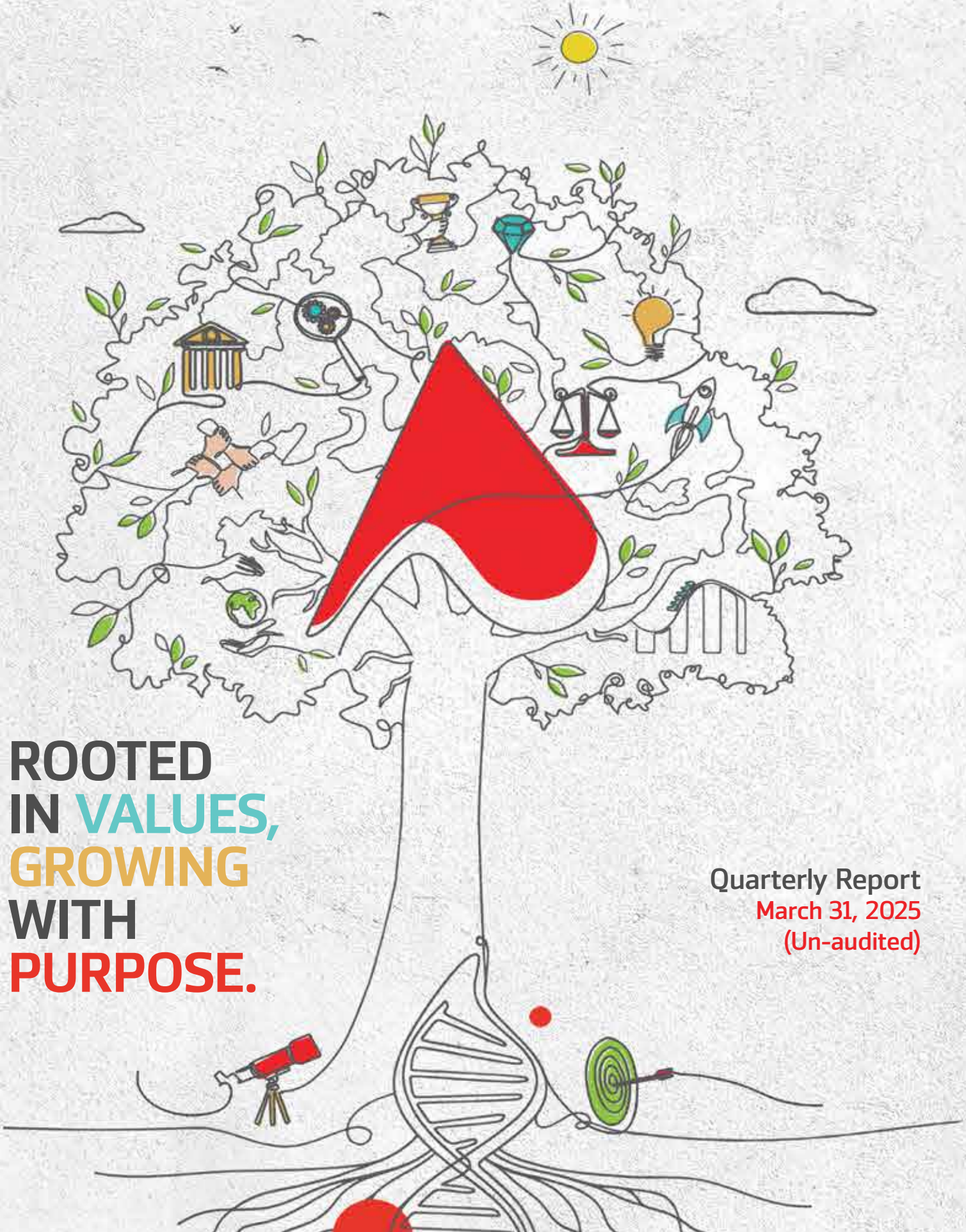
Bank Alfalah
The Way Forward

Best Bank For Digital Excellence 2022, 2023, 2024

Best Bank For Customer Engagement 2024



ROOTED IN VALUES, GROWING WITH PURPOSE.

Quarterly Report
March 31, 2025
(Un-audited)

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Company Information

Board of Directors

His Highness Sheikh Nahayan Mabarak Al Nahayan
Chairman/Director

Abdulla Nasser Hawaileel Al Mansoori
Director

Abdulla Khalil Al Mutawa
Director

Khalid Mana Saeed Al Otaiba
Director

Khalid Qurashi
Director

Dr. Gyorgy Tamas Ladics
Director

Dr. Ayesha Khan
Director

Efstratios Georgios Arapoglou
Director

Atif Aslam Bajwa
President/CEO and Director

Senior Management Team

Atif Aslam Bajwa
President and Chief Executive Officer

Aasim Wajid Jawad
Group Head, Strategy, Transformation and Customer Experience

Anjum Hai
Chief Financial Officer

Faisal Farooq Khan
Chief Human Resource Officer

Faisal Rabbani
Chief Risk Officer

Farooq Ahmed Khan
Group Head, Corporate, Investment Banking and International Business

Haroon Khalid
Group Head, Compliance and Business Solutions

Khawaja Muhammad Ahmad
Group Head, Operations and Corporate Services

Mehreen Ahmed
Group Head, Retail Banking

Mian Ejaz Ahmad
Company Secretary and Group Head, Legal and Corporate Affairs

Mohammad Raheel Yousuf
Chief Marketing Officer

Mohib Hasan Khan
Chief Information Officer

Dr. Muhammad Imran
Group Head, Islamic Banking

Muhammad Yahya Khan
Chief Digital Officer

Pervez Shahbaz Khan
Group Head, Treasury and Financial Markets

Tahir Khurshid
Group Head, Audit and Inspection

Zahid Anjum
Group Head, Special Assets Management

Chief Financial Officer
Anjum Hai

Company Secretary
Mian Ejaz Ahmad

Chief Internal Auditor
Tahir Khurshid

Auditors
A. F. Ferguson & Co.
Chartered Accountants

Registered/Head Office
B. A. Building
I. I. Chundrigar Road
Karachi, Pakistan
bankalfalah.com

Share Registrar
F. D. Registrar Services (Pvt.) Limited
1705, 17th Floor, Saima Trade Tower-A
I. I. Chundrigar Road
Karachi, Pakistan.

Legal Advisor
Mandviwalla & Zafar
Advocates and Legal Consultants

Board Committees

Board Audit Committee (BAC)

Khalid Qurashi
Chairman

Abdulla Khalil Al Mutawa
Member

Khalid Mana Saeed Al Otaiba
Member

Dr. Ayesha Khan
Member

Efstratios Georgios Arapoglou
Member

Tahir Khurshid
Secretary

Board Risk Management Committee (BRMC)

Khalid Mana Saeed Al Otaiba
Chairman

Abdulla Khalil Al Mutawa
Member

Khalid Qurashi
Member

Dr. Ayesha Khan
Member

Atif Aslam Bajwa
Member

Farhan Ali
Secretary

Board Human Resources, Remuneration & Nominations Committee (BHR&NC)

Efstratios Georgios Arapoglou
Chairman

Abdulla Khalil Al Mutawa
Member

Khalid Mana Saeed Al Otaiba
Member

Dr. Ayesha Khan
Member

Dr. Gyorgy Tamas Ladics
Member

Khalid Qurashi
Member

Mian Ejaz Ahmad
Secretary

Board Strategy and Finance Committee (BS&FC)

Abdulla Khalil Al Mutawa
Chairman

Khalid Mana Saeed Al Otaiba
Member

Dr. Gyorgy Tamas Ladics
Member

Dr. Ayesha Khan
Member

Khalid Qurashi
Member

Efstratios Georgios Arapoglou
Member

Atif Aslam Bajwa
Member

Aasim Wajid Jawad
Secretary

Board Committees

Board Crisis Management Committee (BCMC)

Abdulla Khalil Al Mutawa
Chairman

Khalid Mana Saeed Al Otaiba
Member

Khalid Qurashi
Member

Dr. Ayesha Khan
Member

Dr. Gyorgy Tamas Ladics
Member

Atif Aslam Bajwa
Member

Mian Ejaz Ahmad
Secretary

Board Information Technology Committee (BITC)

Dr. Gyorgy Tamas Ladics
Chairman

Abdulla Khalil Al Mutawa
Member

Khalid Mana Saeed Al Otaiba
Member

Khalid Qurashi
Member

Efstratios Georgios Arapoglou
Member

Atif Aslam Bajwa
Member

Aasim Wajid Jawad
Secretary

Board Real Estate Committee (BREC)

Abdulla Khalil Al Mutawa
Chairman

Khalid Mana Saeed Al Otaiba
Member

Khalid Qurashi
Member

Atif Aslam Bajwa
Member

Mian Ejaz Ahmad
Secretary

Directors' Review

On behalf of the Board of Directors, we are pleased to present the unconsolidated condensed interim financial statements of Bank Alfalah Limited for the quarter ended March 31, 2025.

Economic Review

The first quarter reflected continued economic stability. Pakistan's engagement with IMF witnessed development as a staff- level agreement was reached with IMF on the first review of the USD 7 billion 37-month Extended Fund Facility (EFF). Simultaneously, a new 28-month arrangement under the IMF's Resilience and Sustainability Facility (RSF) was also reached with total access over the 28 months of around USD 1.3 billion.

Foreign exchange reserves held by the State Bank of Pakistan (SBP) declined to USD 10.7 billion from USD 11.7 billion in December 2024, primarily due to external debt repayments. SBP attributes the decline to a temporary timing mismatch between external inflows and outflows, and projects that reserves would rise to USD 13 billion by June 2025. Meanwhile, the current account position remained stable, supported by robust growth in remittances. However, as economic activity has gained momentum, the current account has turned into a deficit as compared to a surplus in Q4 2024 due to rising import demand.

The rupee remained largely steady, depreciating only 0.57% to PKR 280.16/USD as of March 31, 2025, compared to PKR 278.55/USD at the end of December 2024. Headline inflation continued to ease off, slowing to 0.7% in March 2025 as compared to 4.1% at December 2024. However, core inflation remained elevated at around 9.0%. SBP maintained the policy rates at 12%, considering the stickier core inflation, and ongoing global uncertainty amidst tariff escalations.

In terms of Pakistan's economic activity, real GDP grew by 1.73% in Q2 FY 25, following a revised growth of 1.34% in Q1 FY 25. Agriculture and service sectors continue to support economic expansion, while industrial recovery remains a challenge. In 2QFY25, the agriculture sector posted a growth of 1.10%YoY and services expanded by 2.57%YoY. However, Large-Scale Manufacturing (LSM) contracted during the first half of FY 25 by 0.18%. With this, GDP growth for 1HFY25 stood at 1.54%YoY.

During 1HFY25, the fiscal performance showed positive trends. FBR tax collection increased by 25.9% YoY to PKR 5.6 trillion in 1HFY25. The overall fiscal deficit reduced to 1.2% of GDP as compared to 2.3% of GDP in corresponding period last year due to higher non-tax revenues and contained expenditures. The primary surplus also improved to 2.9% of GDP as compared to 1.7% of GDP last year.

After witnessing a bull run since June 2023, the stock market saw a consolidation phase. In the first quarter of calendar year 2025 (1QCY25), the KSE-100 index experienced a modest increase of 2.3%, closing at 117,807 points. Staff-Level Agreement (SLA) with the IMF, in addition to the government's circular debt resolution plan were major contributors to this performance.

Going forward, the IMF board approval would be critical in improving FX reserves and maintaining macroeconomic stability. The programme would also pave way for a potential ratings upgrade, which would open commercial borrowing avenues for the country. Strengthening external buffers and pursuing structural fiscal reforms particularly to broaden the tax base remain essential to sustaining macroeconomic resilience in an increasingly uncertain global environment. At the same time, ongoing tariff escalations can lead to inflationary pressures and disrupt industrial activity, making it even more important to adopt a well-balanced policy approach.

