



standard
chartered

3rd Quarterly Report
(July – September 2024)

• Connecting
the world's
most dynamic
markets •



here for
good™

► From home-like
hospitality

to global
companionship ►

Explore avenues of unmatched benefits



Priority Lounge



Relationship Manager



Global Recognition



Priority Debit Card



Concierge Service



Household Recognition



Exclusive Discounts
on Lifestyle and Dining



24-Hour Priority
Helpline





Futuremakers is our global initiative to tackle inequality and promote greater economic inclusion in our markets.



\$50M IN FUNDRAISING & BANK-MATCHING 2019-2023



LEARN



EARN



GROW

Empowering the NEXT GENERATION

BENEFICIARIES

Disadvantaged youth with a focus on **Girls &**



Visually impaired people

FOCUS AREAS →

Education

Employability

Entrepreneurship

Global reach targets →

500,000
adolescent girls

100,000
youth for work

50,000
micro & small businesses

Delivering across Pakistan

In Pakistan Futuremakers' programmes empower disadvantaged youth to learn new skills and improve the next generation's chances of getting a job or starting their own business.

Education

Goal

Empowering adolescent girls with life skills
90,000+ girls empowered since 2016

Employability

We provide vocational training, mentoring, career planning, upskilling and reskilling opportunities that support young people to become job ready.

Employment of the visually impaired

25 Visually impaired employed at the Bank's call centre in Lahore and Karachi

Futuremakers Inclusive Employability Project

Target more than 480 youth with disabilities into formal employment

Entrepreneurship

#SCWomenInTech

SCWomenintech was launched in Pakistan in 2019. Since its launch more than 100 businesses have gone through extensive training, coaching and mentoring sessions out of which 33 businesses have been given the seed money to scale their business further.

Agriprenuer Project

Phase 1 -> Launched in 2020 focused on 900 beneficiaries
Phase 2 -> Launched in 2021. This project will focus on 700 high potential agriprenuers from phase 1 and 303 new agriprenuers



Standard Chartered is a leading international banking group

We are a international banking group, with a presence in 53 of the world's most dynamic markets and serving clients in over 64 markets. Our purpose is to drive commerce and prosperity through our unique diversity, and our heritage and values are expressed in our brand promise, Here for good.

- **Standard Chartered Pakistan** is proud to be operating in the country as the **largest and oldest international Bank since 1863**.
- **Standard Chartered Pakistan** employs more than **1,900** people and has a network of **172** touch points (**40 branches, 112 ATMs and 20 CDMs**) across 10 cities.
- **Standard Chartered Pakistan** is the first International Bank to get an Islamic Banking licence and to open the **first Islamic Banking branch in the country**.
- **Standard Chartered Pakistan** is the leading bank for the **MNCs** operating in Pakistan. The Bank is also the market leader for providing USD liquidity for **Corporates** and **Financial Institutions** in the country.
- **Standard Chartered Pakistan** plays a leading role in providing **FCY liquidity solutions** through innovative client centric structures.
- **Standard Chartered Pakistan** is a leading partner of **State Bank of Pakistan** in promoting **RMB** and increasing its use in Pakistan, which further strengthens its role as the main bank for **CPEC** led initiatives.

AWARDS

Strong Recognition

Management Association of Pakistan

Awards 2024

- Best Bank in Commercial Banks Sector, Financial Category



Global Diversity, Equity, & Inclusion Benchmark

Awards 2024

- Vision, Strategy and Business Impact
- DEI Structure & Implementation
- Recruitment
- Advancement & Retention
- Job Design, Classification and Compensation
- Work-life Integration, Flexibility & Benefits
- DEI Learning & Development
- DEI Communications
- Services and Products Development



CFA Society Pakistan

Awards 2024/2023

- Best Bank 2024, Recognizing Gender Diversity at Work Place
- Best Bank 2023, Mid-Size Bank Category



Gender Diversity Awards 2023

Awards 2023

- Employer of Choice



Asia Money Award

Awards 2022

- Best Bank Award in the ESG category



Euromoney Market Leaders

Awards 2022

- Pakistan – CSR (Highly Regarded)
- Pakistan – D&I (Highly Regarded)
- Pakistan – Islamic Finance (Notable)



Global Transaction Banking Innovation

Awards 2022

- Best Digital Treasury Management Initiative



Adam Smith Award

Awards 2022/2021

- Special Recognition Award
- Best Account Receivables Solution for Coca Cola Beverages Pakistan Ltd.



The Asset Triple A Awards

Awards 2022/2021

- Best Trade Finance Bank / Best Supply Chain Bank
- Best Cash Management Bank
- Best Service Provider - Cash Management (Transaction Banking)
- Best Service Provider - Supply Chain (Transaction Banking)
- Best Renminbi Bank (Transaction Banking)
- Best Supply Chain Solutions for Indus Motor Company (Transaction Banking)
- Best Supply Chain Solutions for IATA (Transaction Banking)



Company Information

Board of Directors

Mr. Christopher Parsons	Chairperson
Mr. Rehan Muhammad Shaikh	Chief Executive Officer
Mr. Ehsan Ali Malik	Director
Mr. Badaruddin Fatehali Vellani	Director
Ms. Rola Abu Manneh	Director
Mr. Sheikh Jobe	Director
Mr. Ghiasuddin Khan	Director

Company Secretary

Mr. Asif Iqbal Alam

Board Audit Committee

Mr. Ehsan Ali Malik	Chairperson
Mr. Badaruddin Fatehali Vellani	Member
Mr. Sheikh Jobe	Member

Board Risk Committee

Mr. Ghiasuddin Khan	Chairperson
Mr. Ehsan Ali Malik	Member
Mr. Rehan Muhammad Shaikh	Member

Board Human Resource & Remuneration Committee

Mr. Badaruddin Fatehali Vellani	Chairperson
Mr. Ghiasuddin Khan	Member
Ms. Rola Abu Manneh	Member

Board IT Committee

Mr. Sheikh Jobe	Chairperson
Mr. Ehsan Ali Malik	Member
Mr. Rehan Muhammad Shaikh	Member

Shariah Board

Shaikh Nizam Yaqouby	Chairperson
Mufti Muhammad Abdul Mubeen	Member
Mufti Irshad Ahmad Aijaz	Member
Mufti Hafiz Muhammad Sarfaraz Nihal	Resident Member

Auditors

M/s EY Ford Rhodes
Chartered Accountants

Legal Advisors

Haidermota & Co
Advocates

Registered/ Main Office

Standard Chartered Bank (Pakistan) Limited
P.O. Box No. 5556, I.I. Chundrigar Road,
Karachi-74000, Pakistan.
Tel: (021) 32450000
Fax: (021) 32414914

Website

www.sc.com/pk

Registrar/ Share Registration Office

M/s CDC Share Registrar Services Limited
CDC House, 99-B, Block B,
SMCHS, Main Shahra-e-Faisal,
Karachi - 74400
Toll Free: 0800 - 23275
Fax: (021) 34326053
Email: info@cdcsrsl.com

STANDARD CHARTERED BANK (PAKISTAN) LIMITED
PERIOD ENDED 30 SEPTEMBER 2024
DIRECTORS' REPORT

On behalf of the Board of Directors, we are pleased to present the Directors' Report of Standard Chartered Bank (Pakistan) Limited (SCBPL or the Bank) along with the un-audited interim financial statements for the period ended 30th September 2024.

Economy

After seeing a deceleration in GDP of -0.2% in FY2023, economy has witnessed nascent recovery with a GDP growth rate of 2.5% in FY2024 attributed to strong agriculture performance, prudent policy management, decrease in inflation and a stable exchange rate. Positivity continued in the first two months of FY2025 as most of the economic indicators have shown improvement.

On the external front, current account deficit narrowed by 81% to USD 0.2bn in Jul-Aug FY2025, as against a deficit of USD 0.9bn in last fiscal period. The reduction was due to improvement in exports and remittances reflecting the impact of policy tightening and administrative measures, however imports have also increased. Remittances, exports and imports increased year on year by 44%, 7% and 14% respectively during first two months of FY2025.

Pakistan also reached staff level agreement with IMF on a 37-month Extended Fund Facility Arrangement (EFF) for USD 7bn out of which USD 1.1Bn has been disbursed resulting in market confidence and exchange rate stability. Foreign direct investment increased by 56% year on year to USD 0.4bn during Jul-Aug FY2025, which together with IMF programme is providing support in unlocking near-term FX inflows from multilateral and bilateral sources paving way for improved macroeconomic environment.

SBP foreign exchange reserves were recorded at USD 11.0bn as of 11th Oct 2024 with exchange rate stability during CY2024. For the first time in three years, CPI inflation eased to single digit of 6.9% in Sep'24 (31.4% in Sep'23), reducing average inflation since beginning of the year to 15.7% from 31.7% in the comparative period. Amid diminishing inflationary pressures, improved inflation expectations and business confidence, SBP has reduced the policy rate by 450bps to 17.5% during CY2024.

Banks in Pakistan continue to be well capitalized with an industry wide CAR of 20% and remain profitable with a ROE (after tax) of 20% based on H1-24 results. Meanwhile, NPLs of the banking sector stood at 7.6% at close of H1-24 compared to 7.4% at close of H1-23.

Purpose

At Standard Chartered, our purpose is to drive commerce and prosperity through our unique diversity. This captures the spirit of Standard Chartered by bringing together the best of what we already have – our incredible diversity of locations, cultures and expertise and ties it to what we do as a Bank – facilitating commerce in the real economy.

Our purpose signifies the way we want to do business with a human aspect as prosperity is not just about financial wealth but contributes towards creating healthier and happier communities. The purpose also embodies a more proactive and high-performance culture.

Our strategic pillars

We have continued to make good progress against the strategic priorities. As we accelerate our strategy, we have refined our focus onto four strategic priorities:

1) Network

Our global network is the key to our ability to compete profitably and remains a differentiator for our clients. We continue to leverage this strength and systematically increase network linked income through innovative solutions, product specialization and structured off-shore

offerings. Our focus remains on facilitating our clients in the Belt and Road Initiative and other trade corridors as well as building momentum in Sovereign, Multinational and Local Corporates space.

2) Affluent

We continue to reinforce our strong credentials in the affluent segment by building loyalty and trust through offering our clients personalised wealth advice based on superior insight.

3) Mass Retail

We are investing in a range of proven digital capabilities that can substantially and economically scale up our mass market retail presence. We are doing this with enhanced data analytics and a superior end-to-end digital experience, developing opportunities on our own and with partners. Our digital transaction mix, including “SC Mobile” application customers, continue to increase. We have upgraded core banking system to advanced platform and are also spending on state of the art digital capabilities and solutions to drive enhanced client experience.

4) Sustainability

Our commitment to sustainability is not only about the economic activity we finance, but also about how we run our business. We invest in our people, promote the right values, behaviours and conduct, support the fight against financial crime and manage our environmental footprint. Our sustainability strategy seeks to strengthen relationships between our business, community, Government and clients. We will continue to focus on differentiated sustainability offering.

These strategic priorities are supported by three key enablers:

1) People & Culture

We are investing heavily in our people, giving colleagues the skills they need to succeed, bringing in expertise in critical areas and evolving to a more innovative and agile operating model.

2) Ways of Working

We are fundamentally changing the way we work, accelerating our time-to-market and increasing productivity.

3) Innovation & Technology

We are driving innovation to improve our clients’ experience, increase our operational efficiency and tap new sources of income.

Operating Results and Business Overview

	30 September 2024 (PKR millions)	31 December 2023 (PKR millions)
Balance Sheet		
Paid-up capital	38,716	38,716
Total equity	104,454	96,223
Deposits	842,399	719,535
Advances – gross	216,960	240,843
Advances – net	195,103	220,183
Investments – net	636,283	226,712

	Period ended 30 September 2024 (PKR millions)	Period ended 30 September 2023 (PKR millions)
Profit and Loss		
Revenue	89,486	76,942
Operating expenses	14,251	12,087
Other non mark-up expenses	1,540	1,233
Operating profit (before provisions and tax)	73,695	63,621
Credit loss allowance and write offs - net	(1,843)	615
Profit before tax	75,538	63,006
Profit after tax	32,556	31,448
Earnings per Share (EPS) - Rupees	8.41	8.12

A strong performance by the Bank led to a growth of 20% in profit before tax to PKR 75.5 billion. Overall revenue and client income grew by 16% year on year with positive contributions from all segments. Operating expenses increased 18% from comparative period in line with inflation. Moreover, lower impairments as a result of prudent risk approach coupled with recoveries of bad debts led to a net release of PKR 1.8 billion for the nine months period ended 30-Sep-24 compared to a net charge of PKR 615 million in the comparative period.

On the liabilities side, the Bank's total deposits stand at PKR 842 billion; up by PKR 123 billion, whereas current accounts registered a healthy growth of PKR 33 billion (up 9%) since the start of the year and comprise 47% of the deposit base. On assets side, net advances were lower by PKR 25 billion (11%) since the start of this year. We continue to monitor the economic landscape and will position our portfolio accordingly. The Bank is well placed to cater for the needs of its clients and will continue its strategy to build a profitable, efficient and sustainable portfolio.

The Bank is investing in its digital capabilities and infrastructure to enhance our clients' banking experience through the introduction of innovative solutions. We have made steady progress in further strengthening our control and compliance environment by focusing on our people, culture and systems. We are fully committed to sustained growth by consistently focusing on our clients and product suite along with a prudent approach to building the balance sheet while bringing the best-in-class services to our customers.

Outlook

While the external environment remains challenging, pace of economic recovery will be dependent on improvement in external flows, domestic and geopolitical environment and global commodity prices.

Our results demonstrate our strong business fundamentals. We recognise the challenging times ahead and are committed to support our clients and employees whilst ensuring our clients' needs are at the heart of everything we do.

Having strengthened our foundations on controls and conduct we are well equipped to manage our risks, capital and liquidity effectively. The prudent and proactive measures that we are taking now are expected to make us leaner and fitter to take advantage of the opportunities that lie ahead.

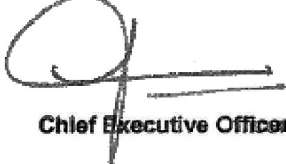
Credit Rating

Pakistan Credit Rating Agency (PACRA) has maintained the Bank's long-term and short-term ratings of "AAA" (Triple A) and "A1+" (A One Plus) respectively in 2024. These ratings denote the lowest expectation of credit risk emanating from an exceptionally strong capacity for timely payment of financial commitments.

Appreciation and Acknowledgment

We take this opportunity to express our gratitude to our clients and business partners for their continued support and trust. We offer sincere appreciation to the State Bank of Pakistan for their guidance and cooperation extended to the Bank. Finally, we are also thankful to our associates, staff and colleagues for their committed services provided to our valued clients.

