
38.8	Profit / return earned		For the three march 31,	months ended March 31, 2023
38.8	Profit / return earned On: Financing Investments Amounts due from financial institutions		For the three i           March 31,           2024           (Rupees)           8,903,091           11,763,477           674,227	months ended           March 31,           2023           in '000)           7,438,007           7,094,626           149,137
38.8	On: Financing Investments		For the three in March 31, 2024	months ended March 31, 2023 in '000) 7,438,007 7,094,626
38.8	On: Financing Investments		For the three i           March 31,           2024           (Rupees)           8,903,091           11,763,477           674,227	months ended           March 31,           2023           in '000)           7,438,007           7,094,626           149,137
	On: Financing Investments Amounts due from financial institutions		For the three i           March 31,           2024           (Rupees)           8,903,091           11,763,477           674,227	months ended           March 31,           2023           in '000)           7,438,007           7,094,626           149,137

## 39 NON-ADJUSTING EVENTS AFTER THE BALANCE SHEET DATE

39.1 The Board of Directors, in its meeting held on April 23, 2024, has declared a cash dividend of Rs 4.00 per share in respect of the quarter ended March 31, 2024 (March 31, 2023: Rs 1.50 per share). These condensed interim unconsolidated financial statements do not include the effect of this appropriation which will be accounted for subsequent to the period end.

## 40 DATE OF AUTHORISATION FOR ISSUE

These condensed interim unconsolidated financial statements were authorised for issue in the Board of Directors meeting held on April 23, 2024.

## 41 GENERAL

41.1 Comparative figures have been re-arranged and reclassified for comparison purposes.

Director