Review of the Bank's Performance

Highlights of the Bank's financial results for the quarter ended March 31, 2025, are presented as follows:

Financial Position	March 31, 2025	December 31, 2024
	Rupees in Millions	
Shareholders' Equity	179,005	178,112
Total Assets	3,477,144	3,710,206
Deposits	2,018,645	2,136,913
Advances – net	881,779	1,109,376
Investments – net	1,983,385	1,991,232

Financial Performance	Quarter ended March 31, 2025	Quarter ended March 31, 2024 **(Restated)**
	Rupees in Millions	
Net Interest Income and Non-Markup Income	42,294	39,297
Non-Markup Expenses	27,378	19,811
Reversal of Credit loss allowance / Provisions and write offs (net)	(468)	(207)
Profit before tax (PBT)	**15,384**	**19,693**
Profit after tax (PAT)	**7,040**	**9,903**
Basic and diluted earnings per share – Rupees	4.46	6.28

Bank Alfalah recorded profit after tax (PAT) of PKR 7.04 billion for the first quarter ended March 31, 2025, with earnings per share of PKR 4.46 (March 2024: PKR 6.28). The Bank's profit before tax (PBT) of PKR 15.38 billion was 21.9% lower than the same period last year (SPLY); while PAT declined by 28.9% due to decline in interest rates and higher taxation.

Total Revenue for the first quarter was PKR 42.29 billion, representing a 7.6% increase over the SPLY. Net-Markup income of the Bank amounted PKR 33.2 billion, improving by 6.2% mainly on account of volumetric growth in current account averages, advances, and Bank's strategy to not compete for high-cost deposits resulting in improved cost of deposits vis-à-vis March 2024. On the Non-Funded side, the Bank generated income of PKR 9.1 billion with a growth of 13.3% over the SPLY. Higher gain on securities and significant rise in derivative income led towards improvement of NFI during the period. This was offset by 23.7% decline in Fee and Commission Income mainly because of Remittance income, Cards related fee, Acquiring fee and BISP commissions. These were impacted by pricing dynamics of these products in the market, which we expect will stabilize in subsequent quarters.

The Bank continued to open new branches, undertake technology enhancements as well as pursue other initiatives. Further marketing costs related to remittance initiatives combined with inflation of last year led to higher operating costs during this period. In the last 12 months, the Bank opened more than 130 branches leading to enhanced customer acquisition and revenue growth. As a result, Bank's cost to income ratio was 63.8% for the quarter ended March 31, 2025. Bank maintained sharp focus on cost all the while promoting strategic initiatives.

Deposits remained above the 2 trillion mark and closed at Rs. 2.019 trillion. The strategic focus is to pursue current accounts and focus on building granular sticky deposits.

The gross advances book of the Bank was PKR 927.4 billion, with a 28.6% YoY growth. Bank was successful in its strategy to increase low risk corporate advances while focusing on consumer loans as interest rates are gradually becoming favorable.

Our pledge towards underwriting discipline and rigorous client selection processes have consistently shown results, as reflected in non-performing loan ratio of 4.4%. Non-performing loans remain fully covered with a coverage ratio of 113% (including general provision / expected credit loss (ECL)).

As at March 31, 2025, the Bank remains adequately capitalised with CAR at 17.64%.

Dividend

The Board of Directors, at its meeting held on April 17, 2025, declared an interim cash dividend of PKR 2.5 per share (25%) (2024: PKR 2.00 per share (20%)) for the quarter ended March 31, 2025.

Credit Rating

The Bank has been assigned the following ratings by PACRA:

- Entity rating: 'AAA' (Triple A) for the long-term and maintained at 'A1+' (A-One Plus) for the short-term, with a 'Stable' Outlook.
- Instruments' rating: 'AA+' (Double A Plus), with a 'Stable' Outlook for Unsecured Tier 1 Capital instruments (Term Finance Certificates)

Future Outlook

Despite a challenging macroeconomic environment, Pakistan's economy has shown encouraging signs of stabilization in early 2025. The successful completion of the latest IMF program review signals the country's commitment to reforms and long-term recovery. Inflation has declined to its lowest level in nearly a decade, allowing the SBP to cautiously begin easing interest rates from previous record highs. These developments have helped restore some confidence and improve financial stability, providing a more supportive backdrop for the banking sector. However, ongoing tariff escalations may pose challenges and implications for the global economy as well as for Pakistan economy.

Building on this improving environment, Bank Alfalah remains well-positioned to achieve sustainable growth and create long-term shareholder value. We will continue to focus on expanding our deposit base – particularly through low-cost current and savings accounts – while enhancing our domestic footprint to deliver exceptional, customer-centric services.

In line with our strategic priorities, the Bank will also continue to empower consumers and small and medium enterprises (SMEs) by extending tailored financing solutions and advisory support to foster entrepreneurship and financial inclusion. We are leveraging technological innovation to meet the evolving needs of our customers, accelerating our digital transformation to deliver seamless and secure financial services. Additionally, we are broadening our fee-based revenue streams by increasing trade finance volumes, strengthening supply chain financing capabilities, and deepening cash management penetration among corporate clients. These initiatives will drive diversified growth and reinforce our role in supporting Pakistan's trade and financial flows.

Our ethos of "One Bank, One Team" will continue to promote collaboration, creativity, and innovation across the organisation. Human capital development remains a top priority, ensuring we maintain a skilled, adaptable, and motivated workforce that can drive the Bank's strategic objectives. The Bank's culture of care aligns our initiatives with the United Nations Sustainable Development Goals as well as Pakistan's national development objectives, amplifying our impact through strengthened corporate social responsibility (CSR) and Environmental, Social, and Governance (ESG) practices. We remain committed to operating responsibly and sustainably, contributing positively to our communities and the broader economy.

In our pursuit of continuous improvement, Bank Alfalah will keep driving innovation and operational efficiency. We are investing in advanced analytics, automation, and artificial intelligence (AI) to streamline processes and enhance decision-making across various banking functions. These technological advancements, coupled with a commitment to prudent cost management, will further improve service quality and productivity. By embracing cutting-edge solutions and a customer-centric mindset, the Bank aims to lead the industry's digital transformation and remain adaptive to emerging trends, cementing our position as a forward-looking, resilient institution.

Acknowledgement

On behalf of the Board, we would like to thank the State Bank of Pakistan, the Securities and Exchange Commission of Pakistan, the Ministry of Finance and other regulatory authorities for their valuable counsel and guidance. At the same time, we would like to acknowledge the ongoing support of our shareholders, our customers and business partners.

Over the years, we have laid the foundations to deliver great value and service to our customers and all stakeholders. As we move forward, we shall remain focused on service and playing a key role in supporting economic recovery. While pursuing this, we will remain conscientious of our obligations to our employees and the local community, and our dedication to delivering returns to our shareholders.

Atif Aslam Bajwa
President and Chief Executive Officer
April 17, 2025
Abu Dhabi

Khalid Qurashi
Director

۳۱ مارچ ۲۰۲۵ تک، بینک مناسب سرمائے کے ساتھ ہے اور اس کا کیپیٹل ایڈیکوئسی ریشو ۱۷،۶۴ فیصد ہے۔

ڈیویڈنڈ

بینک کے بورڈ آف ڈائریکٹرز نے ۱۷ اپریل ۲۰۲۵ کو اپنے منعقدہ اجلاس میں ۳۱ مارچ ۲۰۲۵ کو ختم ہونے والی پہلی سہ ماہی کے لیے پاکستانی ۲،۵ روپے فی شیئر ۲۵ فیصد کے عبوری نقد منافع کی منظوری دی ہے۔(۲۰۲۴میں یہ شرح ۲ روپے فی شیئر یعنی ۲۰فیصد تھی)

کریڈٹ ریٹنگ

بینک کو (پاکستان کریڈٹ ریٹنگ ایجنسی) کی جانب سے درج ذیل ریٹنگزدی گئی ہیں:

- ادارہ جاتی ریٹنگ: طویل مدتی کے لیے ریٹنگ کو 'AAA' (ٹرپل اے) جبکہ قلیل مدتی ریٹنگ کو 'A1+' (اے ون پلس) برقرار رکھا گیا ہے اور
- آؤٹ لک 'مستحکم' (Stable) ہے۔

آلات کی ریٹنگ: 'AA+' (ڈبل اے پلس)'مستحکم آؤٹ لک کے ساتھ غیرمحفوظ ٹیئر 1 کیپیٹل آلات (ٹرم فنانس سرٹیفکیٹس)

مستقبل کا منظرنامہ

معاشی ماحول چیلنجنگ ہونے کے باوجود پاکستان کی معیشت نے ۲۰۲۵کے آغازمیں استحکام کی حوصلہ افزا علامات دکھائی ہیں۔آئی ایم ایف پروگرام کے تازہ ترین جائزے کی کامیاب تکمیل نے اصلاحاتی عزم اور طویل مدتی بحالی کے لیے ملک کے عزم کو اجاگر کیا ہے۔افراطِ زر گزشتہ تقریباً ایک دہائی کی کم ترین سطح پر آ گئی ہے، جس کے باعث اسٹیٹ بینک نے شرح سود میں بتدریج کمی کا آغاز کیا ہے، جو ماضی میں ریکارڈ بلند سطح پر تھیں۔یہ مثبت پیش رفت مالیاتی استحکام کی بحالی میں معاون رہی ہے اور بینکاری شعبے کے لیے ایک زیادہ سازگار ماحول فراہم کر رہی ہے۔ تاہم، عالمی سطح پر جاری ٹیرف میں اضافہ پاکستان سمیت عالمی معیشت کے لیے خطرات پیدا کر سکتا ہے۔

بینک الفلاح ماحول میں بہتری کے ساتھ مستحکم ترقی کے لیے پوری طرح سے تیار ہے اور شیئر ہولڈرز کے لیے طویل مدتی قدر پیدا کرنے کا عزم رکھتا ہے۔ہم آئندہ بھی کم لاگت والے کرنٹ اور سیونگ اکاؤنٹس کے ذریعے اپنے ڈپازٹ بیس کو وسعت دینے پر توجہ مرکوز رکھیں گے اور ملک بھر میں اپنی موجودگی کو بڑھاتے ہوئے صارفین کو اعلیٰ معیار کی مرکزیت پر مبنی خدمات فراہم کریں گے۔

اپنی اسٹریٹجک ترجیحات کے مطابق آگے کی جانب پیش قدمی کرتے ہوئے، بینک صارفین اور چھوٹے اور درمیانے درجے کے کاروباری اداروں (SMEs) کو مالیاتی شمولیت اور کاروباری سرپرستی کو فروغ دینے کے لیے خصوصی فنانسنگ حل اور مشاورتی خدمات فراہم کرتا رہے گا۔ ہم اپنے صارفین کی بدلتی ضروریات کو پورا کرنے کے لیے جدیدٹیکنالوجی کا استعمال کرکے اپنے ڈیجیٹل ٹرانسفارمیشن کو تیز کر رہے ہیں تاکہ متوازن اور محفوظ مالی خدمات فراہم کی جا سکیں۔مزید برآں، ہم اپنی فیس پر مبنی آمدنی کے ذرائع کو وسعت دے رہے ہیں، تجارتی مالیات کے حجم کو بڑھا کرسپلائی چین فنانسنگ کی صلاحیتوں کو مضبوط کر کے اور کارپوریٹ کلائنٹس کے درمیان کیش مینجمنٹ کی رسائی کو بڑھا کر۔ یہ اقدامات متنوع ترقی کو فروغ میں معاون ثابت ہوں گے اور پاکستان کی تجارت اور مالیاتی بہاؤ کی حمایت میں ہمارے کردار کو مستحکم کریں گے۔