On behalf of the Board



Chief Executive Officer

Karachi: 28th October 2024



Director



Standard Chartered Bank (Pakistan) Limited

Un-audited
Financial Statements

For the nine months period ended
30 September 2024

Standard Chartered Bank (Pakistan) Limited
Statement of Financial Position
As at 30 September 2024


		(Un-audited)	(Audited)
	Note	30 September 2024	31 December 2023
		(Rupees in '000)	
ASSETS			
Cash and balances with treasury banks	6	96,608,444	81,690,671
Balances with other banks	7	17,948,253	38,230,009
Lendings to financial institutions	8	74,414,169	365,241,485
Investments	9	636,282,771	226,711,860
Advances	10	195,103,341	220,183,482
Property and equipment	11	11,383,075	11,380,991
Right-of-use assets	12	1,011,732	1,285,344
Intangible assets	13	26,095,310	26,095,310
Deferred tax assets - net		-	-
Other assets	14	29,535,434	31,128,680
		1,088,382,529	1,001,947,832
LIABILITIES			
Bills payable	15	14,134,000	18,331,699
Borrowings	16	19,736,779	48,265,389
Deposits and other accounts	17	842,398,717	719,534,840
Lease liabilities	18	1,136,831	1,362,579
Sub-ordinated debt		-	-
Deferred tax liabilities - net	19	5,197,580	6,374,173
Other liabilities	20	101,324,834	111,856,489
		983,928,741	905,725,169
NET ASSETS		104,453,788	96,222,663
REPRESENTED BY:			
Share capital		38,715,850	38,715,850
Reserves		44,247,608	37,736,326
Surplus on revaluation of assets	21	10,167,137	8,641,979
Unappropriated profit		11,323,193	11,128,508
		104,453,788	96,222,663
CONTINGENCIES AND COMMITMENTS			
	22		

The annexed notes 1 to 39 form an integral part of these condensed interim financial statements.


Chairman

Chief Executive Officer


Chief Financial Officer


Director



Director

INTERNAL


Standard Chartered Bank (Pakistan) Limited
Profit and Loss Account (Un-audited)
For the nine months period ended 30 September 2024

	Note	Three months period ended 30 September 2024	Nine months period ended 30 September 2024	Three months period ended 30 September 2023	Nine months period ended 30 September 2023
----- (Rupees in '000) -----					
Mark-up / return / interest earned	23	41,330,303	123,700,296	41,230,623	110,267,980
Mark-up / return / interest expensed	24	(17,376,654)	(51,704,871)	(15,345,924)	(41,859,697)
Net mark-up / interest income		23,953,649	71,995,425	25,884,699	68,408,283
NON MARK-UP / INTEREST INCOME					
Fee and commission income	25	1,556,094	5,058,244	1,336,723	3,897,776
Dividend income		-	100,000	56	50,140
Foreign exchange income	26	2,347,221	7,010,705	2,530,810	3,355,228
Income from derivatives		1,066,656	1,265,842	256,223	2,173,720
Gain / (loss) on securities	27	2,609,494	3,999,147	281,421	(1,124,597)
Other income	28	28,710	56,702	8,424	181,521
Total non mark-up / interest income		7,608,175	17,490,640	4,413,657	8,533,788
Total Income		31,561,824	89,486,065	30,298,356	76,942,071
NON MARK-UP / INTEREST EXPENSES					
Operating expenses	29	(4,822,634)	(14,250,950)	(4,187,450)	(12,087,408)
Workers welfare fund		(499,446)	(1,473,575)	(619,617)	(1,230,203)
Other charges	30	(66,412)	(66,846)	(381)	(3,106)
Total non mark-up / interest expenses		(5,388,492)	(15,791,371)	(4,807,448)	(13,320,717)
Profit before credit loss allowance		26,173,332	73,694,694	25,490,908	63,621,354
Credit loss allowance and write offs - net	31	71,676	1,843,268	(627,070)	(615,139)
Extra-ordinary / unusual items		-	-	-	-
PROFIT BEFORE TAXATION		26,245,008	75,537,962	24,863,838	63,006,215
Taxation	32	(15,165,763)	(42,981,551)	(12,200,486)	(31,558,258)
PROFIT AFTER TAXATION		11,079,245	32,556,411	12,663,352	31,447,957
		(Rupees)		(Rupees)	
BASIC / DILUTED EARNINGS PER SHAR	33	2.86	8.41	3.27	8.12

The annexed notes 1 to 39 form an integral part of these condensed interim financial statements.


Chairman

Chief Executive Officer


Chief Financial Officer


Director


Director

Standard Chartered Bank (Pakistan) Limited
Statement of Comprehensive Income (Un-audited)

For the nine months period ended 30 September 2024

	Three months period ended 30 September 2024	Nine months period ended 30 September 2024	Three months period ended 30 September 2023	Nine months period ended 30 September 2023
	----- (Rupees in '000) -----			
Profit after taxation for the period	11,079,245	32,556,411	12,663,352	31,447,957
Other comprehensive income				
Items that may be reclassified to profit and loss account in subsequent periods:				
Movement in surplus / (deficit) on revaluation of debt investments through FVOCI / AFS - net of tax	1,157,881	1,456,575	552,326	(116,621)
Items that will not be reclassified to profit and loss account in subsequent periods:				
Movement in remeasurement of post employment obligations - deferred tax rate impact	-	-	(1,936)	(1,936)
Movement in surplus / (deficit) on revaluation of equity investments - net of tax	-	48,534	36,535	42,504
Movement in surplus / (deficit) on revaluation of Property and equipment - deferred tax rate impact	-	-	(39,501)	(39,501)
	-	48,534	(4,902)	1,067
Total comprehensive income for the period	12,237,126	34,061,520	13,210,776	31,332,403

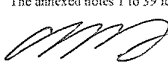
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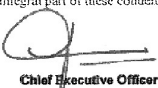
 Chairman	 Chief Executive Officer	 Chief Financial Officer	 Director	 Director
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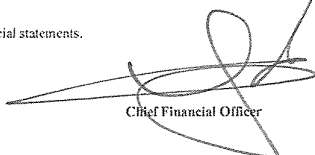
Standard Chartered Bank (Pakistan) Limited
Statement of Changes in Equity (Un-audited)
For the nine months period ended 30 September 2024

	Share Capital	Share Premium	Statutory Reserve	Surplus / (Deficit) on revaluation of		Unappropriated Profit	Total
				Investments	Property and equipment		
Balance as at 01 January 2023	38,715,850	1,036,090	28,175,870	93,973	7,784,819	11,714,277	87,520,879
Total comprehensive income for the period							
Profit after tax for the nine months period ended 30 September 2023	-	-	-	-	-	31,447,957	31,447,957
Other comprehensive income - net of tax							
Movement in deficit on revaluation of debt investments through AFS - net of tax	-	-	-	(116,621)	-	-	(116,621)
Movement in surplus on revaluation of equity investments - net of tax	-	-	-	42,504	-	-	42,504
Movement in remeasurement of post employment obligations - deferred tax rate impact	-	-	-	-	-	(1,936)	(1,936)
Movement in deficit on revaluation of Property and equipment - deferred tax rate impact	-	-	-	-	(39,501)	-	(39,501)
	-	-	-	(74,117)	(39,501)	31,446,021	31,332,403
Transactions with owners, recorded directly in equity							
Share based payment transactions (Contribution from holding Company)	-	-	-	-	-	49,673	49,673
Cash dividend (Final 2022) at Rs. 2.50 per share	-	-	-	-	-	(9,678,963)	(9,678,963)
Cash dividend (Interim I - 2023) at Rs. 4.00 per share	-	-	-	-	-	(15,486,340)	(15,486,340)
	-	-	-	-	-	(25,115,630)	(25,115,630)
Transfer to statutory reserve	-	-	6,289,591	-	-	(6,289,591)	-
Realised on disposals during the period - net of deferred tax	-	-	-	-	(58,860)	58,860	-
Transferred from surplus on revaluation of Property and equipment - net of deferred tax	-	-	-	-	(12,087)	12,087	-
Balance as at 30 September 2023 - Un-audited	38,715,850	1,036,090	34,465,461	19,856	7,674,371	11,826,023	93,737,651
Total comprehensive income for the period							
Profit after tax for the three months period ended 31 December 2023	-	-	-	-	-	11,173,874	11,173,874
Other comprehensive income - net of tax							
Movement in deficit on revaluation of debt investments through AFS - net of tax	-	-	-	(63,873)	-	-	(63,873)
Movement in surplus on revaluation of equity investments - net of tax	-	-	-	90,984	-	-	90,984
Remeasurement of post employment obligations - net of tax	-	-	-	-	-	2,184	2,184
Surplus on revaluation of Property and equipment - net of deferred tax	-	-	-	-	881,686	-	881,686
	-	-	-	27,111	881,686	11,176,058	12,084,855
Transactions with owners, recorded directly in equity							
Share based payment transactions (Contribution from holding Company)	-	-	-	-	-	39,618	39,618
Cash dividend (Interim II - 2023) at Rs. 2.50 per share	-	-	-	-	-	(9,678,963)	(9,678,963)
	-	-	-	-	-	(9,639,345)	(9,639,345)
Transfer to statutory reserve	-	-	2,234,775	-	-	(2,234,775)	-
Movement in surplus on revaluation of Property and equipment - deferred tax rate impact	-	-	-	-	39,501	-	39,501
Realised on disposals during the period - net of deferred tax	-	-	-	-	3,423	(3,423)	-
Transferred from surplus on revaluation of Property and equipment - net of deferred tax	-	-	-	-	(3,969)	3,969	-
Balance as at 31 December 2023 - Audited	38,715,850	1,036,090	36,700,236	46,967	8,595,012	11,128,508	96,222,663
Effect of reclassification / remeasurement on adoption of IFRS 9 - net of tax	-	-	-	57,635	-	253,045	310,680
Expected credit loss on adoption of IFRS 9 - net of tax	-	-	-	-	-	(3,084,456)	(3,084,456)
Balance as at 1 January 2024 - restated	38,715,850	1,036,090	36,700,236	104,602	8,595,012	8,297,097	93,448,887
Total comprehensive income for the period							
Profit after tax for the nine months period ended 30 September 2024	-	-	-	-	-	32,556,411	32,556,411
Other comprehensive income - net of tax							
Movement in surplus on revaluation of debt investments through FVOCI - net of tax	-	-	-	1,456,575	-	-	1,456,575
Movement in surplus on revaluation of equity investments - net of tax	-	-	-	48,534	-	-	48,534
	-	-	-	1,505,109	-	32,556,411	34,061,520
Transactions with owners, recorded directly in equity							
Share based payment transactions (Contribution from holding Company)	-	-	-	-	-	172,892	172,892
Cash dividend (Final 2023) at Rs. 2.50 per share	-	-	-	-	-	(9,678,963)	(9,678,963)
Cash dividend (Interim I - 2024) at Rs. 1.50 per share	-	-	-	-	-	(5,807,378)	(5,807,378)
Cash dividend (Interim II - 2024) at Rs. 2.00 per share	-	-	-	-	-	(7,743,170)	(7,743,170)
	-	-	-	-	-	(23,056,619)	(23,056,619)
Transfer to statutory reserve	-	-	6,511,282	-	-	(6,511,282)	-
Realised on disposal during the year - net of deferred tax	-	-	-	-	(14,308)	14,308	-
Transferred from surplus on revaluation of Property and equipment - net of deferred tax	-	-	-	-	(23,278)	23,278	-
Balance as at 30 September 2024 - Un-audited	38,715,850	1,036,090	43,211,518	1,609,711	8,557,426	11,323,193	104,453,788

The annexed notes 1 to 39 form an integral part of these condensed interim financial statements.


Chairman


Chief Executive Officer


Chief Financial Officer

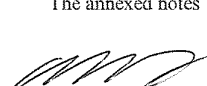

Director

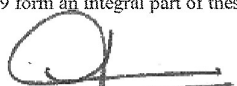

Director

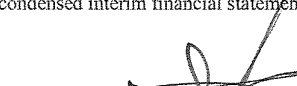
Standard Chartered Bank (Pakistan) Limited
Cash Flow Statement (Un-audited)
For the nine months period ended 30 September 2024

	Note	30 September 2024	30 September 2023
		(Rupees in '000)	
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before taxation		75,537,962	63,006,215
Less: Dividend income		(100,000)	(50,140)
		75,437,962	62,956,075
Adjustments for:			
Net mark-up / interest income		(71,995,425)	(68,408,283)
Depreciation	29	533,343	366,677
Depreciation on right-of-use assets		323,855	323,478
Gain on sale of asset held for sale		(9,247)	(144,717)
Gain on sale of property and equipment	28	(12,825)	(13,455)
Unrealized gain on revaluation of investments classified as FVTPL / HFT - net	27	(2,123,246)	(6,495)
Finance cost of lease liability		128,865	160,237
(Gain) / loss on lease termination		(1,187)	15,380
Credit loss allowance and write offs net		(1,120,725)	615,139
		(74,276,592)	(67,092,039)
		1,161,370	(4,135,964)
(Increase) / decrease in operating assets			
Lending to financial institutions		290,827,316	(56,893,360)
Securities classified as FVTPL / HFT		(422,666,575)	(518,861)
Advances		23,116,410	(18,998,384)
Other assets (excluding advance taxation)		(10,027,798)	33,362,206
		(118,750,647)	(43,048,399)
Increase / (decrease) in operating liabilities			
Bills payable		(4,197,699)	(1,617,673)
Borrowings from financial institutions		(8,371,820)	3,756,587
Deposits		122,863,877	6,864,498
Other liabilities (excluding current taxation)		25,597,148	28,385,741
		135,891,506	37,389,153
Mark-up / Interest received		120,418,283	110,180,318
Mark-up / Interest paid		(52,984,178)	(42,201,598)
Cash inflow before taxation		85,736,334	58,183,510
Income tax paid		(31,241,674)	(22,118,784)
Net cash flow from operating activities		54,494,660	36,064,726
CASH FLOW FROM INVESTING ACTIVITIES			
Net Investments in securities classified as FVOCI / AFS		13,588,255	(7,933,414)
Dividend received		100,000	50,140
Investment in property and equipment		(988,742)	(662,415)
Proceeds from sale of property and equipment		12,825	13,455
Proceeds from sale of asset held for sale		51,500	260,500
Net cash flow from / (used in) investing activities		12,763,838	(8,271,734)
CASH FLOW FROM FINANCING ACTIVITIES			
Dividend paid		(52,061,826)	(3,663,410)
Payment in respect of lease liability		(403,865)	(449,601)
Net cash flow used in financing activities		(52,465,691)	(4,113,011)
Increase in cash and cash equivalents for the period		14,792,807	23,679,981
Cash and cash equivalents at beginning of the period		99,906,973	64,951,836
Effect of exchange rate changes on cash and cash equivalents		(159,141)	9,629,907
		99,747,832	74,581,743
Cash and cash equivalents at end of the period		114,540,639	98,261,724
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD			
Cash and balances with treasury banks	6	96,608,444	96,056,192
Balances with other banks	7	17,948,253	16,651,357
Overdrawn nostros	16	(16,058)	(14,445,825)
		114,540,639	98,261,724

The annexed notes 1 to 39 form an integral part of these condensed interim financial statements.


Chairman


Chief Executive Officer


Chief Financial Officer


Director


Director

Standard Chartered Bank (Pakistan) Limited
Notes to the Condensed Interim Financial Statements (Un-audited)
For the nine months period ended 30 September 2024

1 STATUS AND NATURE OF BUSINESS

Standard Chartered Bank (Pakistan) Limited ("the Bank") was incorporated in Pakistan on 19 July 2006 and was granted approval for commencement of banking business by State Bank of Pakistan, with effect from 30 December 2006. The ultimate holding company of the Bank is Standard Chartered PLC (Group), incorporated in England. The registered office is at Standard Chartered Bank Building, I.I. Chundrigar Road, Karachi.

The Bank commenced formal operations on 30 December 2006 through amalgamation of entire undertaking of Union Bank Limited and the business carried on by the branches in Pakistan of Standard Chartered Bank, a bank incorporated by Royal Charter and existing under the laws of England. The scheme of amalgamation was sanctioned by State Bank of Pakistan vide its order dated 4 December 2006. The Bank's shares are listed on Pakistan Stock Exchange.