ہمارا نظریہ "ایک بینک، ایک ٹیم " تنظیم کے اندر تعاون، تخلیقی صلاحیتوں اور جدت کو فروغ دیتا رہے گا۔ انسانی وسائل کی ترقی ہماری اولین ترجیح ہے، تاکہ ہم ایک ہنر مند، لچکدار، اور متحرک ورک فورس کو برقرار رکھ سکیں جو بینک کے اسٹریٹجک مقاصد کو آگے بڑھا سکے۔بینک کی دیکھ بھال کی ثقافت ہماری تمام کاوشوں کو اقوام متحدہ کے پائیدار ترقی کے اہداف (SDGs) اور پاکستان کے قومی ترقیاتی مقاصد کے ساتھ ہم آہنگ کرتی ہے، جس سے ہماری کارکردگی کو مضبوط کارپوریٹ سوشل ریسپانسیبیلیٹی (CSR) اور ماحولیاتی، سماجی، اور حکومتی (ESG) پریکٹسز کے ذریعے مزید تقویت ملتی ہے۔ہم ذمہ داری اور پائیداری کے ساتھ کاروبار کرنے کے لیے پرعزم ہیں اور اپنی کمیونٹیز اور وسیع تر معیشت میں مثبت تعاون فراہم کرتے رہیں گے۔

مسلسل بہتری کی جانب بڑھتے ہوئے بینک الفلاح جدت اور آپریشنل کارکردگی کو آگے بڑھانے کا عمل جاری رکھے گا۔ ہم جدید تجزیات، خودکاری اور مصنوعی ذہانت (AI) میں سرمایہ کاری کر رہے ہیں تاکہ مختلف بینکاری کے طریقہ کارمیں عمل کو آسان بنایا جا سکے اور فیصلہ سازی کو بہتر بنایا جا سکے۔ یہ ٹیکنالوجی کی ترقی، محتاط لاگت کے انتظام کے عزم کے ساتھ خدمات کے معیار اور پیداواری صلاحیت میں مزید بہتری لائے گی۔بینک کی پالیسی میں جدیدحل کو اپنانا اور صارف کی امنگوں اور خواہشات کے مطابق خدمات فراہم کرنا بھی شامل ہے، بینک کے مقاصد میں صنعت کی ڈیجیٹل تبدیلی کی قیادت کے ساتھ ابھرتے ہوئے رجحانات کے مطابق خود کو ڈھالنا بھی ہے۔ اس عمل سے ہمارا مقام ایک روشن مستقبل کی جانب پیش رفت کرتے ہوئے مظبوط ادارے کے طور پر مزید مستحکم ہو گا۔

اظہار تشکر

بورڈ کی جانب سے، ہم اسٹیٹ بینک آف پاکستان، سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، وزارت خزانہ اور دیگر ریگولیٹری حکام کا ان کی قیمتی مشاورت اور رہنمائی کے لیے شکریہ ادا کرنا چاہتے ہیں۔ ساتھ ہی، ہم اپنے شیئر ہولڈرز، صارفین اور کاروباری شراکت داروں کے مسلسل تعاون کا بھی اعتراف کرتے ہیں۔

سالوں پر محیط ہماری کوششوں نے اپنے صارفین اور تمام اسٹیک ہولڈرز کو بہترین اقدامات اور خدمات فراہم کرنے کی بنیاد رکھی ہے۔جوں جوں ہم آگے بڑھ رہے ہیں،ہماری تمام تر توجہ خدمات اور اقتصادی بہتری کے فروغ میں اہم کردار ادا کرنے پر مرکوز رہے گی۔ اس دوران، ہم اپنے ملازمین اور مقامی کمیونٹی کے لیے اپنی ذمہ داریوں کا ادراک کرتے ہوئے اپنے شیئر ہولڈرز کو منافع فراہم کرنے کے عزم پر قائم رہیں گے۔

عاطف اسلم باجوہ
صدر اور چیف ایگزیکٹو آفیسر
اپریل۱۷، ۲۰۲۵
ابو ظہبی

خالد قریشی
ڈائریکٹر

مالی صورت حال	۳۱ مارچ ۲۰۲۵	۳۱ دسمبر ۲۰۲۴
	(رقوم ملین روپے میں)	
شیئر ہولڈرز ایکویٹی	۱۷۹،۰۰۵	۱۷۸،۱۱۲
کل اثاثے	۳،۴۷۷،۱۴۴	۳،۷۱۰،۲۰۶
ڈپازٹس	۲،۰۱۸،۶۴۵	۲،۱۳۶،۹۱۳
ایڈوانسز۔نیٹ	۸۸۱،۷۷۹	۱،۱۰۹،۳۷۶
سرمایہ کاری ۔نیٹ	۱،۹۸۳،۳۸۵	۱،۹۹۱،۲۳۲

مالیاتی کارکردگی	۳۱مارچ ۲۰۲۵	۳۱ مارچ ۲۰۲۴ (ری اسٹیٹڈ)
	(رقوم ملین روپے میں)	
خالص مارک اپ آمدن اور غیر مارک اپ آمدن	۴۲،۲۹۴	۳۹،۲۹۷
غیرمارک اپ اخراجات	۲۷،۳۷۸	۱۹،۸۱۱
ریورسل کریڈٹ خسارہ الاونس / خسارے کی پروویژنز (نیٹ)	(۴۶۸)	(۲۰۷)
منافع قبل از ٹیکس	۱۵،۳۸۴	۱۹،۶۹۳
منافع بعد از ٹیکس	۷،۰۴۰	۹،۹۰۳
بنیادی اور مخفف آمدن فی حصص – روپے	۴،۴۶	۶،۲۸

بینک الفلاح نے ۳۱ مارچ ۲۰۲۵ کو ختم ہونے والی پہلی سہ ماہی کے لیے بعد از ٹیکس منافع پاکستانی روپے ۷،۰۴ارب ریکارڈ کیا، جس کے تحت فی حصص آمدن ۴،۴۶ روپے رہی(مارچ ۲۰۲۴ : ۶،۲۸ روپے)۔بینک کا قبل از ٹیکس منافع ۱۵،۳۸ ارب پاکستانی روپے رہا، جو گزشتہ سال کی اسی مدت کے مقابلے میں ۲۱،۹ فیصد کم تھا؛ جبکہ PAT میں ۲۸،۹ فیصد کی کمی ہوئی جس کی وجہ شرح سود میں کمی اور ٹیکس میں اضافے کو قرار دیا جا سکتا ہے۔

پہلی سہ ماہی میں بینک کی کل آمدن پاکستانی روپوں میں ۴۲،۲۹ ارب رہی، جو گزشتہ سال کی اسی مدت کے مقابلے میں ۷،۶ فیصد بہتری کو ظاہر کرتی ہے۔خالص مارک اپ آمدنی پاکستانی روپوں میں ۳۳،۲ ارب رہی، جس میں ۶،۲ فیصد بہتری دیکھنے میں آئی۔ اس کی بنیادی وجہ کرنٹ اکاؤنٹس کے اوسط بیلنس، ایڈوانسز کے حجم میں اضافہ اور بینک کی وہ حکمت عملی تھی جس کے تحت مہنگے ڈپازٹس کے لیے مسابقت سے گریز کیا گیا، جس سے ڈپازٹس کی لاگت میں مارچ ۲۰۲۴ کے مقابلے میں بہتری آئی۔نان فنڈڈ آمدن کے شعبے میں بینک کو پاکستانی روپوں میں ۹،۱رب کی آمدنی ہوئی جو گزشتہ سال کی اسی مدت کے مقابلے میں ۱۳،۳ فیصد کا اضافہ ظاہر کرتی ہے۔اس مدت کے دوران سیکیورٹیز پر زیادہ منافع اور ڈیریویٹوز سے حاصل ہونے والی آمدن میں نمایاں اضافے نے این ایف آئی کی بہتری میں اہم کردار ادا کیا۔تاہم، فیس اور کمیشن آمدن میں ۲۳،۷فیصد کی کمی دیکھی گئی، جو کہ بالخصوص ترسیلات زر، کارڈ فیس، ایکوائرنگ فیس، اور بی آئی ایس پی کمیشنز سے متعلقہ ہے۔یہ عناصر مارکیٹ میں ان پراڈکٹس کی قیمتوں میں اتار چڑھاؤ سے متاثر ہوئے، تاہم توقع ہے کہ آئندہ سہ ماہیوں میں یہ استحکام کی طرف جائیں گے۔

بینک نے نئی شاخوں کا افتتاح، ٹیکنالوجی میں بہتری اور دیگر اقدامات کا سلسلہ جاری رکھا۔ترسیلات زر سے متعلق کیے گئے مارکیٹنگ اخراجات اور گزشتہ سال کی مہنگائی کے اثرات کی وجوہات سے آپریٹنگ اخراجات میں اضافہ دیکھنے میں آیا۔گزشتہ ۱۲ ماہ کے دوران بینک نے ۱۳۰ سے زائد نئی شاخیں قائم کیں، جس کے نتیجے میں نئے صارفین تک رسائی اور آمدنی میں نمایاں بہتری آئی۔اس کے نتیجے میں ۳۱ مارچ ۲۰۲۵ کو ختم ہونے والی سہ ماہی کے لیے بینک کی لاگت سے آمدنی کا تناسب ۶۳،۸ فیصد رہا۔ بینک نے لاگت پر سخت کنٹرول کے ساتھ ساتھ اپنے اسٹریٹجک اقدامات کو بھی موثر انداز سے نافذالعمل کیا۔

بینک کے ڈپازٹس ۲کھرب کے نشان سے اوپر رہے اور سہ ماہی کے اختتام پر ۲،۰۱۹کھرب پر بند ہوئے۔ بینک کی حکمت عملی کرنٹ اکاؤنٹس پر توجہ اور چھوٹے مگر مستحکم ڈپازٹس کے فروغ پر مرکوز رہی۔

بینک کی گراس ایڈوانسز بک ۹۲۷،۴ ارب پاکستانی روپے پر سال بہ سال ۲۸،۶فیصد پر رہی۔۔بینک نے کم خطرے والے کارپوریٹ ایڈوانسز میں اضافہ کرنے کی اپنی حکمت عملی میں کامیابی حاصل کی، جبکہ صارفین کو دیے جانے والے قرضوں پر بھی توجہ دی گئی کیونکہ سود کی شرحیں بتدریج موزوں ہو رہی ہیں۔

ہمارے نظم و ضبط کے تحت تحریری اور مفت کلائنٹ کے انتخاب کے نتیجے میں مثبت نتائج سامنے آئے جس کا اظہار غیر فعال قرضوں کے تناسب ۴،۴ فیصد سے ہوتا ہے۔بینک کے تمام غیر فعال قرضے مکمل طور پر کور کیے گئے ہیں اور کوریج ریشو ۱۱۳ فیصد ہے، جس میں عمومی پروویژن اور متوقع کریڈٹ خسارہ(ECL) بھی شامل ہے۔

ڈائریکٹرز کا جائزہ

بینک الفلاح لمیٹڈ کے بورڈ آف ڈائریکٹرز کی جانب سے ہم انتہائی مسرت کے ساتھ ۳۱مارچ ۲۰۲۵ کو ختم ہونے والی سہ ماہی کے لیے بینک کے غیر مجموعی، مختصر عبوری مالیاتی گوشوارے پیش کررہے ہیں۔

معاشی جائزہ

پہلی سہ ماہی میں معاشی استحکام برقرار رہا۔ پاکستان اور بین الاقوامی مالیاتی فنڈ (IMF) کے درمیان ۷ ارب امریکی ڈالر کے ۳۷ ماہ کے توسیعی فنڈ سہولت (EFF) پروگرام کے پہلے جائزے پر عملے کی سطح پر معاہدہ طے پایا۔ ساتھ ہی، IMF کے نئے ۲۸ ماہ کے "لچکدار اور پائیدار سہولت" (RSF) کے تحت بھی ایک معاہدہ طے پایا، جس کے تحت پاکستان ۱،۳ ارب امریکی ڈالر تک رسائی حاصل کر سکے گا۔