The Bank is engaged in the banking business as defined in the Banking Companies Ordinance, 1962 and has a total number of 40 branches in Pakistan including 2 Islamic branches (31 December 2023: 40 branches in Pakistan including 2 Islamic branches) in operation at 30 September 2024.

2 BASIS OF PREPARATION

2.1 Statement of compliance

The condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting and comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan, as are notified under the Companies Act, 2017;
- Provisions of and directives issued under the Banking Companies Ordinance, 1962 and the Companies Act, 2017; and
- Directives issued by the State Bank of Pakistan (SBP) and the Securities and Exchange Commission of Pakistan (SECP).

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

The SBP has deferred the applicability of International Accounting Standard (IAS) 40, 'Investment Property' for Banking Companies in Pakistan through BSD Circular Letter 10 dated 26 August 2002 till further instructions. Further, the SECP has deferred the applicability of International Financial Reporting Standard (IFRS) 7 'Financial Instruments: Disclosures' through its notification S.R.O 411(I)/2008 dated 28 April 2008. Accordingly, the requirements of these standards have not been considered in the preparation of these condensed interim financial statements. However, investments have been classified and valued in accordance with the requirements prescribed by the SBP through various circulars.

The Securities and Exchange Commission of Pakistan (SECP) has notified Islamic Financial Accounting Standard (IFAS) 3, 'Profit and Loss Sharing on Deposits' issued by the Institute of Chartered Accountants of Pakistan. IFAS 3 shall be followed with effect from the financial periods beginning after 1 January 2014 in respect of accounting for transactions relating to 'Profit and Loss Sharing on Deposits' as defined by the said standard. The standard has resulted in certain new disclosures in these financial statements of the Bank. The SBP through BPRD Circular Letter No. 4 dated 25 February 2015, has deferred the applicability of IFAS 3 till further instructions and prescribed the Banks to prepare their annual and periodical financial statements as per existing prescribed formats issued vide BSD Circular 04 of 2006 and BPRD Circular Letter No. 05 of 2019, as amended from time to time.

The disclosures made in these condensed interim financial statements have been limited based on the format prescribed by the SBP vide BPRD Circular Letter No.2 dated February 09, 2023 and IAS34, Interim Financial Reporting. They do not include all the information and disclosures required in preparation of audited annual financial statements, and should be read in conjunction with the audited financial statements of the Bank for the year ended December 31, 2023, except for IFRS 9 Financial Instruments adopted with effect from January 01, 2024.

2.2 Standards, interpretations of and amendments to accounting and reporting standards as applicable in Pakistan that are effective in the current period

The Bank has adopted the following amendments to the approved accounting and reporting standards which became effective for the current year:

Amendments to approved accounting standards

Lease Liability in a Sale and Leaseback - Amendments to IFRS 16

Disclosures: Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7

Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants - Amendments to IAS 1

2.3 Standards, interpretations and amendments to accounting and reporting standards as applicable in Pakistan that are not yet effective in the current period

The following standards, amendments and interpretations as notified under the Companies Act, 2017 will be effective for accounting periods beginning on or after January 01, 2025:

Amendments		Effective date (annual periods beginning on or after)
- Amendments to IAS 21	Lack of exchangeability	01 January 2025
- Amendments to IFRS 9 and IFRS 7	Classification and Measurement of Financial Instruments	01 January 2026
- IFRS 18	Presentation and Disclosure in Financial Statements	01 January 2027
- IFRS 19	Subsidiaries without Public Accountability: Disclosures	01 January 2027
- IFRS 17	Insurance Contracts	01 January 2026
- IFRS 10 / IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendment to IFRS 10 and IAS 28	Not yet finalised

The above standards and amendments are not expected to have any material impact on the Bank's financial statements in the period of initial application.

Further, following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan:

Standard		IASB Effective date (annual periods beginning on or after)
- IFRS 1	First-time Adoption of International Financial Reporting Standards	July 01, 2009

3 MATERIAL ACCOUNTING POLICIES AND ESTIMATES

The accounting policies adopted in the preparation of these condensed interim financial statements are consistent with those applied in the preparation of the financial statements of the Bank for the year ended December 31, 2023 except as disclosed in Notes 3.1 and 3.2.

3.1 Changes in reporting format

The SBP vide BPRD Circular No. 2 dated February 09, 2023 specified the new format for interim financial statements of banking companies. The new format has revised the disclosure requirements of the Bank for the period has resulted in changes in accounting policies and reclassification of Lease liabilities and Right of use assets on the face of Statement of Financial Position out of Property and equipment and Other Liabilities, respectively in these financial statements.

3.2 IFRS 9 - Financial Instruments

As per SBP BPRD Circular no 7 of 2023, IFRS 9 Financial Instruments is effective for periods beginning on or after 1 January 2024 along with IFRS 9 Application Instructions for ensuring smooth and consistent implementation of the standard in the banks. The Bank has adopted IFRS 9 (read with IFRS 9 application instructions issued by SBP) with date of initial application as January 01, 2024, which resulted in changes in accounting policies and adjustments to the amounts previously recognised in the financial statements. Further, the State Bank of Pakistan has clarified through its BPRD Circular letter no 16 of 2024, the accounting practices relating to such areas which are applied for the purposes of preparation of these interim financial statements. In terms of the transitional provisions of IFRS 9, adjustments to the carrying amounts of financial assets and liabilities at the date of transition were recognised in the opening unappropriated profit and other reserves at the beginning of the current period without restating the comparative figures. The impact on carrying amounts of the financial assets and liabilities is disclosed in Note 4.

Significant differences from accounting policies applicable till 31 December 2023 before adoption of IFRS 9

Classification and measurement

The classification and measurement of financial assets depends on how these are managed (the entity's business model) and their contractual cash flow characteristics. Financial assets that do not meet the Solely Payment of Principal & Interest (SPPI) criteria are measured at Fair Value through Profit & Loss (FVTPL) regardless of the business model. The Bank's business model in which financial assets are held will determine whether the financial assets are measured at amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL).

Impairment of debt investments and loans and advances

The new IFRS 9 impairment requirements eliminate the previous threshold for the recognition of credit losses, i.e., it is no longer necessary for a credit event to have occurred before credit losses are recognised. Instead, an entity always accounts for Expected Credit Loss (ECL), and updates the loss allowance for changes in these ECLs at each reporting date to reflect changes in credit risk since initial recognition. Consequently, the holder of the financial asset needs to take into account more timely and forward-looking information in order to provide users of financial statements with useful information about the ECLs on financial instruments that are in the scope of these impairment requirements. The previous impairment requirements were based solely on Prudential regulations of SBP as disclosed in Note 3.4 to the annual financial statements of the Bank.

Material accounting policies applicable from 01 January 2024 as a result of adoption of IFRS 9

Financial assets – initial recognition

INTERNAL

Financial assets are initially recognized at fair value.

Classification and subsequent measurement of financial assets

Financial assets are classified into following categories for measurement subsequent to initial recognition:

- Financial assets at amortized cost
- Debt / Equity instruments at 'fair value through other comprehensive income' FVOCI
- Financial assets at 'fair value through profit or loss' FVTPL

Financial assets at amortised cost

The Bank classifies its financial assets at amortized cost only if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows
- The contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding

The details of these conditions are outlined below:

a) Business model assessment

The Bank determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The business model is determined at a level which reflects how a group of assets are managed together to achieve a particular objective. The following factors are considered in determining business models assessment:

- On the business lines (e.g., Transaction banking, financial markets, Corporate and commercial loans), or
- Between desks within business lines if the desks will have varying mandates/ objectives (i.e. sub-portfolios or sub-business lines).

The variety of factors identified for IFRS 9 classification is consistent with how asset portfolios are reported to management.

a) The SPPI test

As a second step of its classification process the Bank assesses the contractual terms of financial asset to identify whether they meet the SPPI test. The assessment of SPPI aims to identify whether the contractual cash flows are 'solely payments of principal and interest on the principal amount outstanding'.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset. The most significant elements of 'interest' within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Bank applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

After initial measurement, these financial assets are subsequently measured at amortized cost.

In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

'Cashflows of Financial instruments which do not pass solely payments of principal and interest test are accordingly measured at fair value through profit and loss (FVTPL), unless otherwise specified by the Regulator.

Debt instruments at FVOCI

The Bank applies this new category under IFRS 9 when both of the following conditions are met:

- The instrument is held within a business model, the objective of which is achieved by both collecting contractual cash flows and selling financial assets
- The contractual terms of the financial asset meet the SPPI test.

FVOCI debt instruments are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI. Interest income at EIR and foreign exchange gains and losses are recognised in the profit and loss account.

The ECLs for debt instruments measured at FVOCI do not reduce the carrying amount of these financial assets in the statement of financial position, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in OCI as an accumulated impairment amount, with a corresponding charge to profit and loss account. The accumulated loss recognised in OCI is recycled to the profit and loss account upon derecognition of the assets.

On derecognition, cumulative gains or losses previously recognised in OCI are reclassified from OCI to profit and loss account.

Equity instruments at FVOCI

Upon initial recognition, the Bank elects to classify irrevocably some of its equity investments as equity instruments at FVOCI when they meet the definition of 'Equity' under IAS 32 Financial Instruments: Presentation and are not held for trading. Such classification is determined on an instrument-by-instrument basis and is irrevocable

Gains and losses on these equity instruments are never recycled to profit and loss account. Dividends are recognised in profit and loss account when the right of the payment has been established, except when the Bank benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI. Equity instruments at FVOCI are not subject to an impairment assessment.

Financial assets and financial liabilities at FVPL

Financial assets and financial liabilities in this category are those that are:

- held for trading, that is, they have been purchased or issued primarily for short-term profit-making through trading activities or form part of a portfolio of financial instruments that are managed together, for which there is evidence of a recent pattern of short-term profit taking, or
- not held for trading and have been either designated by management upon initial recognition, or mandatorily required to be measured at fair value under IFRS 9

Financial assets are recorded in the statement of financial position at fair value. Changes in fair value are recorded in profit and loss account. Interest and dividend income or expense is recorded in net trading income according to the terms of the contract, or when the right to payment has been established.

Financial liabilities at amortised cost

Financial liabilities with are measured at amortised cost using the EIR method. These include Bills payable, Borrowings, Deposits and certain items within Other Liabilities.

Derecognition of financial assets**Derecognition due to substantial modification of terms and conditions**

The Bank derecognises a financial asset (other than Stage 3) when the terms and conditions have been renegotiated to the extent that it substantially becomes a new loan, with the difference recognised as a derecognition gain or loss. The newly recognised loan is classified as Stage 1 for ECL measurement purposes, unless it is deemed to be purchased originated credit impaired. When assessing whether or not to derecognise a loan to a customer, amongst others, the Bank considers qualitative factors, or if the modification is such that the instrument would no longer meet the SPPI criterion.

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Bank records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

Derecognition other than due to substantial modification of terms and conditions

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Bank also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The gain/(loss) on derecognition of financial asset has been calculated as the difference between the book value (including impairment) and the proceeds received.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

Impairment of financial assets**Overview of the ECL principles**

The adoption of IFRS 9 has fundamentally changed the Bank's loan loss impairment method by replacing the incurred loss approach of the local regulations with a forward-looking ECL approach. The Bank has been recording the allowance for expected credit losses for all loans and other debt financial assets held at amortised cost or FVOCI, together with loan commitments, letters of credit and financial guarantee contracts. Equity instruments are not subject to impairment under IFRS 9. Under the SBP's instructions, local currency credit exposures guaranteed by the Government and Government Securities are exempted from the application of ECL.

The calculation of ECLs

The ECL allowance is based on the credit losses expected to arise over the life of the asset 'the lifetime expected credit loss' (LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12mECL).

The 12mECL is the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Based on the above process, the Bank groups its financial assets into Stage 1, Stage 2 and Stage 3 as described below:

- Stage 1: When loans are first recognised, the Bank recognises an allowance based on 12mECLs. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2.
- Stage 2: When a loan has shown a significant increase in credit risk since origination (SICR), the Bank records an allowance for the LTECLs. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3.
- Stage 3: Loans considered credit-impaired. The Bank records an allowance for the LTECLs with PD set at 100%. Under SBP's instructions, until implementation of IFRS 9 has stabilized, Stage 3 allowance would be taken as higher of IFRS 9 ECL or provision computed under Prudential Regulations.

INTERNAL

The Bank has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. The Bank considers an exposure to have significantly increased in credit risk when there is considerable deterioration in the Credit Grading (CG) of the borrower. The Bank also applies a secondary qualitative method for triggering a significant increase in credit risk for an asset, such as moving a customer/facility to the Early Alert- Non Purely Precautionary (EA-NPP), or the account becoming forborne. Regardless of the change in credit grades, generally, the Bank considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The key elements of ECL calculations are as follows:

Probability of default:

The probability that a counterparty will default, over the next 12 months from the reporting date (stage 1) or over the lifetime of the product (stage 2), incorporating the impact of forward looking economic assumptions that have an effect on Credit Risk. The PD estimates will fluctuate in line with the economic cycle. The lifetime (or term structure) PDs are based on statistical models, calibrated using historical data and adjusted to incorporate forward-looking economic assumptions

Exposure at default:

The expected balance sheet exposure at the time of default, taking into account expected changes over the lifetime of the exposure. This incorporates the impact of drawdowns of facilities with limits, repayments of principal and interest, and amortisation

Loss given default:

The loss that is expected to arise on default, incorporating the impact of forward-looking economic assumptions where relevant, which represents the difference between the contractual cashflows due and those that the bank expects to receive. The Bank estimates LGD based on the history of recovery rates and considers the recovery of any collateral that is integral to the financial asset, taking into account forward-looking economic assumptions where relevant.

LGD benefit of non-liquid collateral has been excluded from ECL calculations in line with the local implementation guidelines.

The interest rate used to discount the ECLs would be based on the effective interest rate that is expected to be charged over the expected period of exposure to the facilities.

When estimating the ECLs, the Bank considers probability-weighted scenarios. These are associated with different PDs, EADs and LGDs. These expected probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR. This calculation is made for each of the three scenarios. When relevant, the assessment of multiple scenarios also incorporates how defaulted loans are expected to be recovered, including the probability that the loans will cure and the value of collateral or the amount that might be received for selling the asset.

The maximum period for which the credit losses are determined is the contractual life of a financial instrument unless the Bank has the legal right to call it earlier.

Impairment losses and reversals are accounted for and disclosed separately from modification losses or gains that are accounted for as an adjustment of the financial asset's gross carrying value.

Forward looking information

Forward-looking economic assumptions are incorporated into the PD, LGD and EAD where relevant and where they influence credit risk. These assumptions are incorporated using the Bank's most likely forecast for a range of macroeconomic assumptions. These forecasts are determined using all reasonable and supportable information, which includes both internally developed forecasts and those available externally.

Transition disclosures

Note 4 sets out the impact of adopting IFRS 9 on the statement of financial position, unappropriated profit and surplus on revaluation of investments.

4 TRANSITION IMPACT OF IFRS9

Table below captures Day 1 adoption impact

2024					
Audited 31 December 2023	Re-classification	Re-measurement	Expected credit loss	1 January 2024	
(Rupees in '000)					
ASSETS					
Cash and balances with treasury banks	81,690,671	-	-	(1,704,694)	79,985,977
Balances with other banks	38,230,009	-	-	(15,957)	38,214,052
Lending to financial institutions	365,241,485	-	-	(13,724)	365,227,761
Investments	226,711,860	-	366,054	-	227,077,914
Advances	220,183,482	-	-	(3,712,376)	216,471,106
Property and equipment	11,380,991	-	-	-	11,380,991
Right-of-use assets	1,285,344	-	-	-	1,285,344
Intangible assets	26,095,310	-	-	-	26,095,310
Deferred tax assets - net	-	-	-	-	-
Other assets	31,128,680	-	-	(50,181)	31,078,499
	1,001,947,832	-	366,054	(5,496,931)	996,816,955

LIABILITIES

Bills payable	18,331,699	-	-	-	18,331,699
Borrowings	48,265,389	-	-	-	48,265,389
Deposits and other accounts	719,534,840	-	-	-	719,534,840
Lease liabilities	1,362,579	-	-	-	1,362,579
Sub-ordinated debt	-	-	-	-	-
Deferred tax liabilities - net	6,374,173	(123,992)	179,367	(2,963,497)	3,466,051
Other liabilities	111,856,489	-	-	551,022	112,407,511
	905,725,169	(123,992)	179,367	(2,412,475)	903,368,068
NET ASSETS	96,222,663	123,992	186,688	(3,084,456)	93,448,887

REPRESENTED BY:

Share capital	38,715,850	-	-	-	38,715,850
Reserves	37,736,326	-	-	-	37,736,326
Surplus on revaluation of assets	8,641,979	(129,053)	186,688	-	8,699,614
Unappropriated profit	11,128,508	253,045	-	(3,084,456)	8,297,097
	96,222,663	123,992	186,688	(3,084,456)	93,448,887

(A) Reclassification from retired categories with change in measurement

The following reconciles the carrying amounts of financial assets and liabilities, from their previous measurement category in accordance with existing local regulations to their new measurement categories upon transition to IFRS 9 on January 01, 2024

Classification change from retiring categories under investments are as under:

- Designation of equity instruments at FVOCI - The Bank has elected to irrevocably designate investments in strategic investments in unquoted securities as FVOCI amounting to Rs. 50 million. These securities were previously classified as available for sale. The changes in fair value of such securities will no longer be reclassified to profit or loss when they are disposed of.

(B) Reclassification from retired categories with no change in measurement

In addition to the above, the following financial instruments have been reclassified to new categories under IFRS 9, as their previous categories under existing local regulations were 'retired', with no changes to their measurement basis:

- (i) Those previously classified as available for sale amounting to PKR 225,980.091 million and now classified as measured at FVOCI; and
- (ii) Those previously classified as held to maturity including Cash and balances with treasury banks, balances with other banks, lending to financial institutions, Borrowings, bills payable, deposits and other liabilities now classified as measured at amortised cost.
- (iii) Those previously classified as held for trading amounting to PKR 377.041 million and now classified as measured at FVTPL.

C) Expected Credit Loss: This represents Expected Credit Loss allowance on financial assets of the Bank calculated in line with IFRS 9 and SBP Application Instructions with initial recording routed through equity.

5 FINANCIAL RISK

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

INTERNAL

6	CASH AND BALANCES WITH TREASURY BANKS	Note	30 September 2024 (Un-audited)	31 December 2023 (Audited)
			(Rupees in '000)	
	In hand			
	- Local currency		4,143,156	4,049,341
	- Foreign currencies		13,488,451	19,261,075
	With State Bank of Pakistan in:			
	- Local currency current account	6.1	56,725,268	37,314,826
	- Local currency current account - Islamic Banking	6.1	6,358,130	3,581,238
	- Foreign currency deposit account			
	- Cash reserve account	6.2	5,495,524	5,693,733
	- Special cash reserve account	6.2	10,516,273	10,867,685
	- Local US Dollar collection account		864,392	866,851
	With National Bank of Pakistan in:			
	- Local currency current account		93	93
	Prize Bonds		56,055	55,829
	Less: Credit loss allowance held against cash and balances with treasury banks (FCY)	6.3	(1,038,898)	-
	Cash and balances with treasury banks - net of credit loss allowance		<u>96,608,444</u>	<u>81,690,671</u>

6.1 The local currency current account is maintained with the State Bank of Pakistan (SBP) as per the requirements of Section 22 of the Banking Companies Ordinance, 1962. This section requires banking companies to maintain a local currency cash reserve in the current account opened with the SBP at a sum not less than such percentage of its demand and time liabilities in Pakistan as may be prescribed by SBP.

6.2 As per DMMD Circular No. 20 dated November 13, 2021, cash reserve of 6 percent and special cash reserve of 10 percent (for Islamic 6 percent) are required to be maintained with SBP on deposits held under the New Foreign Currency Accounts Scheme (FE-25 deposits). It carries mark-up at a rate of 4.15 percent (2023: 3.74 percent) per annum.

6.3 This represents ECL allowance in line with IFRS 9 and SBP Application Instructions.

7	BALANCES WITH OTHER BANKS	Note	30 September 2024 (Un-audited)	31 December 2023 (Audited)
			(Rupees in '000)	
	In Pakistan			
	- In current accounts		33,800	472,976
	Outside Pakistan			
	- In current accounts	7.1	17,919,609	37,757,033
	Less: Credit loss allowance held against balances with other banks (FCY)	7.2	(5,156)	-
	Balances with other banks - net of credit loss allowance		<u>17,948,253</u>	<u>38,230,009</u>

7.1 This includes balances of Rs. 17,798.586 million (2023: Rs. 37,677.022 million) held with other branches and subsidiaries of Standard Chartered Group outside Pakistan.

7.2 This represents ECL allowance in line with IFRS 9 and SBP Application Instructions.

8	LENDINGS TO FINANCIAL INSTITUTIONS	Note	30 September 2024 (Un-audited)	31 December 2023 (Audited)
			(Rupees in '000)	
	Repurchase agreement lendings (Reverse Repo)	8.1	49,759,465	319,495,646
	Placements	8.2	24,662,103	45,745,839
	Less: Credit loss allowance held against lending to financial institutions	8.3	(7,399)	-
	Lendings to financial institutions - net of credit loss allowance		<u>74,414,169</u>	<u>365,241,485</u>

8.1 These carry mark-up rates ranging from 16.50 percent to 18.35 percent per annum (2023: 21.0 percent to 22.65 percent) per annum payable at maturity, and are due to mature in October 2024. This arrangement is governed under Master Repurchase Agreements. The market value of securities held as collateral against repurchase agreement lendings amounted to Rs 49,842.295 million (2023: Rs 320,768.912 million).

8.2 These represent placements with other branches and subsidiaries of Standard Chartered Group outside Pakistan at mark-up rates ranging from 3.2 percent to 4.90 percent per annum (2023: 3.00 percent to 5.40 percent per annum), and are due to mature latest by January 2025.

8.3 Lending to FIs- Particulars of credit loss allowance

30 September 2024 (Un-audited)		31 December 2023 (Audited)	
Lending	Credit loss allowance held	Lending	Provision
Stage 1/ Performing	74,421,568 (7,399)	365,241,485	-
Total	74,421,568 (7,399)	365,241,485	-

	30 September 2024 (Un- audited)	31 December 2023 (Audited)
	(Rupees in '000)	
8.4 Particulars of lending		
In local currency	49,759,465	319,495,646
In foreign currencies	24,654,704	45,745,839
	<u>74,414,169</u>	<u>365,241,485</u>

9 INVESTMENTS

	30 September 2024 (Un-audited)				31 December 2023 (Audited)			
	Cost / Amortised cost	Credit loss allowance/ provision for diminution	Surplus / (Deficit)	Carrying Value	Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value
9.1 Investments by type	(Rupees in '000)							
	-----FVTPL-----				----- (Held for Trading) -----			
Federal Government Securities	423,026,094	-	1,674,878	424,700,972	359,519	-	17,522	377,041
Shares	304,728	-	448,368	753,096	-	-	-	-
	<u>423,330,822</u>	<u>-</u>	<u>2,123,246</u>	<u>425,454,068</u>	<u>359,519</u>	<u>-</u>	<u>17,522</u>	<u>377,041</u>
	-----FVOCI-----				----- (Available for sale) -----			
Federal Government Securities	207,622,406	-	2,695,076	210,317,482	226,141,044	-	(160,953)	225,980,091
Shares	53,004	(3,004)	461,221	511,221	836,081	(734,398)	253,045	354,728
Non Government Debt Securities	147,000	(147,000)	-	-	147,000	(147,000)	-	-
	<u>207,822,410</u>	<u>(150,004)</u>	<u>3,156,297</u>	<u>210,828,703</u>	<u>227,124,125</u>	<u>(881,398)</u>	<u>92,092</u>	<u>226,334,819</u>
Total Investments	<u>631,153,232</u>	<u>(150,004)</u>	<u>5,279,543</u>	<u>636,282,771</u>	<u>227,483,644</u>	<u>(881,398)</u>	<u>109,614</u>	<u>226,711,860</u>

	Note	30 September 2024 (Un- audited)	31 December 2023 (Audited)
		(Rupees in '000)	
9.1.1 Investments given as collateral			
The book value of investment given as collateral against borrowing is as follows:			
Market Treasury Bills	9.3	<u>18,351</u>	<u>5,350,131</u>
		<u>18,351</u>	<u>5,350,131</u>

9.2 Credit loss allowance / provision for diminution in value of investments

Opening balance	881,398	881,398
Reclass due to impact of adoption of IFRS 9	(731,394)	-
Closing Balance	<u>150,004</u>	<u>881,398</u>

Reclass relates to provision for diminution in value of investment which has now been adjusted in cost of investment.

9.2.1 Particulars of credit loss allowance against debt securities

	30 September 2024 (Un-audited)		31 December 2023 (Audited)	
Category of classification	Outstanding amount	Credit loss allowance / provision held	Outstanding amount	Credit loss allowance / provision held
Stage 3	----- (Rupees in '000) -----			
Loss	147,000	147,000	147,000	147,000
Total	<u>147,000</u>	<u>147,000</u>	<u>147,000</u>	<u>147,000</u>

9.3 Investments include securities having market value of Rs. 18.425 million (2023: Rs. 18.506 million) pledged with the State Bank of Pakistan as security to facilitate T.T. discounting facility to the Bank, including an amount earmarked against the facilities allocated to branches now in Bangladesh.

10 ADVANCES

Note

Performing		Non Performing		Total	
30 September 2024 (Un-audited)	31 December 2023 (Audited)	30 September 2024 (Un-audited)	31 December 2023 (Audited)	30 September 2024 (Un-audited)	31 December 2023 (Audited)

(Rupees in '000)

Loans, cash credits, running finances, etc.	124,664,059	151,518,577	19,595,143	19,382,427	144,259,202	170,901,004
Islamic financing and related assets	64,449,357	63,395,400	1,668,770	1,678,757	66,118,127	65,074,157
Bills discounted and purchased (excluding treasury bills)	6,582,231	4,868,119	-	-	6,582,231	4,868,119
Advances - gross	195,695,647	219,782,096	21,263,913	21,061,184	216,959,560	240,843,280
Credit loss allowance against advances						
- Stage 1	(1,217,942)	-	-	-	(1,217,942)	-
- Stage 2	(1,306,362)	-	-	-	(1,306,362)	-
- Stage 3 / Specific provisions	-	-	(19,331,915)	(19,681,449)	(19,331,915)	(19,681,449)
- General	-	(978,349)	-	-	-	(978,349)
	(2,524,304)	(978,349)	(19,331,915)	(19,681,449)	(21,856,219)	(20,659,798)
Advances - net of credit loss allowance	193,171,343	218,803,747	1,931,998	1,379,735	195,103,341	220,183,482

10.1 Particulars of advances - gross

30 September 2024 (Un-audited) 31 December 2023 (Audited)
(Rupees in '000)

In local currency	205,386,393	231,929,092
In foreign currencies	11,573,167	8,914,188
	216,959,560	240,843,280

10.2 Advances include Rs.21,263.913 million (31 December 2023: Rs. 21,061.184 million) which have been placed under non-performing / Stage 3.

10.3 Particulars of credit allowance / provision against advances

30 September 2024 (Un-audited)			31 December 2023 (Audited)		
Stage 1 & 2	Stage 3	Total	General	Specific	Total

(Rupees in '000)

Opening balance	978,349	19,681,449	20,659,798	1,022,200	19,692,817	20,715,017
Impact of adoption of IFRS 9	2,518,479	1,193,897	3,712,376	-	-	-
Opening balance - restated	3,496,828	20,875,346	24,372,174	1,022,200	19,692,817	20,715,017
Charge for the period / year	3,569,915	1,453,842	5,023,757	53,365	1,403,848	1,457,213
Reversals	(4,278,532)	(1,365,368)	(5,643,900)	(97,216)	(1,522,788)	(1,620,004)
	(708,617)	88,474	(620,143)	(43,851)	(118,940)	(162,791)
Amounts written off	(158,123)	(1,678,425)	(1,836,548)	-	(268,950)	(268,950)
Other movements (including FX adjustments)	(105,784)	46,520	(59,264)	-	376,522	376,522
Closing balance	2,524,304	19,331,915	21,856,219	978,349	19,681,449	20,659,798

10.4 Advances - Particulars of credit loss allowance

30 September 2024 (Un-audited)				
	Stage 1	Stage 2	Stage 3	Total
(Rupees in '000)				
10.4.1 Opening balance	978,349	-	19,681,449	20,659,798
Impact of adoption of IFRS 9	266,209	2,252,270	1,193,897	3,712,376
Opening balance - restated	1,244,558	2,252,270	20,875,346	24,372,174
New Advances	801,537	2,269,296	-	3,070,833
Advances derecognised or repaid	(886,688)	(2,853,776)	(1,365,368)	(5,105,832)
Transfer to stage 1	734,703	(677,850)	(56,853)	-
Transfer to stage 2	(102,009)	135,040	(33,031)	-
Transfer to stage 3	(10,553)	(180,855)	191,408	-
	622,141	(723,665)	101,524	-
Amounts written off / charged off	(24,884)	(133,239)	(1,678,425)	(1,836,548)
Changes in risk parameters	(538,068)	499,082	1,453,842	1,414,856
Other movements (including FX adjustments)	(654)	(3,606)	(55,004)	(59,264)
Closing balance	1,217,942	1,306,362	19,331,915	21,856,219

10.4.2 Advances - Category of classification

30 September 2024 (Un-audited)		31 December 2023 (Audited)	
Outstanding amount	Credit loss allowance / provisions	Outstanding amount	Credit loss allowance / provisions
(Rupees in '000)			
Domestic			
Stage 1/ Performing	178,898,772	219,782,096	978,349
Stage 2/ Underperforming	16,796,824	-	-
Stage 3/ Non-Performing	21,263,964	21,061,184	19,681,449
Total	216,959,560	240,843,280	20,659,798

11 PROPERTY AND EQUIPMENT

	Note	30 September 2024 (Un-audited)	31 December 2023 (Audited)
(Rupees in '000)			
Capital work-in-progress	11.1	102,175	510,019
Property and equipment		11,280,900	10,870,972
		11,383,075	11,380,991
11.1 Capital work-in-progress			
Civil works		1,614	180,663
Equipment		100,561	329,356
		102,175	510,019