اسٹیٹ بینک آف پاکستان کے زرمبادلہ کے ذخائر دسمبر ۲۰۲۴ میں ۱۱،۷ ارب ڈالر سے کم ہو کر مارچ ۲۰۲۵ کے اختتام تک ۱۰،۷ ارب ڈالر رہ گئے، جس کی بڑی وجہ بیرونی قرضوں کی ادائیگی تھی۔ اسٹیٹ بینک نے اس کمی کو وقتی آمد و خرچ کے فرق کا نتیجہ قرار دیا ہے اور اندازہ ظاہر کیا ہے کہ جون ۲۰۲۵ تک ذخائر ۱۳ ارب ڈالر تک پہنچ جائیں گے۔ تاہم، ترسیلات زر میں مضبوط اضافہ کرنٹ اکاؤنٹس کو سہارا دیتا رہا۔درآمدات کی طلب میں اضافے کے باعث اقتصادی سرگرمیوں میں تیزی آئی، جس کی وجہ سے کرنٹ اکاؤنٹس خسارے میں تبدیل ہو گیا، جبکہ ۲۰۲۴ کی چوتھی سہ ماہی میں یہ سرپلس میں تھا۔

روپیہ مجموعی طور پر مستحکم رہا اور صرف ۰،۵۷ فیصد کی معمولی کمی کے ساتھ ۳۱ مارچ ۲۰۲۵ تک امریکی ڈالر کے مقابلے میں ۲۸۰،۱۶ پاکستانی روپے پر بند ہوا، جبکہ دسمبر ۲۰۲۴ کے اختتام پر یہ پاکستانی روپیہ ۲۷۸،۵۵ امریکی ڈالر تھا۔ افراطِ زر میں کمی کا رجحان جاری رہا، جو دسمبر ۲۰۲۴ میں ۴،۱ فیصد کے مقابلے میں مارچ ۲۰۲۵ میں کم ہو کر ۰،۷ فیصد رہ گئی۔ تاہم، بنیادی افراطِ زر اب بھی بلند سطح پر برقرار ہے اور تقریباً ۹،۰ فیصد کے آس پاس ہے۔بنیادی افراطِ زر کی مستقل بلند سطح اور عالمی سطح پر جاری غیر یقینی صورتحال (خصوصاً تجارتی محصولات میں اضافے) کے پیش نظر، اسٹیٹ بینک آف پاکستان نے پالیسی شرح سود کو ۱۲ فیصد پر برقرار رکھا۔

پاکستان کی معاشی سرگرمی کے لحاظ سے مالی سال ۲۰۲۵ کی دوسری سہ ماہی میں حقیقی جی ڈی پی میں ۱،۷۳ فیصد اضافہ ہوا، جبکہ پہلی سہ ماہی کی نظرثانی شدہ شرح نمو ۱،۳۴ فیصد رہی۔زرعی اور خدمات کے شعبے معیشت کی وسعت میں اپنا مثبت کردار ادا کر رہے ہیں، جبکہ صنعتی شعبے کی بحالی بدستور ایک چیلنج بنی ہوئی ہے۔مالی سال ۲۰۲۵ کی دوسری سہ ماہی میں زرعی شعبے نے سال بہ سال ۱،۱۰ فیصد اضافہ ریکارڈ کیا، جبکہ خدمات کا شعبہ ۲،۵۷ فیصد کی شرح سے بڑھا۔ دوسری جانب، بڑی صنعتوں (LSM) کی پیداوار مالی سال ۲۰۲۵ کی پہلی ششماہی میں ۰،۱۸ فیصد سے کم ہوئی۔اس کے ساتھ، مالی سال ۲۰۲۵ کی پہلی ششماہی کے لیے مجموعی جی ڈی پی میں سالانہ بنیاد پر ۱،۵۴ فیصد اضافہ ریکارڈ کیا گیا۔

مالی سال ۲۰۲۵ کی پہلی ششماہی کے دوران مالی کارکردگی مثبت رجحانات کی عکاسی کرتی رہی۔ فیڈرل بورڈ آف ریونیو کی ٹیکس وصولی میں سال بہ سال ۲۵،۹ فیصد اضافہ ہوا، جو مالی سال ۲۰۲۵ کی پہلی ششماہی میں بڑھ کر ۵،۶ پاکستانی کھرب تک پہنچ گیا۔ مجموعی مالی خسارہ گزشتہ سال کی اسی مدت کے ۲،۳ فیصد کے مقابلے میں کم ہو کر ۱،۲ فیصد رہ گیا، جس کی وجہ غیر ٹیکس آمدن میں اضافہ اور اخراجات پر قابو پانا تھا۔اسی طرح، بنیادی سرپلس میں بھی بہتری آئی اور یہ گزشتہ سال ۱،۷ فیصد سے بڑھ کر ۲،۹ فیصد ہو گیا۔

جون ۲۰۲۳ سے جاری تیزی کے رجحان کے بعد اسٹاک مارکیٹ میں استحکام دیکھنے میں آیا۔سال ۲۰۲۵ کی پہلی سہ ماہی میں کے ایس ای-۱۰۰ انڈیکس میں ۲،۳ فیصد کا معمولی اضافہ ریکارڈ ہوا اور یہ ۱۱۷،۸۰۷ پوائنٹس پر بند ہوا۔آئی ایم ایف کے ساتھ اسٹاف لیول معاہدہ اور حکومت کی سرکلر ڈیٹ کے حل کے لیے مجوزہ منصوبہ اس کارکردگی کے اہم محرکات میں شامل رہے۔

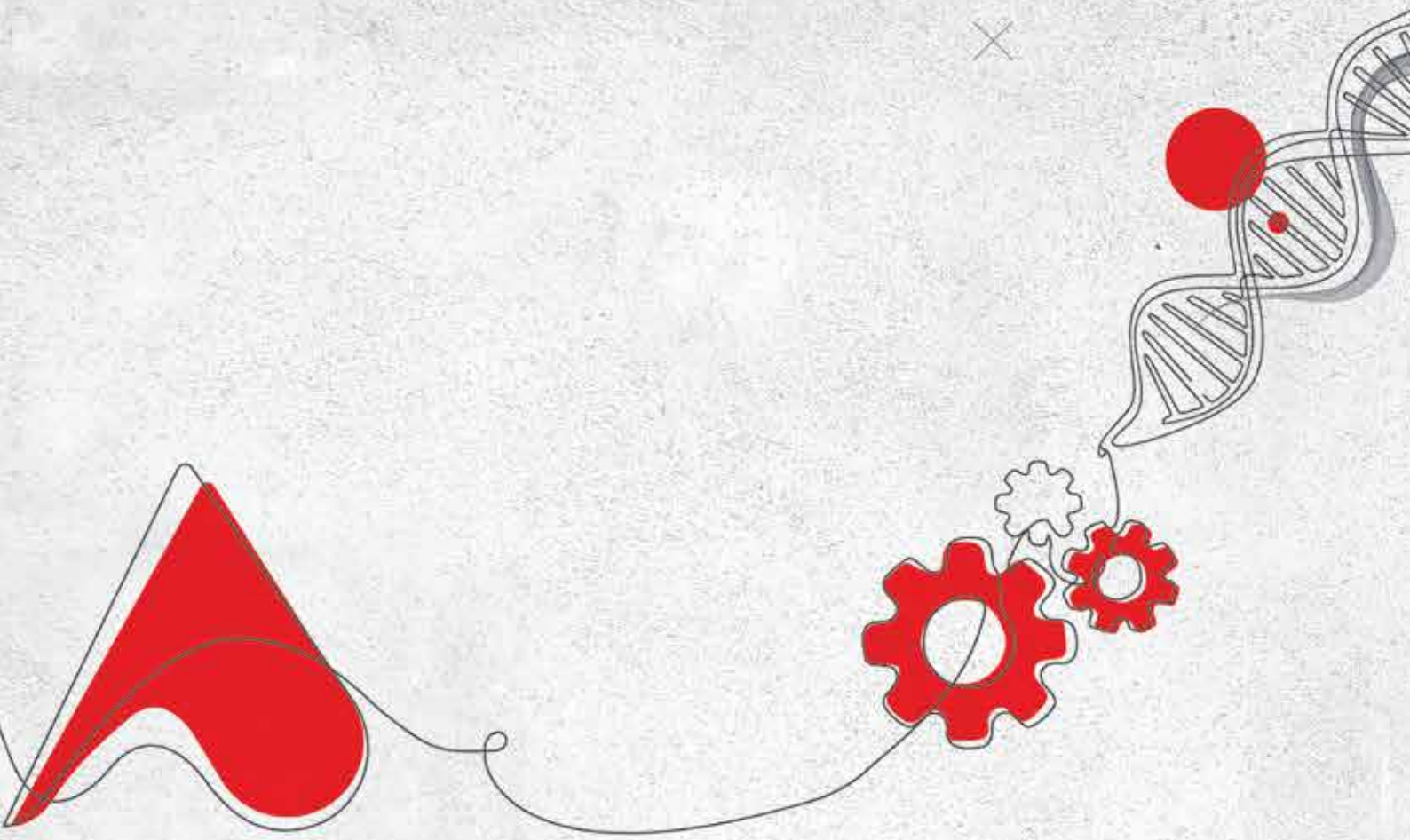
مستقبل کی جانب پیش قدمی کرتے ہوئے بین الاقوامی مالیاتی فنڈ (آئی ایم ایف) کی بورڈ سے منظوری زرمبادلہ کے ذخائر میں بہتری اور مجموعی معاشی استحکام کے لیے نہایت اہم ہوگی۔یہ پروگرام ممکنہ طور پر ملک کی کریڈٹ ریٹنگ میں بہتری کا راستہ ہموار کرے گا۔جس سے پاکستان کے لیے کمرشل قرضہ جات کے نئے مواقع پیدا ہوں گے۔بیرونی مالیاتی ذخائر کو مضبوط بنانا اور ساختی مالیاتی اصلاحات — خصوصاً ٹیکس نیٹ کو وسعت دینا — ایک غیر یقینی عالمی ماحول میں معاشی مزاحمت کو برقرار رکھنے کے لیے ناگزیر ہیں۔دوسری جانب، جاری تجارتی محصولات (ٹیرف) میں اضافہ مہنگائی کے دباؤ کو جنم دے سکتا ہے اور صنعتی سرگرمیوں میں خلل ڈال سکتا ہے، جس کے پیش نظر ایک متوازن اور مدبرانہ پالیسی اپنانا وقت کی اہم ضرورت بن چکی ہے۔

مالی کارکردگی کا جائزہ

۳۱ مارچ ۲۰۲۵ کو ختم ہونے والی سہ ماہی کے لیے بینک کے مالیاتی نتائج کے خاص نکات درج ذیل ہیں:۔

UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

QUARTER ENDED MARCH 31, 2025



Unconsolidated Condensed Interim Statement of Financial Position

As at March 31, 2025

	Note	(Un-audited) March 31, 2025	(Audited) December 31, 2024
		----------(Rupees in '000)----------	
ASSETS			
Cash and balances with treasury banks	7	219,761,556	227,823,979
Balances with other banks	8	14,304,813	18,469,608
Lendings to financial institutions	9	100,040,298	100,998,323
Investments	10	1,983,385,272	1,991,232,454
Advances	11	881,779,393	1,109,376,154
Property and equipment	12	66,038,726	63,543,484
Right-of-use assets	13	25,733,129	25,290,607
Intangible assets	14	1,516,338	1,543,109
Deferred tax assets		-	-
Other assets	15	184,584,958	171,928,403
Total Assets		3,477,144,483	3,710,206,121
LIABILITIES			
Bills payable	16	28,888,483	41,768,326
Borrowings	17	1,043,667,528	1,141,885,742
Deposits and other accounts	18	2,018,644,645	2,136,912,622
Lease liabilities	19	30,645,738	29,481,938
Subordinated debt	20	14,000,000	14,000,000
Deferred tax liabilities	21	11,915,397	16,515,641
Other liabilities	22	150,377,653	151,529,442
Total Liabilities		3,298,139,444	3,532,093,711
NET ASSETS		179,005,039	178,112,410
REPRESENTED BY			
Share capital		15,771,651	15,771,651
Reserves		44,150,153	43,466,925
Surplus on revaluation of assets	23	31,599,365	33,778,787
Unappropriated profit		87,483,870	85,095,047
		179,005,039	178,112,410
CONTINGENCIES AND COMMITMENTS	24		

The annexed notes 1 to 48 form an integral part of these unconsolidated condensed interim financial statements.

President & Chief Executive Officer **Chief Financial Officer** **Director** **Director** **Director**

Unconsolidated Condensed Interim Statement of Profit and Loss Account (Un-audited)

For the quarter ended March 31, 2025

	Note	Quarter ended March 31, 2025	Quarter ended March 31, 2024 (Restated)
		----------(Rupees in '000)---------	
Mark-up / return / interest earned	26	95,093,587	129,944,107
Mark-up / return / interest expensed	27	61,881,302	98,659,959
Net mark-up / return / interest income		33,212,285	31,284,148
NON MARK-UP / INTEREST INCOME			
Fee and commission income	28	3,556,653	4,663,041
Dividend income		880,222	402,545
Foreign exchange income	29	2,118,575	2,268,820
Income from derivatives		1,102,480	544,412
Gain on securities	30	626,402	67,676
Net gains / (loss) on derecognition of financial assets measured at amortised cost		-	-
Other income	31	797,662	66,068
Total non-mark-up / interest income		9,081,994	8,012,562
Total income		42,294,279	39,296,710
NON MARK-UP / INTEREST EXPENSES			
Operating expenses	32	26,973,779	19,176,657
Workers' welfare fund	33	400,108	425,221
Other charges	34	4,211	208,643
Total non-mark-up / interest expenses		27,378,098	19,810,521
Profit before credit loss allowance / provisions		14,916,181	19,486,189
Reversal of credit loss allowance /provisions and write offs - net	35	(468,017)	(206,794)
Extra ordinary / unusual items		-	-
PROFIT BEFORE TAXATION		15,384,198	19,692,983
Taxation	36	8,344,096	9,789,929
PROFIT AFTER TAXATION		7,040,102	9,903,054
		----------(Rupees)----------	
Basic and diluted earnings per share	37	4.46	6.28

The annexed notes 1 to 48 form an integral part of these unconsolidated condensed interim financial statements.

President & Chief Executive Officer **Chief Financial Officer** **Director** **Director** **Director**

Unconsolidated Condensed Interim Statement of Comprehensive Income (Un-audited)

For the quarter ended March 31, 2025

	Quarter ended March 31, 2025	Quarter ended March 31, 2024 (Restated)
	---------(Rupees in '000)----------	
Profit after taxation for the period	7,040,102	9,903,054
Other comprehensive income / (loss)		
Items that may be reclassified to the statement of profit and loss account in subsequent periods:		
Effect of translation of net investment in foreign branches	(20,782)	(706,161)
Movement in (deficit) / surplus on revaluation of debt investments through FVOCI - net of tax	(2,874,421)	(2,125,794)
Gain on sale of debt securities carried at FVOCI reclassified to profit and loss - net of tax	376,259	281,145
	(2,518,944)	(2,550,810)
Items that will not be reclassified to the statement of profit and loss account in subsequent periods:		
Movement in surplus / (deficit) on revaluation of equity investments - net of tax	53,611	121,711
Movement in (deficit) / surplus on revaluation of property and equipment - net of tax	(18,844)	(9,824)
Movement in (deficit) / surplus on revaluation of non-banking assets - net of tax	(4,894)	(178)
	29,873	111,709
Total comprehensive income	4,551,031	7,463,953

The annexed notes 1 to 48 form an integral part of these unconsolidated condensed interim financial statements.

President & Chief Executive Officer **Chief Financial Officer** **Director** **Director** **Director**

Unconsolidated Condensed Interim Statement of Changes in Equity

For the quarter ended March 31, 2025

	Share capital	Capital Reserves		Statutory reserve	Surplus / (deficit) on revaluation of			Unappro-priated profit	Total
		Share premium	Exchange translation reserve		Invest-ments	Property and equipment	Non banking assets		
	(Rupees in '000)								
Balance as at December 31, 2023 (audited)	15,771,651	4,731,049	14,191,974	22,478,107	(906,806)	12,088,444	86,726	69,481,688	137,922,833
Impact of adoption of IFRS 9 - net of tax (note 4.1)	-	-	-	-	5,002,695	-	-	(2,250,700)	2,751,995
Balance as at January 01, 2024 after adoption of IFRS 9	15,771,651	4,731,049	14,191,974	22,478,107	4,095,889	12,088,444	86,726	67,230,988	140,674,828
Changes in equity for the quarter ended March 31, 2024									
Profit after taxation - restated	-	-	-	-	-	-	-	9,903,054	9,903,054
Other comprehensive income / (loss) - net of tax									
Effect of translation of net investment in foreign branches	-	-	(706,161)	-	-	-	-	-	(706,161)
Movement in surplus on revaluation of investments in debt securities - net of tax	-	-	-	-	(2,125,794)	-	-	-	(2,125,794)
Gain on sale of debt securities carried at FVOCI reclassified to profit and loss - net of tax	-	-	-	-	281,145	-	-	-	281,145
Movement in surplus on revaluation of equity securities - net of tax	-	-	-	-	121,711	-	-	-	121,711
Movement in surplus on revaluation of property and equipment - net of tax	-	-	-	-	-	(9,824)	-	-	(9,824)
Movement in surplus on revaluation of non-banking assets - net of tax	-	-	-	-	-	-	(178)	-	(178)
Total other comprehensive (loss) / income - net of tax	-	-	(706,161)	-	(1,722,938)	(9,824)	(178)	-	(2,439,101)
Transfer to statutory reserve	-	-	-	991,151	-	-	-	(991,151)	-
Transfer from surplus on revaluation of assets to unappropriated profit - net of tax	-	-	-	-	-	(22,119)	(9,180)	31,299	-
Gain on disposal of equity investments at FVOCI transferred to unappropriated profit - net of tax	-	-	-	-	(699)	-	-	699	-
Transactions with owners, recorded directly in equity									
Final cash dividend for the year ended December 31, 2023 - 50%	-	-	-	-	-	-	-	(7,885,826)	(7,885,826)
Closing balance as at March 31, 2024 (un-audited) - restated	15,771,651	4,731,049	13,485,813	23,469,258	2,372,252	12,056,501	77,368	68,289,063	140,252,955
Changes in equity for nine months period ended December 31, 2024									
Profit after taxation	-	-	-	-	-	-	-	28,415,077	28,415,077
Other comprehensive income / (loss) - net of tax									
Effect of translation of net investment in foreign branches	-	-	(1,059,857)	-	-	-	-	-	(1,059,857)
Movement in surplus on revaluation of investments in debt securities - net of tax	-	-	-	-	11,088,188	-	-	-	11,088,188
Gain on sale of debt securities carried at FVOCI reclassified to profit and loss - net of tax	-	-	-	-	657,929	-	-	-	657,929
Movement in surplus on revaluation of equity securities - net of tax	-	-	-	-	1,909,008	-	-	-	1,909,008
Remeasurement gain on defined benefit obligations - net of tax	-	-	-	-	-	-	-	456,187	456,187
Movement in surplus on revaluation of property and equipment - net of tax	-	-	-	-	-	5,619,106	-	-	5,619,106
Movement in surplus on revaluation of non-banking assets - net of tax	-	-	-	-	-	-	236,807	-	236,807
Total other comprehensive (loss) / income - net of tax	-	-	(1,059,857)	-	13,655,125	5,619,106	236,807	456,187	18,907,368
Balance carried forward	15,771,651	4,731,049	12,425,956	23,469,258	16,027,377	17,675,607	314,175	97,160,327	187,575,400

Unconsolidated Condensed Interim Statement of Changes in Equity

For the quarter ended March 31, 2025

	Share capital	Capital Reserves		Statutory reserve	Surplus / (deficit) on revaluation of			Unappro-priated profit	Total
		Share premium	Exchange translation reserve		Invest-ments	Property and equipment	Non banking assets		
	(Rupees in '000)								
Balance brought forward	15,771,651	4,731,049	12,425,956	23,469,258	16,027,377	17,675,607	314,175	97,160,327	187,575,400
Transfer to statutory reserve	-	-	-	2,840,662	-	-	-	(2,840,662)	-
Transfer from surplus on revaluation of assets to unappropriated profit - net of tax	-	-	-	-	-	(122,562)	540	122,022	-
Gain on disposal of equity investments at FVOCI transferred to unappropriated profit - net of tax	-	-	-	-	(116,350)	-	-	116,350	-
Transactions with owners, recorded directly in equity									
Interim cash dividend for the quarter ended March 31, 2024 - 20%	-	-	-	-	-	-	-	(3,154,330)	(3,154,330)
Interim cash dividend for the half year ended June 30, 2024 - 20%	-	-	-	-	-	-	-	(3,154,330)	(3,154,330)
Interim cash dividend for the quarter ended September 30, 2024 - 20%	-	-	-	-	-	-	-	(3,154,330)	(3,154,330)
Balance as at December 31, 2024 (audited)	15,771,651	4,731,049	12,425,956	26,309,920	15,911,027	17,553,045	314,715	85,095,047	178,112,410
Impact of adoption of IFRS 9 - net of tax (note 4.1)	-	-	-	-	365,607	-	-	(81,096)	284,511
Balance as at January 01, 2025 after adoption of IFRS 9	15,771,651	4,731,049	12,425,956	26,309,920	16,276,634	17,553,045	314,715	85,013,951	178,396,921
Changes in equity for the quarter ended March 31, 2025									
Profit after taxation	-	-	-	-	-	-	-	7,040,102	7,040,102
Other comprehensive income / (loss) - net of tax									
Effect of translation of net investment in foreign branches	-	-	(20,782)	-	-	-	-	-	(20,782)
Movement in surplus on revaluation of investments in debt securities - net of tax	-	-	-	-	(2,874,421)	-	-	-	(2,874,421)
Gain on sale of debt securities carried at FVOCI reclassified to profit and loss - net of tax	-	-	-	-	376,259	-	-	-	376,259
Movement in surplus on revaluation of equity securities - net of tax	-	-	-	-	53,611	-	-	-	53,611
Remeasurement loss on defined benefit obligations - net of tax	-	-	-	-	-	-	-	-	-
Movement in surplus on revaluation of property and equipment - net of tax	-	-	-	-	-	(18,844)	-	-	(18,844)
Movement in surplus on revaluation of non-banking assets - net of tax	-	-	-	-	-	-	(4,894)	-	(4,894)
Total other comprehensive (loss) / income - net of tax	-	-	(20,782)	-	(2,444,551)	(18,844)	(4,894)	-	(2,489,071)
Transfer to statutory reserve	-	-	-	704,010	-	-	-	(704,010)	-
Transfer from surplus on revaluation of assets to unappropriated profit - net of tax	-	-	-	-	-	(30,170)	(1,309)	31,479	-
Gain on disposal of equity investments at FVOCI transferred to unappropriated profit - net of tax	-	-	-	-	(45,261)	-	-	45,261	-
Transactions with owners, recorded directly in equity									
Final cash dividend for the year ended December 31, 2024 - 25%	-	-	-	-	-	-	-	(3,942,913)	(3,942,913)
Closing balance as at March 31, 2025 (un-audited)	15,771,651	4,731,049	12,405,174	27,013,930	13,786,822	17,504,031	308,512	87,483,870	179,005,039

The annexed notes 1 to 48 form an integral part of these unconsolidated condensed interim financial statements.