INTERNAL

		30 September 2024 (Un- audited)	30 September 2023 (Un- audited)
		----- (Rupees in '000) -----	
11.2 Additions / (transfers) to property and equipment			
The following additions / (transfers) have been made to property and equipment during the period:			
Capital work-in-progress - net		<u>(407,844)</u>	<u>355,361</u>
Building on leasehold land - owned		192,975	24,071
Furniture and fixture		77,477	18,576
Electrical office and computer equipment		607,945	244,779
Vehicles		212,173	13,640
Leasehold improvement		<u>306,016</u>	<u>5,988</u>
		<u>1,396,586</u>	<u>307,054</u>
11.3 Disposal of property and equipment			
The net book value of property and equipments disposed off during the period is Rs. Nil (30 September 2023: Rs. Nil).			
12 RIGHT-OF-USE ASSETS		30 September 2024 (Un- audited)	31 December 2023 (Audited)
		----- (Rupees in '000) -----	
Premises			
At 1 January			
Cost		2,869,683	2,912,120
Accumulated depreciation		<u>(1,584,339)</u>	<u>(1,199,047)</u>
Net carrying amount		<u>1,285,344</u>	<u>1,713,073</u>
Additions during the year		70,070	-
Deletions - cost		(43,917)	(47,655)
Deletions - accumulated depreciation		43,917	47,655
Depreciation charge for the period / year		(323,855)	(432,947)
Other adjustment / transfers - cost		<u>(19,827)</u>	<u>5,218</u>
Net carrying amount at closing balance		<u>1,011,732</u>	<u>1,285,344</u>
13 INTANGIBLE ASSETS		30 September 2024 (Un- audited)	31 December 2023 (Audited)
		----- (Rupees in '000) -----	
Goodwill		26,095,310	26,095,310
Computer Software	13.1	<u>-</u>	<u>-</u>
		<u>26,095,310</u>	<u>26,095,310</u>
13.1	The above mentioned items under intangible assets are fully amortized.		
		30 September 2024 (Un- audited)	31 December 2023 (Audited)
		----- (Rupees in '000) -----	
14 OTHER ASSETS			
Income / mark-up accrued in local currency	14.1	7,563,827	10,850,669
Income / mark-up accrued in foreign currencies	14.1	84,702	79,873
Advances, deposits, advance rent and other prepayments		461,668	250,925
Defined benefit plans		36,776	36,776
Advance taxation (payments less provisions)		-	1,686,566
Branch adjustment account		-	46,865
Mark to market gain on forward foreign exchange contracts		247,881	393,277
Interest rate derivatives and currency options - positive fair value		519,843	41,212
Receivable from SBP / Government of Pakistan		540,596	825,864
Receivable from associated undertakings		111,617	111,592
Assets Held for Sale	14.2	1,603,203	1,192,143
Receivable from Standard Chartered Bank, Sri Lanka operations		38,069	36,821
Advance Federal Excise Duty		11,304	199,747
Cards and clearing settlement account		7,531,167	8,646,948
Acceptances		2,781,448	5,381,478
Unsettled trades - Debt Securities	14.3	6,981,776	334,968
Sundry receivables		822,763	961,660
Others		<u>297,130</u>	<u>139,072</u>
		<u>29,633,770</u>	<u>31,216,456</u>
Less: Credit loss allowance / provision held against other assets	14.4	<u>(98,336)</u>	<u>(87,776)</u>
Other Assets - net		<u>29,535,434</u>	<u>31,128,680</u>

INTERNAL

14.1 Credit loss methodology is based on Exposure at default (EAD) which captures both principal and mark-up when calculating expected credit loss, hence the cumulative impact is recorded under advances note 10.3.

14.2 These represent carrying value of vacant owned properties which the Bank intends to dispose-off. The management considered these property to meet the criteria to be classified as held for sale at the date of classification. These assets are available for immediate sale and can be sold in its' current condition. During the period, the management has further classified assets amounting to PKR 453.314 million and disposed off properties amounting to PKR 42.253 million under this category. As at the reporting date, the management has assessed the fair value less cost to sell of all properties to be higher than their carrying amount.

14.3 These represent receivable against sale of securities settled on T+2 basis.

14.4 Credit loss allowance / provision held against other assets

	Note	30 September 2024 (Un-audited)	31 December 2023 (Audited)
		(Rupees in '000)	
Trade related - Acceptances		10,560	-
Others		87,776	87,776
		<u>98,336</u>	<u>87,776</u>

14.4.1 Movement in credit loss allowance / provision held against other assets

Opening balance		87,776	87,776
Impact of adoption of IFRS 9		50,181	-
Opening balance - restated		137,957	87,776
Charge / (reversal) for the period / year	31	(39,621)	-
Closing balance		<u>98,336</u>	<u>87,776</u>

15 BILLS PAYABLE

In Pakistan	13,786,448	17,771,348
Outside Pakistan	347,552	560,351
	<u>14,134,000</u>	<u>18,331,699</u>

16 BORROWINGS

In Pakistan	19,735,806	28,095,873
Outside Pakistan	973	20,169,516
	<u>19,736,779</u>	<u>48,265,389</u>

16.1 Details of borrowings secured / unsecured

Secured

Borrowings from State Bank of Pakistan under Export Refinance (ERF) scheme	16.1.1	19,087,591	22,059,316
State Bank of Pakistan - LTFF		45,223	79,139
Repurchase agreement borrowings (Repo)		-	5,331,596
Financing facility for renewable energy plants		587,907	622,490
		<u>19,720,721</u>	<u>28,092,541</u>

Unsecured

Overdrawn nostro accounts	16.1.2	16,058	20,172,848
		<u>19,736,779</u>	<u>48,265,389</u>

16.1.1 Mark-up on Export Refinance (ERF) from State Bank of Pakistan is charged ranging from 1 percent to 18.0 percent (2023: 1 percent to 18.0 percent) per annum and are due to mature latest by March 2025. ERF borrowings also include borrowings under Islamic Export Refinance scheme amounting to Rs. 9,741 million (2023: Rs. 6,830 million). These borrowings are secured against demand promissory notes executed by the Bank in favour of State Bank of Pakistan.

16.1.2 These include overdrawn nostro accounts with other branches and subsidiaries of Standard Chartered Group outside Pakistan amounting to Rs.0.973 million (2023: Rs.20,169.516 million).

17 DEPOSITS AND OTHER ACCOUNTS

	30 September 2024 (Un-audited)			31 December 2023 (Audited)		
	In Local Currency	In Foreign currencies	Total	In Local Currency	In Foreign currencies	Total
(Rupees in '000)						
Customers						
- Fixed deposits	20,761,505	1,179,138	21,940,643	17,766,153	1,301,108	19,067,261
- Savings deposits	376,444,789	27,903,519	404,348,308	293,981,813	28,282,945	322,264,758
- Current accounts	284,878,219	93,914,159	378,792,378	264,335,546	87,589,208	351,924,754
- Margin accounts	4,317,685	279,102	4,596,787	4,174,768	283,270	4,458,038
- Other deposits	1,611	-	1,611	197,026	-	197,026
	686,403,809	123,275,918	809,679,727	580,455,306	117,456,531	697,911,837
Financial Institutions						
- Fixed deposits	3,005,650	14,739	3,020,389	5,650	14,807	20,457
- Savings deposits	11,168,041	1,883,138	13,051,179	9,411,671	2,045,810	11,457,481
- Current accounts	14,360,858	1,462,634	15,823,492	6,910,987	2,176,781	9,087,768
- Margin accounts	78,214	131,834	210,048	83,214	133,982	217,196
- Other deposits	613,882	-	613,882	840,101	-	840,101
	29,226,645	3,492,345	32,718,990	17,251,623	4,371,380	21,623,003
	715,630,454	126,768,263	842,398,717	597,706,929	121,827,911	719,534,840

17.1 This includes Rs. 586,569 million (2023: Rs. 749,580 million) against balances of other branches and subsidiaries of Standard Chartered Group.

18 LEASE LIABILITIES

	Note	30 September 2024 (Un-audited)	31 December 2023 (Audited)
(Rupees in '000)			
Outstanding amount at the start of the period		1,362,579	1,847,964
Additions during the period		76,249	52,671
Lease payments		(403,865)	(649,362)
Interest expense		128,865	143,582
Termination / modification		(26,997)	(32,277)
Outstanding amount at the end of the period	18.1	1,136,831	1,362,579
18.1 Liabilities Outstanding			
Not later than one year		271,787	176,069
Later than one year and upto five years		716,456	1,046,170
Over five years		148,588	140,340
Total at the period / year end		1,136,831	1,362,579

18.2 The Bank has entered into lease agreements in respect of its various rented branches. These were initially measured at the present value of remaining lease payments discounted using the Bank's incremental borrowing rate that ranges from 8.14% per annum to 25.51% per annum. The lease liabilities are subsequently being measured at amortized cost using the effective interest rate method.

19 DEFERRED TAX ASSETS / (LIABILITIES)

The following are major deferred tax assets / (liabilities) recognised and movement thereon:

		30 September 2024 (Un-audited)				
		At 1 January 2024	Transition impact of IFRS9	Recognised in profit and loss	Recognised in OCI	At 30 September 2024
<hr/> <div>(Rupees in '000)</div> <hr/>						
Deductible Temporary Differences on						
Worker Welfare Fund		1,226,878	-	-	-	1,226,878
Credit loss allowance against advances and others	19.1	731,603	2,089,065	-	-	2,820,668
Accelerated tax depreciation		40,321	-	(10,520)	-	29,801
Unpaid liabilities		5,022,726	-	-	-	5,022,726
Credit loss allowance against balances with Banks and placements		-	874,432	(311,036)	-	563,396
		7,021,528	2,963,497	(321,556)	-	9,663,469
<hr/>						
Taxable Temporary Differences on						
Surplus on revaluation of property and equipment	21.1	(545,855)	-	36,112	-	(509,743)
Surplus / (deficit) on revaluation of investments		(45,125)	(55,375)	-	(1,446,086)	(1,546,586)
Post retirement employee benefits		(18,020)	-	-	-	(18,020)
Goodwill		(12,786,701)	-	-	-	(12,786,701)
		(13,395,701)	(55,375)	36,112	(1,446,086)	(14,861,050)
		(6,374,173)	2,908,122	(285,443)	(1,446,086)	(5,197,580)
<hr/>						
31 December 2023 (Audited)						
		At 1 January 2023	Recognised in profit and loss	Recognised in OCI		At 31 December 2023
<hr/> <div>(Rupees in '000)</div> <hr/>						
Deductible Temporary Differences on						
Worker Welfare Fund		1,076,648	150,230	-	-	1,226,878
Credit loss allowance against advances, off balance sheet etc.		642,019	89,584	-	-	731,603
Accelerated tax depreciation		108,769	(68,448)	-	-	40,321
Unpaid liabilities		4,407,698	615,028	-	-	5,022,726
		6,235,134	786,394	-	-	7,021,528
<hr/>						
Taxable Temporary Differences on						
Surplus on revaluation of property and equipment		(284,146)	19,905	(281,614)	-	(545,855)
Surplus on revaluation of investments		(70,892)	-	25,767	-	(45,125)
Post retirement employee benefits		(13,876)	-	(4,144)	-	(18,020)
Goodwill		(11,220,982)	(1,565,719)	-	-	(12,786,701)
		(11,589,896)	(1,545,814)	(259,991)	-	(13,395,701)
		(5,354,762)	(759,420)	(259,991)	-	(6,374,173)

19.1 In terms of the Seventh Schedule to the Income Tax Law, the claim of provision for advances and off balance sheet items in respect of Corporate and Consumer (including SME) advances has been restricted to 1% and 5% of gross advances respectively. As such deferred tax asset has been recognised. The management based on projection of taxable profits, considers that the Bank would be able to claim deductions in future years within the prescribed limits in seventh schedule. It also includes deferred tax asset on pre seventh schedule provision against loans and advances disallowed, which only become tax allowable upon being written off.

20 OTHER LIABILITIES

		30 September 2024 (Un-audited)	31 December 2023 (Audited)
	Note	----- (Rupees in '000) -----	
Mark-up / return / interest payable in local currency		2,286,493	1,003,770
Mark-up / return / interest payable in foreign currencies		10,492	13,908
Accrued expenses		4,224,297	4,123,980
Advance payments		895,229	913,662
Sundry creditors		12,686,693	14,936,317
Mark to market loss on forward foreign exchange contracts		410,792	172,540
Unrealized loss on interest rate derivatives and currency options		11,482,599	16,275,254
Due to Holding Company	20.1	17,915,305	53,879,416
Taxation (provisions less payments)	20.2	11,441,862	-
Clearing and settlement accounts		16,875,043	7,966,761
Charity fund balance		13,630	10,472
Dividend payable		255,623	223,563
Branch adjustment account		73,031	-
Credit loss allowance / provision against off-balance sheet obligations	20.3	532,630	199,660
Worker's welfare fund (WWF) payable	20.4	7,743,265	6,269,497
Acceptances		2,781,448	5,381,478
Unsettled trades - Debt Securities	20.5	11,577,192	-
Others		119,210	486,211
		<u>101,324,834</u>	<u>111,856,489</u>
20.1 Due to Holding Company			
On account of reimbursement of executive and general administrative expenses		10,250,476	10,250,476
Dividend and other payable		7,664,829	43,628,940
		<u>17,915,305</u>	<u>53,879,416</u>
20.2	This includes provision held against various matters sub-judice before the Courts.		
20.3 Credit loss allowance / provision against off-balance sheet obligations			
Opening balance		199,660	189,808
Impact of adoption of IFRS 9		551,022	-
Opening balance - restated		750,682	189,808
Charge for the period / year		281,192	18,150
Reversals		(451,227)	(8,298)
Changes in risk parameters		(46,647)	-
Other movements (FX adjustment)		(1,370)	-
Closing balance		<u>532,630</u>	<u>199,660</u>
These primarily represents provision against off balance sheet exposures such as bank guarantees.			
20.4	The Supreme Court of Pakistan vide its order dated 10 November 2016 has held that the amendments made in the law introduced by the Federal Government by Finance Act 2008 for the levy of Worker's Welfare Funds (WWF) on banks were not lawful. The Federal Board of Revenue has filed review petitions against this order, which are currently pending. Legal advice obtained on the matter indicates that consequent to filing of these review petitions the judgment may not currently be treated as conclusive until the review petition is decided. Accordingly, the amount charged for WWF since 2008 has not been reversed.		
20.5	These represents payable against purchase of securities settled on T+2 basis.		