President & Chief Executive Officer **Chief Financial Officer** **Director** **Director** **Director**

Unconsolidated Condensed Interim Cash Flow Statement (Un-audited)

For the quarter ended March 31, 2025

	Note	Quarter ended	
		March 31, 2025	March 31, 2024 (Restated)
		----------(Rupees in '000)----------	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		15,384,198	19,692,983
less: Dividend income		(880,222)	(402,545)
		14,503,976	19,290,438
Adjustments:			
Net markup / return / interest income		(33,212,285)	(31,284,148)
Depreciation	32	1,398,645	1,038,426
Depreciation on right-of-use assets	32	1,102,458	924,630
Amortisation	32	98,714	86,363
Reversal of credit loss allowance /provisions and write offs - net	35	(468,017)	(206,794)
Unrealised loss on revaluation of investments classified as FVPL	30	885,431	712,962
Unrealised gain on advances classified at FVPL	31	(41,704)	(11,933)
Gain on sale of property and equipment - net	31	(19,934)	(3,687)
Gain on sale of non banking assets - net	31	-	(27,800)
Gain on termination of leases - net	31	(12,411)	(13,929)
Staff loans - notional cost	32.1	704,893	596,067
Finance charges on leased assets	27	1,024,376	783,923
Workers' welfare fund		400,108	425,221
Charge for defined benefit plan	32.1	240,475	167,824
Charge for staff compensated absences	32.1	89,000	52,500
		(27,810,251)	(26,760,375)
		(13,306,275)	(7,469,937)
Decrease / (increase) in operating assets			
Lendings to financial institutions		9,216,237	84,789,152
Securities classified as FVPL		(31,678,269)	14,575,634
Advances		229,868,469	22,735,310
Other assets (excluding advance taxation and mark-up receivable)		(7,476,115)	(973,237)
		199,930,322	121,126,859
(Decrease) / increase in operating liabilities			
Bills payable		(12,879,843)	(4,266,992)
Borrowings		(84,579,977)	(328,452,569)
Deposits		(118,267,977)	(41,667,815)
Other liabilities (excluding current taxation and mark-up payable)		7,728,666	13,224,616
		(207,999,131)	(361,162,760)
		(21,375,084)	(247,505,838)
Mark-up / interest received		88,596,784	107,499,739
Mark-up / interest paid		(72,826,031)	(102,126,035)
Income tax paid		(11,872,764)	(12,532,344)
Net cash (used in) / generated from operating activities		(17,477,095)	(254,664,478)
Balance carried forward		(17,477,095)	(254,664,478)

Unconsolidated Condensed Interim Cash Flow Statement (Un-audited)

For the quarter ended March 31, 2025

	Note	Quarter ended	
		March 31, 2025	March 31, 2024 (Restated)
		----------(Rupees in '000)----------	
Balance brought forward		(17,477,095)	(254,664,478)
CASH FLOWS FROM INVESTING ACTIVITIES			
Net Investments in securities classified as FVOCI		36,761,129	241,542,679
Net (divestment) / investments in amortised cost		(2,265,308)	5,805,646
Investment in subsidiary		-	(1,000,000)
Dividends received		551,238	326,009
Investments in property and equipment and intangible assets		(3,951,929)	(8,006,979)
Proceeds from sale of property and equipment		23,702	6,744
Proceeds from sale of non-banking assets		-	267,800
Effect of translation of net investment in foreign branches		(20,782)	(706,161)
Net cash generated from / (used in) investing activities		31,098,050	238,235,738
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments of lease obligations against right-of-use assets		(1,389,256)	(1,124,317)
Dividend paid		(1,594,559)	(6,552,473)
Net cash used in financing activities		(2,983,815)	(7,676,790)
Increase / (decrease) in cash and cash equivalents		10,637,140	(24,105,530)
Cash and cash equivalents at the beginning of the period		231,482,080	249,548,424
Effects of exchange rate changes on cash and cash equivalents		467,957	(1,648,505)
		231,950,037	247,899,919
Expected credit loss allowance on cash and cash equivalents - net		2,294	(30,010)
Cash and cash equivalents at the end of the period	38	242,589,471	223,764,379

The annexed notes 1 to 48 form an integral part of these unconsolidated condensed interim financial statements.

President & Chief Executive Officer **Chief Financial Officer** **Director** **Director** **Director**

Notes to and Forming Part of the Unconsolidated Condensed Interim Financial Statements (Un-audited)

For the quarter ended March 31, 2025

1 STATUS AND NATURE OF BUSINESS

Bank Alfalah Limited (the Bank) is a banking company incorporated in Pakistan and is engaged in commercial banking and related services in Pakistan and overseas. The Bank's registered office is located at B. A. Building, I. I. Chundrigar Road, Karachi and its shares are listed on the Pakistan Stock Exchange. The Bank is engaged in banking services as described in the Banking Companies Ordinance, 1962. The Bank is operating through 1,163 branches (December 31, 2024: 1,141 branches) and 12 sub-branches (December 31, 2024: 12 sub-branches). Out of the 1,163 branches, 712 (December 31, 2024: 707) are conventional, 440 (December 31, 2024: 423) are Islamic, 10 (December 31, 2024: 10) are overseas and 1 (December 31 2024: 1) is an offshore banking unit.

2 BASIS OF PRESENTATION

2.1 STATEMENT OF COMPLIANCE

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

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

Wherever the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 or the directives issued by the SBP and the SECP differ with the requirements of IFRS or IFAS, requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 and the said directives have been followed.

The SBP has deferred the applicability of International Accounting Standard (IAS) 40, 'Investment Property' for banking companies through BSD Circular Letter No. 10 dated August 26, 2002 till further instructions. Further, the SECP has deferred the applicability of International Financial Reporting Standard (IFRS) 7, 'Financial Instruments: Disclosures' on banks through its notification S.R.O 411(I)/2008 dated April 28, 2008. The SBP through BPRD Circular No. 04 of 2015 dated February 25, 2015 had deferred the applicability of Islamic Financial Accounting Standard-3 for Profit and Loss Sharing on Deposits (IFAS-3) issued by the Institute of Chartered Accountants of Pakistan (ICAP) and notified by the SECP, vide their SRO No. 571 of 2013 dated June 12, 2013 for Institutions offering Islamic Financial Services (IIFS). Accordingly, the requirements of these standards have not been considered in the preparation of these unconsolidated condensed interim financial statements.

2.1.1 The disclosures made in these unconsolidated condensed interim financial statements have been limited based on the format prescribed by the SBP through BPRD Circular Letter No. 02 dated February 09, 2023 and the requirements of International Accounting Standard 34, "Interim Financial Reporting". These do not include all the information and disclosures required for annual financial statements, and therefore should be read in conjunction with the annual audited unconsolidated financial statements of the Bank for the year ended December 31, 2024.

2.1.2 These unconsolidated condensed interim financial statements represent separate financial statements of Bank Alfalah Limited in which investment in subsidiaries and associates are accounted for on the basis of cost less accumulated impairment losses, if any.

2.1.3 Key financial figures of the Islamic Banking branches are disclosed in note 43 to these unconsolidated condensed interim financial statements.

2.1.4 The Bank believes that there is no significant doubt on the Bank's ability to continue as a going concern. Therefore, the unconsolidated condensed interim financial statements have been prepared on a going concern basis.

2.2 Standards, interpretations of and amendments to published accounting and reporting standards that are effective in the current period:

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Bank's accounting periods beginning on or after January 01, 2025 but are considered not relevant or do not have any material effect on the Bank's operations and are therefore not detailed in these unconsolidated condensed interim financial statements except for IFRS 9 (Financial Instruments), the impact of which is disclosed under note 4.1.

2.3 Standards, interpretations of and amendments to published accounting and reporting standards that are not yet effective:

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Bank's accounting periods beginning on or after January 01, 2025 but are considered not to be relevant or will not have any material effect on the Bank's financial statements except for:

- the new standard - IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18) (published in April 2024) with applicability date of January 01, 2027 by IASB. IFRS 18 is yet to be adopted in Pakistan. IFRS 18 when adopted and applicable shall impact the presentation of 'Statement of Profit and Loss Account' with certain additional disclosures in the condensed interim in the unconsolidated financial statements.
- amendments to IFRS 9 'Financial Instruments' which clarify the date of recognition and derecognition of a financial asset or financial liability including settlement of liabilities through banking instruments and channels including electronic transfers. The amendment when applied may impact the timing of recognition and derecognition of financial liabilities.
- amendment to IAS 21 'The Effects of Changes in Foreign Exchange Rates' which will require Banks to apply a consistent approach in assessing whether a currency can be exchanged into another currency and, when it cannot, in determining the exchange rate to use and the disclosures to provide.

3 BASIS OF MEASUREMENT

3.1 Accounting convention

These unconsolidated condensed interim financial statements have been prepared under the historical cost convention except that certain property and equipment and non banking assets acquired in satisfaction of claims are stated at revalued amounts; investments classified at fair value through profit and loss and fair value through other comprehensive income; advances classified at fair value through profit and loss, foreign exchange contracts and derivative financial instruments are measured at fair value; defined benefit obligations are carried at present value; right of use of asset and related lease liability are measured at present value on initial recognition; and staff loans are measured at fair value on initial recognition.

3.2 Functional and presentation currency

These unconsolidated condensed interim financial statements are presented in Pakistani Rupees, which is the Bank's functional and presentation currency. The amounts are rounded off to the nearest thousand rupees except as stated otherwise.

4 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the preparation of these unconsolidated condensed interim financial statements are consistent with those applied in the preparation of the annual audited unconsolidated financial statements of the Bank for the year ended December 31, 2024 except for changes mentioned in note 4.1.

4.1 IFRS 9 - 'Financial Instruments'

The Bank adopted IFRS 9 effective from January 01, 2024 with modified retrospective approach for restatement permitted under IFRS 9. The cumulative impact of initial application of Rs. 2,751.995 million was recorded as an adjustment to equity at the beginning of the previous accounting period.

The Bank, in compliance with extended timelines defined in SBP's BPRD Circular Letter No. 16 dated July 29, 2024 and BPRD Circular Letter No. 01 dated January 22, 2025 had incorporated certain IFRS 9 related impacts in the last quarter of 2024. Therefore the unconsolidated condensed interim statement of profit and loss account (un-audited) for the quarter ended March 31, 2024 has been restated to incorporate there impacts. Had the restatement not been incorporated the profit after tax for the quarter ended March 31, 2024 would have been higher by Rs. 8.455 million. The details are tabulated below:

Head		(Rupees in '000)	Description
Mark-up / return / interest earned	Increase	768,658	Fair value impact of subsidised advances and modification of advances
Mark-up / return / interest earned	Increase	596,067	Fair value impact of staff loans
Mark-up / return / interest expensed	Increase	797,170	Fair value impact of subsidised borrowings
Other income	Increase	11,933	Fair value impact of advances measured at fair value through profit and loss
Operating expenses	Increase	596,067	Fair value impact of staff loans
Taxation	Decrease	8,124	Impact of restatement

During the current period, in accordance with BPRD Circular No. 03 of 2022 dated July 05, 2022 and BPRD Circular Letter No. 16 dated July 29, 2024 the Bank has applied IFRS 9 'Financial Instruments' for Bangladesh Operations and measured unquoted equity securities at fair value. The cumulative impact of application in current period Rs. 284.511 million has been recorded as an adjustment to equity at the beginning of the current period.

5 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of unconsolidated condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and income and expenses as well as in the disclosure of contingent liabilities. It also requires management to exercise judgment in application of its accounting policies. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. These estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised, if the revision affects only that period, or in the period of revision and in future periods if the revision affects both current and future periods.

The significant judgments made by the management in applying the Bank's accounting policies and the key sources of estimation were the same as those applied in the preparation of annual audited financial statements for the year ended December 31, 2024 except for matters related to adoption of IFRS 9 which have been disclosed in note 4.1 to the unconsolidated condensed interim financial statements.

6 FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies adopted by the Bank are consistent with those disclosed in the annual audited unconsolidated financial statements for the year ended December 31, 2024.

	(Un-audited) March 31, 2025	(Audited) December 31, 2024
7 CASH AND BALANCES WITH TREASURY BANKS	---------(Rupees in '000)---------	
In hand		
- local currency	50,839,644	48,323,420
- foreign currency	4,961,311	5,594,597
	55,800,955	53,918,017
With State Bank of Pakistan in		
- local currency current accounts	77,939,853	92,348,385
- foreign currency current accounts	8,349,295	7,192,719
- foreign currency deposit accounts	13,093,684	10,832,548
	99,382,832	110,373,652
With other central banks in		
- foreign currency current accounts	60,183,784	60,980,202
- foreign currency deposit accounts	1,580,761	1,820,112
	61,764,545	62,800,314
With National Bank of Pakistan in local currency current account	2,711,030	628,396
Prize bonds	107,806	119,605
	219,767,168	227,839,984
Less: Credit loss allowance held against cash and balances with treasury banks	(5,612)	(16,005)
Cash and balances with treasury banks - net of credit loss allowance	219,761,556	227,823,979
8 BALANCES WITH OTHER BANKS		
In Pakistan in current account	6,438	37,316
Outside Pakistan		
- in current accounts	14,280,396	18,406,200
- in deposit accounts	31,968	31,982
	14,312,364	18,438,182
	14,318,802	18,475,498
Less: Credit loss allowance held against balances with other banks	(13,989)	(5,890)
Balances with other banks - net of credit loss allowance	14,304,813	18,469,608
9 LENDINGS TO FINANCIAL INSTITUTIONS		
Call / clean money lendings	9,658,120	1,792,764
Repurchase agreement lendings (Reverse Repo)	85,392,684	94,208,913
Bai Muajjal receivable - other financial institution	4,997,525	4,997,525
	100,048,329	100,999,202
Less: Credit loss allowance held against lending to financial institutions	(8,031)	(879)
Lending to financial institutions - net of credit loss allowance	100,040,298	100,998,323

		March 31, 2025 (Un-audited)		December 31, 2024 (Audited)	
		Lending	Credit loss allowance held	Lending	Credit loss allowance held
		----------(Rupees in '000)----------			
9.1 Lending to Financial Institutions- Particulars of credit loss allowance					
Domestic					
Performing	Stage 1	95,390,209	287	99,606,438	754
Overseas					
Performing	Stage 1	4,658,120	7,744	1,392,764	125
Total		100,048,329	8,031	100,999,202	879

10 INVESTMENTS

10.1 Investments by type:	March 31, 2025 (Un-audited)				December 31, 2024 (Audited)			
	Cost / Amortised cost	Credit loss allowance / Provision for diminution	Surplus / (Deficit)	Carrying Value	Cost / Amortised cost	Credit loss allowance / Provision for diminution	Surplus / (Deficit)	Carrying Value
	----------(Rupees in '000)----------							
Fair value through profit or loss								
Federal Government Securities								
- Market Treasury Bills	94,705,456	-	(41,636)	94,663,820	74,055,824	-	(5,499)	74,050,325
- Pakistan Investment Bonds	199,597,391	-	(883,202)	198,714,189	183,913,135	-	47,072	183,960,207
- Ijarah Sukuk	3,661,331	-	1,169	3,662,500	1,733,628	-	10,084	1,743,712
- Naya Pakistan Certificates	1,304,799	-	-	1,304,799	2,651,621	-	-	2,651,621
Shares								
- Ordinary Shares / Units - Listed	2,677,260	-	(90,392)	2,586,868	2,432,428	-	1,099,694	3,532,122
- Preference Shares - Unlisted	-	-	-	-	-	-	500,000	500,000
Non Government Debt Securities								
- Term Finance Certificates	1,450,000	-	-	1,450,000	1,450,000	-	-	1,450,000
- Sukuks	422,444	-	(444)	422,000	422,000	-	444	422,444
Foreign Securities								
- Overseas Bonds - Sovereign	9,158,902	-	(5,835)	9,153,067	13,043,880	-	(6,799)	13,037,081
- Redeemable Participating Certificates	8,363,246	-	134,909	8,498,155	5,913,093	-	2,401,955	8,315,048
	321,340,829	-	(885,431)	320,455,398	285,615,609	-	4,046,951	289,662,560
Fair value through other comprehensive income								
Federal Government Securities								
- Market Treasury Bills	22,804,249	-	264,212	23,068,461	22,007,486	-	428,380	22,435,866
- Pakistan Investment Bonds	964,640,266	-	12,484,305	977,124,571	1,009,681,395	-	14,952,851	1,024,634,246
- Ijarah Sukuk	249,881,745	-	6,020,328	255,902,073	241,695,919	-	9,230,018	250,925,937
- Government of Pakistan Euro Bonds	11,813,436	(2,230,941)	1,230,324	10,812,819	12,368,725	(2,145,627)	922,305	11,145,403
Shares								
- Ordinary Shares - Listed	10,816,390	-	5,087,632	15,904,022	10,202,508	-	4,768,790	14,971,298
- Ordinary Shares - Unlisted	1,351,363	-	2,120,894	3,472,257	1,351,363	-	1,471,825	2,823,188
- Preference Shares - Unlisted	25,000	(25,000)	-	-	25,000	(25,000)	-	-
Non Government Debt Securities								
- Term Finance Certificates	2,074,789	(110,136)	-	1,964,653	2,076,398	(111,745)	-	1,964,653
- Sukuk	15,577,865	(96,511)	252,297	15,733,651	15,584,244	(96,511)	140,246	15,627,979
Foreign Securities								
- Overseas Bonds - Sovereign	50,602,872	(77,717)	(1,146,985)	49,378,170	50,691,578	(77,534)	(1,417,964)	49,196,080
- Overseas Bonds - Others	25,662,683	(6,934)	(759,490)	24,896,259	26,231,004	(7,505)	(1,030,029)	25,193,470
- Equity Securities - Listed	266,969	-	(18,144)	248,825	265,427	-	(8,246)	257,181
- Preference Shares - Unlisted	560,329	-	-	560,329	557,108	-	-	557,108
REIT Fund - listed	1,000,489	-	335,558	1,336,047	1,000,489	-	514,493	1,514,982
	1,357,078,445	(2,547,239)	25,870,931	1,380,402,137	1,393,738,644	(2,463,922)	29,972,669	1,421,247,391
Balance carried forward	1,678,419,274	(2,547,239)	24,985,500	1,700,857,535	1,679,354,253	(2,463,922)	34,019,620	1,710,909,951

10.1 Investments by type:

	March 31, 2025 (Un-audited)				December 31, 2024 (Audited)			
	Cost / Amortised cost	Credit loss allowance / Provision for diminution	Surplus / (Deficit)	Carrying Value	Cost / Amortised cost	Credit loss allowance / Provision for diminution	Surplus / (Deficit)	Carrying Value
	(Rupees in '000)							
Balance brought forward	1,678,419,274	(2,547,239)	24,985,500	1,700,857,535	1,679,354,253	(2,463,922)	34,019,620	1,710,909,951
Amortised cost								
Federal Government Securities								
- Pakistan Investment Bonds	220,224,491	-	-	220,224,491	218,414,195	-	-	218,414,195
- Ijarah Sukuk	40,401,273	-	-	40,401,273	40,376,451	-	-	40,376,451
Non Government Debt Securities								
- Term Finance Certificates	305,930	(24,716)	-	281,214	324,680	(24,715)	-	299,965
- Sukuk	3,128,362	(56,384)	-	3,071,978	3,509,612	(56,421)	-	3,453,191
Foreign Securities								
- Overseas Bonds - Sovereign	16,436,796	(65,621)	-	16,371,175	15,601,311	(216)	-	15,601,095
	280,496,852	(146,721)	-	280,350,131	278,226,249	(81,352)	-	278,144,897
Associates	1,177,606	-	-	1,177,606	1,177,606	-	-	1,177,606
Subsidiaries	2,505,217	(1,505,217)	-	1,000,000	2,505,217	(1,505,217)	-	1,000,000
Total Investments	1,962,598,949	(4,199,177)	24,985,500	1,983,385,272	1,961,263,325	(4,050,491)	34,019,620	1,991,232,454

10.2 Particulars of assets and liabilities of subsidiaries and associates

				March 31, 2025 (Un-audited)				
	Subsidiary / Associate	Country of incorporation	Percentage of Holding	Assets	Liabilities	Revenue	Profit / (loss) for the period	Total comprehensive income / (loss)
				(Rupees in '000)				
Alfalah Securities (Private) Limited	Subsidiary	Pakistan	95.59%	1,514,599	1,089,478	132,658	(16,618)	(16,618)
Alfalah Currency Exchange (Private) Limited	Subsidiary	Pakistan	100.00%	1,100,184	100,371	41,819	(22,858)	(23,130)
Alfalah Insurance Company Limited	Associate	Pakistan	30.00%	8,555,509	5,142,495	702,980	148,740	117,624
Sapphire Wind Power Company Limited	Associate	Pakistan	30.00%	19,760,361	3,610,664	579,191	472,757	472,757
Alfalah Asset Management Limited	Associate	Pakistan	40.22%	3,521,020	891,262	663,072	185,695	185,695

				December 31, 2024 (Audited)		March 31, 2024 (Un-audited)		
	Subsidiary / Associate	Country of incorporation	Percentage of Holding	Assets	Liabilities	Revenue	Profit / (loss) for the period	Total comprehensive income / (loss)
				(Rupees in '000)				
Alfalah Securities (Private) Limited	Subsidiary	Pakistan	95.59%	1,850,958	1,358,817	145,582	(70,673)	(70,673)
Alfalah Currency Exchange (Private) Limited	Subsidiary	Pakistan	100.00%	1,081,681	58,738	31,511	462	462
Alfalah Insurance Company Limited	Associate	Pakistan	30.00%	7,622,491	4,327,101	622,125	180,123	178,531
Sapphire Wind Power Company Limited	Associate	Pakistan	30.00%	19,530,002	3,853,062	805,688	638,280	638,280
Alfalah Asset Management Limited	Associate	Pakistan	40.22%	3,473,064	1,014,104	311,139	78,104	78,104

10.2.1 During the period ended March 31, 2025, the shareholders of the Bank in annual general meeting of the Bank held on March 20, 2025 has authorised the Bank to sell entire shareholding in its subsidiary, Alfalah Securities (Private) Limited to Optimus Capital Management (Private) Limited. Execution of the transaction is in process as per share purchase agreement.

	(Un-audited) March 31, 2025	(Audited) December 31, 2024
	-------(Rupees in '000)-------	
10.3 Investments given as collateral		
- Market Treasury Bills	9,332,139	18,948,162
- Pakistan Investment Bonds	871,913,129	952,096,877
- Overseas Bonds	10,752,850	8,759,125
	891,998,118	979,804,164

10.3.1 The market value of securities given as collateral is Rs. 903,319.973 million (December 31, 2024: Rs. 993,194.012 million).

	(Un-audited) March 31, 2025	(Audited) December 31, 2024
	-------(Rupees in '000)-------	
10.4 Credit loss allowance / provision for diminution in value of investments		
10.4.1 Opening balance	4,050,491	3,660,630
Impact of adoption of IFRS 9	60,074	(437,729)
Balance as at January 01 after adopting IFRS 9	4,110,565	3,222,901
Exchange and other adjustments	9,925	(29,753)
Charge / (reversals)		
Charge for the period / year	80,519	1,436,742
Reversals for the period / year	(1,715)	(578,980)
Reversal on disposals	(117)	(419)
	78,687	857,343
Closing balance	4,199,177	4,050,491

10.4.2 Particulars of credit loss allowance against debt securities

Category of classification		March 31, 2025 (Un-audited)		December 31, 2024 (Audited)	
		Outstanding amount	Credit loss allowance / Provision held	Outstanding amount	Credit loss allowance / Provision held
Domestic		----------(Rupees in '000)----------			
Performing	Stage 1	406,250	48	806,250	85
Underperforming	Stage 2	-	-	-	-
Non-performing	Stage 3				
Substandard		-	-	-	-
Doubtful		-	-	-	-
Loss		312,699	312,699	314,307	314,307
		718,949	312,747	1,120,557	314,392
Overseas					
Performing	Stage 1	92,702,351	150,272	78,312,741	85,255
Performing		-	-	14,211,152	-
Underperforming	Stage 2	11,813,436	2,230,941	12,368,725	2,145,627
Non-performing	Stage 3				
Substandard		-	-	-	-
Doubtful		-	-	-	-
Loss		-	-	-	-
Total		105,234,736	2,693,960	106,013,175	2,545,274

10.4.3 The market value of securities classified as amortised cost as at March 31, 2025 amounted to Rs. 281,381.104 million (December 31, 2024: Rs. 279,284.570 million).