21	SURPLUS ON REVALUATION OF ASSETS - NET OF DEFERRED TAX	30 September 2024 (Un-audited) (Rupees in '000)	31 December 2023 (Audited)
	Note		
Surplus / (deficit) arising on revaluation of:			
- Property and equipment	21.1	9,067,169	9,140,867
- Securities measured at FVOCI / AFS-Debt	21.2	2,695,076	(160,954)
- Securities measured at FVOCI / AFS-Equity	21.2	461,221	253,046
		<u>12,223,466</u>	<u>9,232,959</u>
Deferred tax on surplus / (deficit) on revaluation of:			
- Property and equipment	21.1	(509,743)	(545,855)
- Securities measured at FVOCI / AFS-Debt	21.2	(1,320,587)	78,867
- Securities measured at FVOCI / AFS-Equity	21.2	(225,999)	(123,992)
		<u>(2,056,329)</u>	<u>(590,980)</u>
		<u>10,167,137</u>	<u>8,641,979</u>
21.1 Surplus on revaluation of property and equipment - net of tax			
Surplus on revaluation of property and equipment as at 1 January		9,140,867	8,068,965
Recognised during the period		-	1,163,300
Realised on disposal during the period		(28,055)	(59,915)
Transferred to unappropriated profit in respect of incremental depreciation charged during the period / year		(45,643)	(31,483)
Surplus on revaluation of property and equipment - Gross		9,067,169	9,140,867
Less: Related deferred tax liability on:			
Revaluation surplus as at 1 January		(545,855)	(284,146)
Revaluation surplus recognised during the period		-	(242,113)
Surplus realized on disposal during the period		13,747	4,478
Deferred tax rate impact		-	(39,501)
Incremental depreciation charged during the period		22,365	15,427
		<u>(509,743)</u>	<u>(545,855)</u>
Surplus on revaluation of Property and equipment - net of tax		<u>8,557,426</u>	<u>8,595,012</u>
21.2 Surplus on revaluation of FVOCI Securities- net of tax			
Market Treasury Bills		2,363,310	(328,061)
Sukuk and Ijarah Bonds		331,766	167,107
Shares		461,221	253,046
		<u>3,156,297</u>	<u>92,092</u>
Related deferred tax asset		<u>(1,546,586)</u>	<u>(45,125)</u>
		<u>1,609,711</u>	<u>46,967</u>
22 CONTINGENCIES AND COMMITMENTS			
Guarantees	22.1	179,886,531	170,131,064
Commitments	22.2	133,064,617	122,273,853
Other contingent liabilities	22.3	12,801,091	32,920,431
		<u>325,752,240</u>	<u>325,325,348</u>
22.1 Guarantees:			
Guarantees issued favouring:			
Financial guarantees		11,211,352	11,507,536
Performance guarantees		128,201,790	122,101,851
Other guarantees		40,473,389	36,521,677
		<u>179,886,531</u>	<u>170,131,064</u>
22.2 Commitments:			
Documentary credits and short-term trade-related transactions			
Letters of credit		14,502,570	21,806,983
Commitments in respect of:			
Forward foreign exchange contracts;			
- Purchase	22.4	76,049,523	59,271,017
- Sale	22.4	4,410,329	6,450,898
Commitment in respect of derivatives			
- Interest rate swaps	22.6	6,000,000	9,523,262
- Cross currency swaps	22.6	18,665,834	24,892,637
- Fx options	22.6	13,171,964	59,686
Commitment in respect of operating lease	22.7	1,399	530
Commitment for acquisition of property and equipment		262,999	268,839
		<u>133,064,617</u>	<u>122,273,853</u>
22.3 Other contingent liabilities		<u>12,801,091</u>	<u>32,920,431</u>

INTERNAL

22.3.1 The tax department amended the assessments for income years 2007 to 2022 (tax years 2008 to 2023 respectively) under the related provisions of the Income Tax Law and appeals against the amended assessment orders are pending before different appellate forums. The management considers that a significant amount of the additional tax liability is the result of timing differences and is confident that the issues in the above mentioned tax years will be decided in favour of the Bank at appellate forums. Accordingly, no additional provision is required.

Further, the Sindh High Court has decided the issue of goodwill amortisation in favour of the Bank for the tax years 2008 and 2012 and the Federal Board of Revenue has filed leave to appeal before the Supreme Court of Pakistan.

22.4	Commitments in respect of forward foreign exchange contracts	30 September	31 December
		2024 (Un-audited)	2023 (Audited)
		(Rupees in '000)	
	Purchase from:		
	State Bank of Pakistan	11,938,477	22,548,856
	Other banks	34,500,561	32,413,606
	Customers	29,610,485	4,308,555
		<u>76,049,523</u>	<u>59,271,017</u>
	Sale to:		
	State Bank of Pakistan	-	-
	Other banks	3,898,382	5,468,283
	Customers	511,947	982,615
		<u>4,410,329</u>	<u>6,450,898</u>

The maturities of the above contracts are spread over a period of one year.

22.5 Commitments to extend credit

The Bank makes commitments to extend credit in the normal course of its business but these being revocable commitments do not attract any significant penalty or expense if the facility is unilaterally withdrawn.

		30 September 2024 (Un-audited)	31 December 2023 (Audited)
		(Rupees in '000)	
22.6	Commitments in respect of derivatives		
	Interest rate Swaps		
	- Purchase	-	1,761,631
	- Sale	6,000,000	7,761,631
		<u>6,000,000</u>	<u>9,523,262</u>
	Cross currency Swaps		
	- Purchase	-	-
	- Sale	18,665,834	24,892,637
		<u>18,665,834</u>	<u>24,892,637</u>
	FX options		
	- Purchase	6,585,982	29,843
	- Sale	6,585,982	29,843
		<u>13,171,964</u>	<u>59,686</u>
22.7	Commitments in respect of operating lease		
	Not later than one year	754	-
	Later than one year and not later than five years	645	530
		<u>1,399</u>	<u>530</u>

22.8 Derivative instruments

22.8.1 Product analysis

30 September 2024 (Un-audited)						
(Rupees in '000)						
Counterparties	Interest Rate Swaps		Cross Currency Swaps		FX Options	
	Notional Principal *	Mark to market gain / (loss)	Notional Principal *	Mark to market gain / (loss)	Notional Principal *	Mark to market gain / (loss)
With Banks for						
Hedging	-	-	2,120,169	(196,746)	6,585,982	(519,843)
Market Making	-	-	-	-	-	-
With other entities for						
Hedging	-	-	-	-	6,585,982	519,843
Market Making	6,000,000	(630,974)	16,545,665	(10,135,036)	-	-
Total						
Hedging	-	-	2,120,169	(196,746)	-	-
Market Making	6,000,000	(630,974)	16,545,665	(10,135,036)	-	-
31 December 2023 (audited)						
(Rupees in '000)						
Counterparties	Interest Rate Swaps		Cross Currency Swaps		FX Options	
	Notional Principal *	Mark to market gain / (loss)	Notional Principal *	Mark to market gain / (loss)	Notional Principal *	Mark to market gain / (loss)
With Banks for						
Hedging	1,761,631	40,898	3,401,377	(365,434)	29,843	(314)
Market Making	-	-	60,790	(60,705)	-	-
With other entities for						
Hedging	-	-	-	-	29,843	314
Market Making	7,761,631	(1,277,494)	21,430,471	(14,571,307)	-	-
Total						
Hedging	1,761,631	40,898	3,401,377	(365,434)	59,686	-
Market Making	7,761,631	(1,277,494)	21,491,261	(14,632,012)	-	-

* At the exchange rate prevailing at period end.

		Three months period ended 30 September 2024 (Un- audited)	Nine months period ended 30 September 2024 (Un-audited)	Three months period ended 30 September 2023 (Un-audited)	Nine months period ended 30 September 2023 (Un-audited)
	Note	----- (Rupees in '000) -----			
23 MARK-UP / RETURN / INTEREST EARNED					
On loans and advances to customers		11,188,534	33,963,308	11,956,964	32,861,572
On loans and advances to financial institutions		51,604	152,497	28,882	89,769
On investments		26,437,329	69,881,113	26,413,863	70,614,754
On deposits with financial institutions / State Bank of Pakistan		226,452	776,349	203,291	620,802
On securities purchased under resale agreements		2,677,495	16,257,920	1,252,641	3,524,542
On call money lending / placements		748,889	2,669,109	1,374,982	2,556,541
		<u>41,330,303</u>	<u>123,700,296</u>	<u>41,230,623</u>	<u>110,267,980</u>
23.1 Interest income (calculated using effective interest rate method) recognised on:					
Financial assets measured at amortised cost		14,892,974	53,819,183	14,816,760	39,653,226
Financial assets measured at FVOCI		9,232,572	48,540,117	26,413,863	70,614,754
Financial assets measured at FVTPL		17,204,757	21,340,996	-	-
		<u>41,330,303</u>	<u>123,700,296</u>	<u>41,230,623</u>	<u>110,267,980</u>
24 MARK-UP / RETURN / INTEREST EXPENSED					
Deposits		16,009,571	47,561,560	13,904,754	37,787,936
Securities sold under repurchase agreements		6,583	144,727	233,806	611,790
Borrowings from State Bank of Pakistan under Export Refinance (ERF) scheme		801,613	2,622,803	993,463	2,528,788
Cost of foreign currency swaps against foreign currency deposits / borrowings		376,896	826,208	14,120	340,167
Deposit protection premium	24.2	140,236	420,708	143,591	430,779
Finance cost of lease liability		41,755	128,865	56,190	160,237
		<u>17,376,654</u>	<u>51,704,871</u>	<u>15,345,924</u>	<u>41,859,697</u>
24.1 Interest expense calculated using effective interest rate method		<u>17,236,418</u>	<u>51,284,163</u>	<u>15,202,333</u>	<u>41,428,918</u>
Other financial liabilities		140,236	420,708	143,591	430,779
		<u>17,376,654</u>	<u>51,704,871</u>	<u>15,345,924</u>	<u>41,859,697</u>
24.2	As per State Bank of Pakistan DPC Circular No. 04 of 2018, dated 22nd June 2018, all member banks are required to pay deposits protection premium at the rate of 0.16% on eligible deposits as defined in the aforesaid circular.				
		Three months period ended 2024 (Un- audited)	Nine months period ended 30 September 2024 (Un-audited)	Three months period ended 30 September 2023 (Un-audited)	Nine months period ended 30 September 2023 (Un-audited)
	Note	----- (Rupees in '000) -----			
25 FEE & COMMISSION INCOME					
Branch banking customer fees		66,236	193,936	83,983	265,542
Consumer finance related fees		15,707	57,760	14,286	46,397
Card related fees (debit and credit cards)		(29,139)	337,253	14,219	320,780
Credit related fees		80,570	375,254	174,261	284,544
Investment banking fees		48,386	175,657	49,640	148,254
Brokerage and other charges		(13,361)	(95,176)	(2,165)	(7,920)
Commission on trade and cash management		1,096,987	3,182,486	660,403	2,137,117
Commission on guarantees		151,875	427,212	241,449	418,264
Commission on remittances including home remittances		55,662	180,047	46,061	122,785
Commission on bancassurance		40,095	122,031	23,712	47,168
Custody Fees		43,076	101,784	30,874	114,845
		<u>1,556,094</u>	<u>5,058,244</u>	<u>1,336,723</u>	<u>3,897,776</u>

		Three months period ended 2024 (Un- audited)	Nine months period ended 30 September 2024 (Un-audited)	Three months period ended 30 September 2023 (Un-audited)	Nine months period ended 30 September 2023 (Un-audited)
Note					
----- (Rupees in '000) -----					
26 FOREIGN EXCHANGE INCOME					
Gain/ (loss) realised from dealing in :					
Foreign Currencies		2,583,727	7,736,097	3,168,347	5,755,039
Derivative financial instruments		(236,506)	(725,392)	(637,537)	(2,399,811)
		<u>2,347,221</u>	<u>7,010,705</u>	<u>2,530,810</u>	<u>3,355,228</u>
27 GAIN / (LOSS) ON SECURITIES					
Realised	27.1	684,921	1,875,901	305,122	(1,131,092)
Unrealised - Measured at FVTPL	9.1	1,924,573	2,123,246	(23,701)	6,495
		<u>2,609,494</u>	<u>3,999,147</u>	<u>281,421</u>	<u>(1,124,597)</u>
27.1 Realised gain / (loss) on:					
Federal Government Securities					
Market Treasury Bills		(406,110)	427,206	45,074	996,312
Pakistan Investment Bonds		753,895	698,498	148,384	(1,583,578)
Ijarah Sukuk		337,136	750,197	111,664	(543,826)
		<u>684,921</u>	<u>1,875,901</u>	<u>305,122</u>	<u>(1,131,092)</u>
27.2 Net gain / (loss) on financial assets / liabilities measured at FVTPL:					
Designated upon initial recognition		2,597,510	4,022,122	-	-
Mandatorily measured at FVTPL		-	-	-	-
		<u>2,597,510</u>	<u>4,022,122</u>	<u>-</u>	<u>-</u>
Net gain / (loss) on financial assets measured at FVOCI		11,984	(22,975)	-	-
		<u>11,984</u>	<u>(22,975)</u>	<u>-</u>	<u>-</u>
		<u>2,609,494</u>	<u>3,999,147</u>	<u>-</u>	<u>-</u>
28 OTHER INCOME					
Rent on property		29,231	32,214	9,004	26,740
Gain on sale of property and equipment - net		-	12,825	1,700	13,455
Gain on sale of asset held for sale		-	9,247	-	144,717
Sri Lanka branch operations cost & FX translation		(521)	1,229	(1,802)	11,511
Gain / (loss) on lease termination		-	1,187	(478)	(15,380)
Gain on acquisition of assets		-	-	-	478
		<u>28,710</u>	<u>56,702</u>	<u>8,424</u>	<u>181,521</u>

29 OPERATING EXPENSES

Note	Three months period ended	Nine months period ended	Three months period ended	Nine months period ended
	30 September 2024 (Un-audited)	30 September 2024 (Un-audited)	30 September 2023 (Un-audited)	30 September 2023 (Un-audited)

----- (Rupees in '000) -----

Total compensation expense	2,835,321	8,420,411	2,327,116	7,211,924
Property expense				
Rent & taxes	7,009	74,954	40,025	105,965
Insurance	418	3,423	1,113	5,213
Utilities cost	155,125	380,692	139,608	342,531
Security (including guards)	110,541	273,835	66,164	173,331
Repair & maintenance	51,586	165,979	54,894	215,021
Civil works	7,316	118,312	24,516	115,430
Facilities management cost	79,720	175,857	41,485	114,743
Depreciation (Property related)	65,416	172,215	26,602	81,379
Depreciation (Right of use assets)	113,393	323,855	124,667	323,478
Cleaning and Janitorial	116,307	389,565	127,033	337,426
Minor improvements, additions and others	38,984	110,034	50,533	127,623
	745,815	2,188,721	696,640	1,942,140
Information technology expenses				
Software maintenance	120,389	390,198	95,443	226,172
Hardware maintenance	107,987	292,119	90,001	280,366
Depreciation (IT related)	78,398	241,952	75,477	214,127
Network charges	3,463	20,361	32,252	50,227
	310,237	944,630	293,173	770,892
Other operating expenses				
Directors' fees and allowances	6,150	18,350	6,100	16,050
Fees and allowances to Shariah Board	676	7,292	5,309	16,357
Legal & professional charges	90,427	228,318	40,190	141,060
Outsourced services costs	31,556	103,274	29,478	86,247
Travelling & conveyance	58,545	171,299	70,659	194,630
Depreciation (Other property equipment)	59,715	119,176	21,403	71,171
Training & development	99	4,040	4,895	10,784
Postage & courier charges	67,963	177,534	29,185	80,311
Communication	209,247	667,559	147,936	381,502
Stationery & printing	125,235	365,883	97,402	221,311
Marketing, advertisement & publicity	121,124	249,706	154,823	346,462
Donations	-	1,149	-	1,000
Auditors remuneration	22,606	70,709	6,750	24,189
Cash transportation services	16,708	50,381	26,890	72,340
Documentation and processing charges	37,588	136,560	54,866	164,596
Insurance	7,968	26,845	11,937	26,205
Others	75,654	299,113	162,698	308,237
	931,261	2,697,188	870,521	2,162,452
	4,822,634	14,250,950	4,187,450	12,087,408

30 OTHER CHARGES

Net charge against fines and penalties imposed by SBP	66,412	66,846	381	3,106
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31 CREDIT LOSS ALLOWANCE & WRITE OFFS - NET

Reversals / (credit loss allowance / provisions) against loans and advances	10.3	(94,095)	620,143	(625,384)	(594,470)
Reversals / (credit loss allowance / provisions) against off-balance sheet obligations - net	20.3	108,113	216,682	20,639	(10,502)
Recovery of amounts written off		106,937	283,900	86,856	268,385
Bad debts written off directly		-	-	(109,181)	(277,990)
Reversals / (credit loss allowance) against balances with Banks and placements		(43,710)	682,922	-	-
Reversals / (credit loss allowance) against acceptances	14.4	(5,977)	39,621	-	-
Impairment against other assets		408	-	-	(562)
		71,676	1,843,268	(627,070)	(615,139)

32 TAXATION

- Current	15,181,402	42,696,107	12,199,731	30,894,947
- Deferred	(15,639)	285,444	755	663,311
	15,165,763	42,981,551	12,200,486	31,558,258

33 EARNINGS PER SHARE - BASIC AND DILUTED

Profit for the period	11,079,245	32,556,411	12,663,352	31,447,957
			(Number of shares)	
Weighted average number of ordinary shares	3,871,585,021	3,871,585,021	3,871,585,021	3,871,585,021
	(Rupees)		(Rupees)	
Earnings per share - basic and diluted	2.86	8.41	3.27	8.12

34 FAIR VALUE

34.1 Fair value of financial instrument

The table below analyses financial instruments measured at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised:

On balance sheet financial instruments

	30 September 2024 (Un-audited)					Fair value			
	FVTPL	FVOCI	Amortized cost	Other financial Assets	Other financial Liabilities	Total	Level 1	Level 2	Level 3
(Rupees in '000)									
Financial assets measured at fair value									
- Investments									
Federal Government Securities	424,790,972	210,317,482	-	-	-	635,018,454	-	635,018,454	-
Investments - ordinary shares	753,096	511,221	-	-	-	1,264,317	753,096	-	511,221
Financial assets not measured at fair value									
- Cash and bank balances with SBP and NBP	-	-	-	96,608,444	-	96,608,444			
- Balances with other banks	-	-	-	17,948,253	-	17,948,253			
- Lending to financial institutions	-	-	-	74,414,169	-	74,414,169			
- Advances	-	-	195,103,341	-	-	195,103,341			
- Other assets	-	-	-	25,973,595	-	25,973,595			
	425,454,068	210,828,703	195,103,341	214,944,461	-	1,046,330,573			
Financial liabilities not measured at fair value									
- Bills Payable	-	-	-	-	14,134,000	14,134,000			
- Deposits and other accounts	-	-	-	-	842,398,717	842,398,717			
- Borrowings	-	-	-	-	19,736,779	19,736,779			
- Other liabilities	-	-	-	-	98,516,791	98,516,791			
	-	-	-	-	974,786,287	974,786,287			

Off-balance sheet financial instruments

Interest Rate swaps / Foreign currency options / Forward purchase contracts	-	-	-	82,635,505	-	82,635,505	-	83,403,229	-
Interest Rate swaps / Foreign currency options / Forward sale contracts	-	-	-	35,662,145	-	35,662,145	-	47,555,536	-

On balance sheet financial instruments

	31 December 2023 (audited)					Fair value			
	Held for Trading	Available for Sale	Loans and Receivables	Other financial Assets	Other financial liabilities	Total	Level 1	Level 2	Level 3
(Rupees in '000)									
Financial assets measured at fair value									
- Investments									
Federal Government Securities	377,041	225,980,091	-	-	-	226,357,132	-	226,357,132	-
Equity securities traded (Shares)	-	304,728	-	-	-	304,728	304,728	-	-
Financial assets not measured at fair value									
- Cash and bank balances with SBP and NBP	-	-	-	81,690,671	-	81,690,671			
- Balances with other banks	-	-	-	38,230,099	-	38,230,099			
- Lending to financial institutions	-	-	-	365,241,485	-	365,241,485			
- Investments - ordinary shares	-	50,000	-	-	-	50,000			
- Advances	-	-	220,183,482	-	-	220,183,482			
- Other assets	-	-	-	26,884,954	-	26,884,954			
	377,041	226,334,819	220,183,482	512,047,119	-	958,942,461			
Financial liabilities not measured at fair value									
- Bills Payable	-	-	-	-	18,331,699	18,331,699			
- Deposits and other accounts	-	-	-	-	719,534,840	719,534,840			
- Borrowings	-	-	-	-	48,265,389	48,265,389			
- Other liabilities	-	-	-	-	109,941,513	109,941,513			
	-	-	-	-	896,073,441	896,073,441			
Off-balance sheet financial instruments									
Interest Rate swaps / Foreign currency options / Forward purchase contracts	-	-	-	61,062,491	-	61,062,491	-	61,496,980	-
Interest Rate swaps / Foreign currency options / Forward sale contracts	-	-	-	39,135,012	-	39,135,012	-	55,582,806	-

34.2 Fair value of non-financial assets

	30 September 2024 (Un-audited)				31 December 2023 (audited)			
	Carrying value	Fair value			Carrying value	Fair value		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
	----- Rupees in '000 -----				----- Rupees in '000 -----			
Property and equipment	11,383,075	-	-	11,383,075	12,666,335	-	-	12,666,335

34.3 During the period ended 30 September 2024, there were no transfers between level 1 and level 2 fair value measurements, and no transfer into and out of level 3 fair value measurements.

34.4 The Bank measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

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 liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurements using input for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

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

Federal Government Securities (T-bills + PIBs + Sukuk)	The fair values of Federal Government securities are determined on the basis of rates/prices sourced from Reuters.
Non-Government debt securities (Sukuk Bonds) other than government	Investment in non-Government debt securities denominated in Rupees are valued on the basis of rates announced by the Mutual Funds Association of Pakistan (MUFAP).
Un-quoted equity securities	The fair value is determined based on the net assets of entity.
Derivatives	The Group enters in to derivatives contracts with various counter parties. 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	The fair values of forward foreign exchange contracts are determined using forward pricing calculations.
Property and Equipment	Land, buildings are revalued on a periodic basis using professional valuers. The valuation is based on their assessment of the market value of the

35 SEGMENT INFORMATION

During the period, the Bank has renamed its Corporate, Commercial and Institutional Banking segment to "Corporate and Investment Banking" (CIB) and its Consumer, Private and Business Banking segment to "Wealth and Retail Banking" (WRB). The rename of its reportable segment provide clearer, more intuitive descriptions of the underlying information and to bring it in line with the current organizational structure of the Bank. This change shall have no impact on the Bank's overall profit and loss account, balance sheet or reported metrics, accordingly comparative presentation is also aligned.

Corporate and Investment Banking (CIB)

Corporate & Investment Banking comprises Global Subsidiaries, International Corporates, Local corporates and small & medium sized clients, Financial Institutions and Sovereign clients. The product and services offered include deposits & cash management, trade, advisory services, secured lending, structured financing, FX forwards and derivatives.

Wealth and Retail Banking (WRB)

Wealth and Retail Banking serves Wealth solutions, priority, premium, personal and business banking clients. The product and service offering include wealth management, deposits, secured lending (mortgages, overdrafts etc.) and unsecured lending (credit cards, personal loans etc.).

Central & Other Items

Activities not directly related to a client segment are included in Central & other Items. This mainly includes Treasury-Markets (Asset and Liability Management), specific strategic investments (if any) and certain central costs of the Bank such as workers welfare fund and property management unit.

All segments offer a complete suite of Islamic Banking products and services under Standard Chartered Sandiq brand and state of the art digital banking solutions. Refer note 38 for Islamic Banking Business.

35.1 Segment Details with respect to Business Activities

	Nine months period ended 30 September 2024 (Un-audited)			
	Corporate and Investment Banking (CIB)	Wealth and Retail Banking (WRB)	Central and Other Items	Total
	(Rupees in '000)			
Profit & Loss				
Inter segment revenue - net	34,544,033	38,289,733	(72,833,766)	-
Net mark-up / return / profit	(4,689,646)	(10,428,886)	87,113,957	71,995,425
Non mark-up / return / interest income	12,787,827	4,404,287	298,526	17,490,640
Total Income	42,642,214	32,265,134	14,578,717	89,486,065
Segment direct expenses	4,456,376	9,016,400	2,318,595	15,791,371
Inter segment expense allocation	-	-	-	-
Total expenses	4,456,376	9,016,400	2,318,595	15,791,371
Credit loss allowance charge / (release)	(1,331,814)	171,334	(682,788)	(1,843,268)
Profit before taxation	39,517,652	23,077,400	12,942,910	75,537,962
Balance Sheet	30 September 2024 (Un-audited)			
Cash & Bank balances	-	-	114,556,697	114,556,697
Investments	424,697,971	511,221	211,073,579	636,282,771
Net inter segment lending	(105,773,547)	319,022,859	(213,249,312)	-
Lending to financial institutions	4,901,288	-	69,512,881	74,414,169
Advances - performing (net)	153,421,806	39,749,537	-	193,171,343
- Non performing (net)	1,736,001	195,997	-	1,931,998
Others	27,687,940	15,008,826	25,328,785	68,025,551
Total Assets	506,671,459	374,488,440	207,222,630	1,088,382,529
Borrowings	-	-	19,736,779	19,736,779
Deposits & other accounts	470,899,402	371,448,408	50,907	842,398,717
Net inter segment borrowing	-	-	-	-
Others	35,772,057	3,040,032	82,981,156	121,793,245
Total liabilities	506,671,459	374,488,440	102,768,842	983,928,741
Equity	-	-	104,453,788	104,453,788
Total Equity & liabilities	506,671,459	374,488,440	207,222,630	1,088,382,529
Contingencies & Commitments	218,591,056	463,880	106,697,304	325,752,240
	Nine months period ended 30 September 2023 (Un-audited)			
Inter segment revenue - net	23,120,025	33,624,361	(56,744,386)	-
Net mark-up / return / profit	4,639,943	(10,009,901)	73,778,241	68,408,283
Non mark-up / return / interest income	7,889,808	4,515,612	(3,871,632)	8,533,788
Total Income	35,649,776	28,130,072	13,162,223	76,942,071
Segment direct expenses	3,862,411	7,378,294	2,080,012	13,320,717
Inter segment expense allocation	-	-	-	-
Total expenses	3,862,411	7,378,294	2,080,012	13,320,717
Credit loss allowance charge / (release)	451,490	163,020	629	615,139
Profit before taxation	31,335,875	20,588,758	11,081,582	63,006,215
Balance Sheet	31 December 2023 (Audited)			
Cash & Bank balances	-	-	119,920,680	119,920,680
Investments	2,055,371	50,000	224,606,489	226,711,860
Net inter segment lending	167,677,295	308,910,691	(476,587,986)	-
Lending to financial institutions	-	-	365,241,485	365,241,485
Advances - performing (net)	177,062,649	41,741,098	-	218,803,747
- Non performing (net)	236,654	1,143,081	-	1,379,735
Others	25,477,964	15,066,834	29,345,527	69,890,325
Total Assets	372,509,933	366,911,704	262,526,195	1,001,947,832
Borrowings	-	-	48,265,389	48,265,389
Deposits & other accounts	354,915,767	364,606,088	12,985	719,534,840
Net inter segment borrowing	-	-	-	-
Others	17,594,166	2,305,616	118,025,158	137,924,940
Total liabilities	372,509,933	366,911,704	166,303,532	905,725,169
Equity	-	-	96,222,663	96,222,663
Total Equity & liabilities	372,509,933	366,911,704	262,526,195	1,001,947,832
Contingencies & Commitments	225,878,689	475,257	98,971,402	325,325,348

36 RELATED PARTY TRANSACTIONS

Related parties comprise of Standard Chartered PLC., ultimate parent company, its other subsidiaries and branches, key management personnel, employees' retirement benefit funds and other associated undertakings. The transactions with related parties are conducted at commercial / agreed terms. The Bank also provides advances to employees at reduced rates in accordance with their terms of employment.

The transactions and balances with related parties are summarised as follows:

	30 September 2024 (Un-audited)				31 December 2023 - audited			
	Parent	Directors	Key management personnel	Other related parties	Parent	Directors	Key management personnel	Other related parties
	(Rupees in '000)							
Balances with other banks								
In current accounts	17,798,586	-	-	-	37,677,024	-	-	-
In deposit accounts	-	-	-	-	-	-	-	-
	<u>17,798,586</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>37,677,024</u>	<u>-</u>	<u>-</u>	<u>-</u>
Lending to financial institutions								
Opening balance	45,745,839	-	-	-	19,486,290	-	-	-
Addition during the period	65,919,138	-	-	-	314,142,929	-	-	-
Repaid during the period	(87,002,874)	-	-	-	(287,883,380)	-	-	-
Closing balance	<u>24,662,103</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>45,745,839</u>	<u>-</u>	<u>-</u>	<u>-</u>
Advances								
Opening balance	-	6	186,181	-	-	76	215,089	-
Addition during the period	-	301	68,852	-	-	695	146,941	-
Repaid during the period	-	(306)	(82,246)	-	-	(765)	(175,849)	-
Transfer in / (out) - net	-	-	(16,506)	-	-	-	-	-
Closing balance	<u>-</u>	<u>1</u>	<u>156,281</u>	<u>-</u>	<u>-</u>	<u>6</u>	<u>186,181</u>	<u>-</u>
Credit loss allowance held	<u>-</u>	<u>-</u>	<u>(745)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other Assets								
Interest / mark-up accrued	105,013	-	563	-	548,209	-	877	-
Receivable from staff retirement fund	-	-	-	36,776	-	-	-	36,776
Due from associated undertakings	149,686	-	-	-	148,413	-	-	-
Other receivable	-	-	-	-	-	-	-	-
	<u>254,699</u>	<u>-</u>	<u>563</u>	<u>36,776</u>	<u>696,622</u>	<u>-</u>	<u>877</u>	<u>36,776</u>
Borrowings								
Opening balance	20,169,516	-	-	-	3,074,559	-	-	-
Borrowings during the period	9,677,148	-	-	-	17,152,736	-	-	-
Settled during the period	(373,280)	-	-	-	(57,779)	-	-	-
Transfer in / (out) - net	(29,472,411)	-	-	-	-	-	-	-
Closing balance	<u>973</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,169,516</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deposits and other accounts								
Opening balance	749,580	5,064	192,670	392,396	542,284	3,340	150,835	84,277
Received during the period	184,024	29,937	1,437,072	6,161,785	223,858	317,710	1,198,129	10,866,859
Withdrawn during the period	(347,035)	(33,295)	(1,244,385)	(6,312,744)	(16,562)	(316,029)	(1,156,294)	(10,558,740)
Transfer in / (out) - net	-	-	(195,079)	-	-	43	-	-
Closing balance	<u>586,569</u>	<u>1,706</u>	<u>190,278</u>	<u>241,437</u>	<u>749,580</u>	<u>5,064</u>	<u>192,670</u>	<u>392,396</u>
Other Liabilities								
Due to holding company	17,915,305	-	-	-	53,879,416	-	-	-
Other liabilities	-	13	-	-	-	5	-	-
	<u>17,915,305</u>	<u>13</u>	<u>-</u>	<u>-</u>	<u>53,879,416</u>	<u>5</u>	<u>-</u>	<u>-</u>
Contingencies and Commitments								
Transaction-related contingent liabilities - guarantees	85,031,698	-	-	-	78,991,846	-	-	-
Commitments in respect of forward foreign exchange contracts	3,323,111	-	-	-	4,170,666	-	-	-
Derivatives								
Derivative instruments - Interest rate swaps - notional	-	-	-	-	1,761,631	-	-	-
Derivative instruments - Cross currency swaps - notional	2,120,169	-	-	-	3,401,377	-	-	-
Derivative instruments- FX options - Notional	379,256	-	-	-	29,843	-	-	-
Derivative assets	521,928	-	-	-	47,075	-	-	-
Derivative liabilities	197,369	-	-	-	374,304	-	-	-

RELATED PARTY TRANSACTIONS

	30 September 2024 (Un-audited)				30 September 2023 (Un-audited)			
	Parent	Directors	Key management personnel	Other related parties	Parent	Directors	Key management personnel	Other related parties
	(Rupees in '000)							
Income								
Mark-up / return / interest earned	3,123,630	47	32,000	-	2,891,969	70	26,543	-
Fee and commission income	6,856	15	21	-	4,910	2	81	-
Income / (loss) from derivatives	704,090	-	-	-	(17,307)	-	-	-
Expense								
Mark-up / return / interest paid	-	44	14,895	43,778	-	23	8,248	30,264
Fee and commission expense	549	-	-	-	-	-	-	-
Operating expenses	-	12,200	518,706	-	-	16,050	450,499	-
Rent and Renovation expense	-	-	-	-	-	-	-	-
Other transactions								
Dividend paid	51,485,085	12	-	-	1,449,100	8	-	-
Contribution to defined contribution plans	-	-	-	509,628	-	-	-	445,745
Net charge for defined contribution plans	-	-	-	509,628	-	-	-	445,745

The term 'related party' shall have the same meaning as specified under IAS 24 - 'Related party disclosures'.

37 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

	30 September 2024 (Un- audited)	31 December 2023 (Audited)
	(Rupees in '000)	
Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	38,715,850	38,715,850
Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier 1 (CET 1) Capital	79,371,922	74,235,298
Eligible Additional Tier 1 (ADT 1) Capital	-	-
Total Eligible Tier 1 Capital	79,371,922	74,235,298
Eligible Tier 2 Capital	13,290,507	9,620,328
Total Eligible Capital (Tier 1 + Tier 2)	92,662,428	83,855,626
Risk Weighted Assets (RWAs):		
Credit Risk	249,869,557	279,141,217
Market Risk	24,159,646	8,018,671
Operational Risk	130,656,458	130,656,458
Total	404,685,662	417,816,346
Common Equity Tier 1 Capital Adequacy ratio	19.61%	17.77%
Tier 1 Capital Adequacy Ratio	19.61%	17.77%
Total Capital Adequacy Ratio	22.90%	20.07%
Minimum CAR (including Capital Conservation Buffer)	11.50%	11.50%
Leverage Ratio (LR):		
Eligible Tier 1 Capital	79,371,922	74,235,298
Total Exposures	1,289,531,370	1,212,116,047
Leverage Ratio	6.16%	6.12%
Minimum SBP Requirement	3.00%	3.00%
Liquidity Coverage Ratio (LCR):		
Average High Quality Liquid Assets	676,512,653	522,101,429
Average Net Cash Outflow	208,775,714	157,909,055
Average Liquidity Coverage Ratio	324.0%	330.6%
Minimum SBP Requirement	100.0%	100.0%
Net Stable Funding Ratio (NSFR):		
Total Available Stable Funding	722,900,292	666,738,313
Total Required Stable Funding	217,082,432	289,655,616
Net Stable Funding Ratio	333%	230%
Minimum SBP Requirement	100%	100%

38 ISLAMIC BANKING BUSINESS

The bank is operating 2 (31 December 2023: 2) Islamic banking branches and 38 (31 December 2023: 38) Islamic banking windows at the end of the period.

	Note	30 September 2024 (Un-audited)	31 December 2023 (Audited)
------(Rupees in '000)-----			
ASSETS			
Cash and balances with treasury banks		7,721,217	5,137,703
Due from financial institutions	38.1	10,773,220	6,285,299
Investments	38.2	32,302,720	26,081,894
Islamic financing and related assets - net	38.3	63,604,467	64,130,502
Property and equipment		12,384	15,030
Right-of-use assets		8,532	20,385
Other assets		2,097,042	2,972,983
Total Assets		116,519,582	104,643,796
LIABILITIES			
Bills payable		20,302	241,334
Due to financial institutions		9,741,210	6,829,716
Deposits and other accounts	38.4	76,515,673	69,618,829
Due to Head Office		5,988,084	6,520,884
Lease liabilities		2,128	2,128
Other liabilities		1,044,520	1,287,474
		93,311,917	84,500,365
NET ASSETS		23,207,665	20,143,431
REPRESENTED BY			
Islamic Banking Fund		500,000	500,000
(Deficit) / surplus on revaluation of assets		331,766	167,107
Unappropriated / Unremitted profit	38.8	22,375,899	19,476,324
		23,207,665	20,143,431
CONTINGENCIES AND COMMITMENTS			
	38.5		

The profit and loss account of the Bank's Islamic banking branches for the period ended 30 September 2024 is as follows:

	Note	Nine months period ended 30 September 2024 (Un-audited)	Nine months period ended 30 September 2023 (Un-audited)
------(Rupees in '000)-----			
Profit / return earned	38.6	15,498,613	11,332,134
Profit / return expended	38.7	(3,060,495)	(2,338,016)
Net Profit / return		12,438,118	8,994,118
Other income			
Fee and Commission Income		1,215,376	1,012,393
Foreign Exchange Income		709,259	531,709
Gain / (Loss) on securities		750,197	(536,008)
Other Income		-	15
Total other income		2,674,832	1,008,109
Total Income		15,112,950	10,002,227
Other expenses			
Operating expenses		(2,525,470)	(2,187,402)
		(2,525,470)	(2,187,402)
Profit before provisions		12,587,480	7,814,825
Credit loss allowance and write offs - net		(61,423)	(53,425)
Profit before taxation		12,526,057	7,761,400

The Bank calculates and files a single corporate tax return as per the requirements of Income Tax Ordinance, 2001. Segmental calculation is not required for filing. However, considering the revised format requirement of the financial statements to disclose Islamic Banking segment's tax charge separately, a notional tax charge (based on Bank effective tax rate) for Islamic Banking is expected to be Rs. 7.140 billion (30 September 2023: Rs. 3.803 billion).

30 September 2024 (Un-audited)				31 December 2023 (Audited)				
In Local Currency	In Foreign currencies	Total		In Local Currency	In Foreign currencies	Total		
(Rupees in '000)								
38.1 Due from Financial Institutions								
Unsecured	-	10,776,453	10,776,453	-	6,285,299	6,285,299		
	-	10,776,453	10,776,453	-	6,285,299	6,285,299		
Less: Credit loss allowance								
Stage 1	-	(3,233)	(3,233)	-	-	-		
	-	10,773,220	10,773,220	-	6,285,299	6,285,299		
30 September 2024 (Un-audited)				31 December 2023 (Audited)				
Cost / Amortised cost/ Fair value	Credit loss allowance for diminution	Surplus / (Deficit)	Carrying Value	Cost / Amortised cost/ Fair value	Provision for diminution	Surplus / (Deficit)	Carrying Value	
(Rupees in '000)								
- Debt Instruments								
Classified / Measured	- FVOCI			- (Available for sale)				
Federal Government securities								
-Ijarah Sukuks	24,014,325	-	331,766	24,346,091	24,120,440	-	167,107	24,287,547
	24,014,325	-	331,766	24,346,091	24,120,440	-	167,107	24,287,547
Classified / Measured	- FVTPL			- (Held for Trading)				
Federal Government securities								
-Ijarah Sukuks	5,868,864	-	546,840	6,415,704	104,723	-	11,296	116,019
- Islamic Naya Pakistan Certificates	1,540,925	-	-	1,540,925	1,678,328	-	-	1,678,328
	7,409,789	-	546,840	7,956,629	1,783,051	-	11,296	1,794,347
Total investments	31,424,114	-	878,606	32,302,720	25,903,491	-	178,403	26,081,894
				30 September 2024 (Un-audited)	31 December 2023 (Audited)			
				(Rupees in '000)				
38.3 Islamic financing and related assets				6,039,217	5,764,173			
Murabaha				25,568,095	16,032,836			
Musharaka				23,240,201	25,193,775			
Diminishing Musharaka				1,730,000	520,000			
Musawammah				390,897	490,119			
Ujrah (Saadiq Credit Cards)				3,000,000	12,655,705			
Advances against Islamic assets - Murabaha				217,849	175,319			
Advances against Islamic assets - Diminishing Musharakah				3,568,466	3,430,000			
Advances against Islamic assets - Istisna				2,363,402	600,000			
Inventory related to Islamic financing - Murabaha				-	212,030			
Inventory related to Islamic financing - Murabaha				66,118,127	65,074,157			
Gross Islamic financing and related assets								
Less: Credit loss allowance against Islamic financings								
-Stage 1 / General provision				(449,395)	(350,610)			
-Stage 2				(315,584)				
-Stage 3 / Specific provision				(1,748,681)	(593,045)			
				(2,513,660)	(943,655)			
Islamic financing and related assets - net of Credit loss allowance				63,604,467	64,130,502			
38.4 Deposits				30 September 2024 (Un-audited)	31 December 2023 (Audited)			
Customers								
Current deposits				48,702,285	43,763,323			
Savings deposits				25,125,647	24,549,447			
Term deposits				130,567	137,698			
Margin accounts				1,774,796	540,643			
				75,733,295	68,991,111			
Financial Institutions								
Current deposits				27,041	31,048			
Savings deposits				755,337	596,670			
				782,378	627,718			
				76,515,673	69,618,829			
38.5 CONTINGENCIES AND COMMITMENTS								
Guarantees				3,397,904	2,373,714			
Other contingent liabilities				1,812,812	2,774,867			
				5,210,716	5,148,581			
38.6 Profit/Return Earned of Financing, Investments and Placement								
				Nine months period ended 30 September 2024 (Un-audited)	Nine months period ended 30 September 2023 (Un-audited)			
				(Rupees in '000)				
Profit earned on:								
Financing				11,132,177	8,055,135			
Investments				4,128,118	2,986,443			
Placements				238,318	290,556			
				15,498,613	11,332,134			
38.7 Profit on Deposits and other Dues Expensed								
Deposits and other accounts				(2,141,572)	(1,747,021)			
Due to Financial Institutions				(859,058)	(531,616)			
Deposit protection premium				(59,865)	(57,817)			
Finance cost of lease liability				-	(1,562)			
				(3,060,495)	(2,338,016)			

30 September
2024 (Un-
audited)

31 December
2023 (Audited)

(Rupees in '000)

38.8 Islamic Banking Business Unappropriated Profit

Opening Balance	19,476,324	16,714,365
Expected credit loss on adoption of IFRS 9	(1,626,482)	-
Add: Islamic banking profit for the period	12,526,057	10,761,959
Less: Transferred / Remitted to Head Office	(8,000,000)	(8,000,000)
Closing Balance	22,375,899	19,476,324

38.9 Profit & Loss distribution and Pool Management

The Bank manages following assets pools for profit and loss distribution:

- a) Islamic Export Refinance Scheme (IERS) Musharakah Pool; and
b) Mudarabah Depositors Pool

a) Islamic Export Refinance Scheme (IERS) Musharakah Pool

Banks create Musharakah Pool as advised by SBP, consisting of financing to a minimum of 10 blue chip companies on Islamic modes with diversification in multiple sectors. Banks's investment in Musharakah Pool is at least equal to the amount of export refinance availed from SBP. Key features, risks, rewards and calculation of profit / loss of IERS pool is as per SBP IER Scheme and the relevant circulars issued by SBP from time to time.

The relevant details are mentioned hereunder:

Type of Pool	Profit rate and weightage announcement period	Average return on Pool Assets	Bank Profit (Rupees in '000)	SBP Profit (Rupees in '000)	Bank Profit %	SBP Profit %
IERF Pool	Monthly	19.6%	1,458,660	962,800	60.2%	39.8%

b) Mudarabah Pool

The profit and loss sharing between the depositor (Rabb-ul-Maal) and Bank (Mudarib) is based upon the underlying principles of Mudaraba. In this regard, following pools are managed by the Bank :

- General Pool
- Special Pool
- Special Pool-2
- High Yield Pool
- High Yield Pool-2
- Special Term Deposit Pool
- Special Pool - CCIB
- Special Pool Term Deposits- CCIB

i) Key features and risk & reward characteristics

Saadiq Savings accounts & Term Deposit Account (Mudarabah based remunerative deposits) are Shariah compliant accounts based on the Islamic principle of "Mudarabah". Mudarabah is a partnership where one party provides funds to other for investing in a business. The partner who is investing the funds is "Rabb-ul-Mal (Depositor) and the partner who manages the investment is "Mudarib" (Working Partner). The Bank (Mudarib) invests the funds in Shariah compliant avenues to generate return/profit. This return & profit is shared on the basis of profit & loss sharing as per the pre-agreed mechanism between the Bank and the customer

In case of loss, the same is borne by the depositor in proportion to their investments, and the Bank (Mudarib) bears the loss of its efforts/services in managing Mudarabah.

ii) Parameters used for allocation of profit, charging expenses and provisions

The profit is calculated from income earned on the remunerative assets tagged to the pool and is distributed between Mudarib (Bank) and Rabb-ul-Maal (Depositor) based on the declared sharing ratios and weightages before the beginning of the concerned period.

iii) Deployment of Mudaraba based deposits

The applications of the Mudarabah based remunerative deposits are Islamic Advances, Investments, and Placements for generating profits to be shared among the depositors as per the agreed and approved weightage mechanism. The deposits and funds are invested in different sectors and avenues including Sukuk, (backed by Government of Pakistan), Sugar, Textile, Fertilizer, Cement , Power, Packaging, Fast-moving consumer goods (FMCG), Edible Oil, Steel, Logistics, Automobile, Rice, Beverages, Plastics, Natural gas, PET Resin manufacturer, Ground Handling and Cargo Handling services, shipping sector, etc.

iv) Other information

	Type of Pool							
	General Pool	Special Pool	High Yield Pool	Special Pool TD	Special Pool - CCIB	High Yield Pool 2	Special Pool TD- CCIB	Special Pool-2
Profit rate / weightage announcement frequency	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly
Mudarib share (amount in '000)	1,115,211	101,767	113,322	1,018	42,235	14,946	-	180,232
Mudarib share (%)	45.3%	41.3%	33.7%	45.0%	28.0%	40.9%	0.0%	38.5%
Mudarib Share transferred through Hiba (Amount in '000)	116,567	21,421	48,227	112	33,209	3,276	-	48,411
Mudarib Share transferred through Hiba (%)	9.5%	17.4%	29.9%	9.9%	44.0%	18.0%	0.0%	21.2%
Average return on pool assets	20.8%	20.4%	19.7%	21.6%	9.1%	21.1%	21.6%	19.9%
Average return on deposits	11.3%	12.0%	12.9%	11.6%	6.5%	12.9%	0.0%	12.3%

39. GENERAL

INTERNAL

39.1 Corresponding Figures


Certain Corresponding figures have been re-arranged / reclassified to reflect more appropriate presentation that are not material in nature.

The Bank has not restated comparative information for 2024 for financial instruments in the scope of IFRS9. Therefore, the comparative information pertaining to 2023 reported under previous regulatory requirements is not comparable with for 2024 information.

39.2 Financial information presented in Pakistan Rupees has been rounded off to the nearest thousands.

39.3 Date of Authorization

These condensed interim financial statements were authorized for issue in the Board of Directors meeting held on 28 October 2024.


Chairman


Chief Executive Officer


Chief Financial Officer


Director


Director



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