11 ADVANCES

	Note	Performing		Non Performing		Total	
		March 31, 2025 (Un-audited)	December 31, 2024 (Audited)	March 31, 2025 (Un-audited)	December 31, 2024 (Audited)	March 31, 2025 (Un-audited)	December 31, 2024 (Audited)
		(Rupees in '000)					
Classified at amortised cost							
Loans, cash credits, running finances, etc.		702,536,846	929,992,559	34,572,388	36,402,132	737,109,234	966,394,691
Islamic financing and related assets	43.3	159,492,302	166,361,932	5,539,803	5,688,223	165,032,105	172,050,155
Bills discounted and purchased		22,486,343	16,129,793	270,719	269,602	22,757,062	16,399,395
		884,515,491	1,112,484,284	40,382,910	42,359,957	924,898,401	1,154,844,241
Classified at FVPL							
Loans, cash credits, running finances, etc.		2,250,000	1,200,000	-	-	2,250,000	1,200,000
Fair value adjustment on loans - FVPL		255,439	213,735	-	-	255,439	213,735
		2,505,439	1,413,735	-	-	2,505,439	1,413,735
Advances - gross		887,020,930	1,113,898,019	40,382,910	42,359,957	927,403,840	1,156,257,976
Credit loss allowance / provision against advances							
- Stage 1	11.4	(1,908,275)	(2,232,954)	-	-	(1,908,275)	(2,232,954)
- Stage 2	11.4	(1,510,665)	(1,388,083)	-	-	(1,510,665)	(1,388,083)
- Stage 3	11.4	-	-	(38,016,551)	(38,436,013)	(38,016,551)	(38,436,013)
- Specific	11.4	-	-	-	(587,690)	-	(587,690)
- General	11.4	(4,188,956)	(4,237,082)	-	-	(4,188,956)	(4,237,082)
		(7,607,896)	(7,858,119)	(38,016,551)	(39,023,703)	(45,624,447)	(46,881,822)
Advances - net of credit loss allowance / provision		879,413,034	1,106,039,900	2,366,359	3,336,254	881,779,393	1,109,376,154

11.1 Advances include an amount of Rs. 405.769 million (December 31, 2024: Rs. 401.503 million), being Employee Loan facilities allowed to Citibank, N.A, Pakistan's employees, which were either taken over by the Bank, or were granted afresh, under a specific arrangement executed between the Bank and Citibank, N.A, Pakistan. The said arrangement is subject to certain relaxations as specified vide SBP Letter BPRD/BRD/Citi/2017/21089 dated September 11, 2017.

The said arrangement covers only existing employees of Citibank, N.A, Pakistan, and the relaxations allowed by the SBP are on continual basis, but subject to review by the SBP's BID and OSED departments. These loans carry mark-up at the rates ranging from 14.00% to 33.69% (December 31, 2024: 14.83% to 33.69%) per annum with maturities up to October 2043 (December 31, 2024: October 2043).

	(Un-audited) March 31, 2025	(Audited) December 31, 2024
	(Rupees in '000)	
11.2 Particulars of advances (gross)		
In local currency	818,003,235	1,038,683,097
In foreign currencies	109,400,605	117,574,879
	927,403,840	1,156,257,976

11.3 Advances include Rs. 40,382.910 million (December 31, 2024: Rs. 42,359.957 million) which have been placed under non-performing status as detailed below:

Category of Classification		March 31, 2025 (Un-audited)		December 31, 2024 (Audited)	
		Non-Performing Loans	Credit loss allowance /provision	Non-Performing Loans	Credit loss allowance /provision
		(Rupees in '000)			
Domestic					
Other Assets Especially Mentioned (OAEM)	Stage 3	168,884	4,864	237,808	-
Substandard	Stage 3	1,225,394	436,622	2,991,264	1,260,906
Doubtful	Stage 3	2,367,082	1,114,679	2,311,039	1,103,457
Loss	Stage 3	35,975,211	35,879,042	36,164,401	36,071,650
		39,736,571	37,435,207	41,704,512	38,436,013
Overseas					
Substandard	Stage 3 / Specific	37,939	23,060	38,700	23,355
Doubtful	Stage 3 / Specific	-	-	-	-
Loss	Stage 3 / Specific	608,400	558,284	616,745	564,335
		646,339	581,344	655,445	587,690
Total		40,382,910	38,016,551	42,359,957	39,023,703

11.4 Particulars of Credit loss allowance / provision against advances

	March 31, 2025 (Un-audited)						December 31, 2024 (Audited)					
	Expected Credit Loss			Specific	General	Total	Expected Credit Loss			Specific	General	Total
	Stage 1	Stage 2	Stage 3				Stage 1	Stage 2	Stage 3			
	(Rupees in '000)											
Opening balance	2,232,954	1,388,083	38,436,013	587,690	4,237,082	46,881,822	-	-	-	32,373,670	9,861,797	42,235,467
Impact of adoption of IFRS 9	50,662	49,899	587,751	(587,690)	-	100,622	3,383,875	1,941,645	33,603,839	(31,883,354)	(1,715,503)	5,330,502
Balance as at January 01 after adopting IFRS 9	2,283,616	1,437,982	39,023,764	-	4,237,082	46,982,444	3,383,875	1,941,645	33,603,839	490,316	8,146,294	47,565,969
Exchange and other adjustments	637	-	(6,304)	-	(4,067)	(9,734)	(249)	-	-	(49,929)	(35,775)	(85,953)
Charge for the period / year	238,968	328,122	1,327,521	-	-	1,894,611	589,912	228,688	14,209,301	148,294	-	15,176,195
Reversals for the period / year	(625,713)	(259,524)	(2,102,584)	-	(44,059)	(3,031,880)	(1,576,721)	(680,132)	(7,187,019)	(991)	(3,873,437)	(13,318,300)
	(386,745)	68,598	(775,063)	-	(44,059)	(1,137,269)	(986,809)	(451,444)	7,022,282	147,303	(3,873,437)	1,857,895
Transfer	10,767	4,085	(14,852)	-	-	-	(163,863)	(102,118)	265,981	-	-	-
Amounts written off	-	-	(210,994)	-	-	(210,994)	-	-	(19,688)	-	-	(19,688)
Amounts charged off	-	-	-	-	-	-	-	-	(2,310,924)	-	-	(2,310,924)
Amounts charged off - agriculture financing	-	-	-	-	-	-	-	-	(125,477)	-	-	(125,477)
	10,767	4,085	(225,846)	-	-	(210,994)	(163,863)	(102,118)	(2,190,108)	-	-	(2,456,089)
Closing balance	1,908,275	1,510,665	38,016,551	-	4,188,956	45,624,447	2,232,954	1,388,083	38,436,013	587,690	4,237,082	46,881,822

11.4.1 The additional profit arising from availing the forced sales value (FSV) benefit - net of tax as at March 31, 2025 which is not available for distribution as either cash or stock dividend to shareholders / bonus to employees amounted to Rs. 72.695 million (December 31, 2024: Rs. 79.607 million).

11.4.2 During the period, non performing loans and provisions were reduced by Rs. Nil (December 31, 2024: Rs. 5,317.765 million) due to debt property swap transactions.

11.4.3 Specific provision relates to overseas branches to meet the requirements of regulatory authorities of the respective countries in which overseas branches operate.

11.4.4 General provision includes:

(i) Provision held at overseas branches to meet the requirements of the regulatory authorities of the respective countries in which overseas branches operate; and

(ii) Provision of Rs. 3,878.000 million (December 31, 2024: Rs. 3,878.000 million) against the high risk portfolio, which is showing higher economic vulnerability. The portfolio excludes GoP backed exposure, staff loans and loans secured against liquid collaterals.

11.4.5 Although the Bank has made provision against its non-performing portfolio as per the category of classification of the loan, the Bank holds enforceable collateral in the event of recovery through litigation. These securities comprise of charge against various tangible assets of the borrower including land, building and machinery, stock in trade etc.

11.5 Advances - Particulars of credit loss allowance / provision against advances

	March 31, 2025 (Un-audited)						December 31, 2024 (Audited)					
	Expected Credit Loss			Specific	General	Total	Expected Credit Loss			Specific	General	Total
	Stage 1	Stage 2	Stage 3				Stage 1	Stage 2	Stage 3			
	(Rupees in '000)											
Opening balance	2,232,954	1,388,083	38,436,013	587,690	4,237,082	46,881,822	-	-	-	32,373,670	9,861,797	42,235,467
Impact of adoption of IFRS 9	50,662	49,899	587,751	(587,690)	-	100,622	3,383,875	1,941,645	33,603,839	(31,883,354)	(1,715,503)	5,330,502
Balance as at January 01 after adopting IFRS 9	2,283,616	1,437,982	39,023,764	-	4,237,082	46,982,444	3,383,875	1,941,645	33,603,839	490,316	8,146,294	47,565,969
Exchange and other adjustments	637	-	(6,304)	-	(4,067)	(9,734)	(249)	-	-	(49,929)	(35,775)	(85,953)
New Advances	238,968	328,122	839,339	-	-	1,406,429	589,912	228,688	10,736,585	55,479	-	11,610,664
Due to credit deterioration	-	-	175,048	-	-	175,048	-	-	3,472,716	92,815	-	3,565,531
Advances derecognised or repaid / reversal	(184,078)	(61,510)	(2,102,584)	-	(44,059)	(2,392,231)	(1,348,975)	(337,218)	(6,805,825)	(991)	(3,873,437)	(12,366,446)
Transfer to stage 1	54,808	(54,808)	-	-	-	-	209,329	(209,329)	-	-	-	-
Transfer to stage 2	(43,324)	72,085	(28,761)	-	-	-	(342,027)	342,027	-	-	-	-
Transfer to stage 3	(717)	(13,192)	13,909	-	-	-	(31,165)	(234,816)	265,981	-	-	-
Changes in risk parameters	(441,635)	(198,014)	313,134	-	-	(326,515)	(227,746)	(342,914)	(381,194)	-	-	(951,854)
	(375,978)	72,683	(789,915)	-	(44,059)	(1,137,269)	(1,150,672)	(553,562)	7,288,263	147,303	(3,873,437)	1,857,895
Amounts written off	-	-	(210,994)	-	-	(210,994)	-	-	(19,688)	-	-	(19,688)
Amounts charged off	-	-	-	-	-	-	-	-	(2,436,401)	-	-	(2,436,401)
Closing balance	1,908,275	1,510,665	38,016,551	-	4,188,956	45,624,447	2,232,954	1,388,083	38,436,013	587,690	4,237,082	46,881,822

11.6 Advances - Category of classification

		March 31, 2025 (Un-audited)		December 31, 2024 (Audited)	
		Outstanding	Credit loss allowance /provision	Outstanding	Credit loss allowance /provision
		----------(Rupees in '000)----------			
Domestic					
Performing	Stage 1	709,078,363	1,754,752	950,300,223	2,101,954
Underperforming	Stage 2	129,281,845	1,499,832	112,325,725	1,388,083
Non-Performing	Stage 3				
Other Assets Especially Mentioned (OAEM)		168,884	4,864	237,808	-
Substandard		1,225,394	436,622	2,991,264	1,260,906
Doubtful		2,367,082	1,114,679	2,311,039	1,103,457
Loss		35,975,211	35,879,043	36,164,401	36,071,650
General Provision		-	3,878,000	-	3,878,000
		878,096,779	44,567,792	1,104,330,460	45,804,050
Overseas					
Performing	Stage 1	45,436,636	153,523	51,272,071	131,000
Underperforming	Stage 2	3,224,086	10,833	-	-
Non-Performing	Stage 3 / Specific				
Other Assets Especially Mentioned (OAEM)		-	-	-	-
Substandard		37,939	23,060	38,700	23,355
Doubtful		-	-	-	-
Loss		608,400	558,283	616,745	564,335
General Provision		-	310,956	-	359,082
		49,307,061	1,056,655	51,927,516	1,077,772
Total		927,403,840	45,624,447	1,156,257,976	46,881,822

		Note	(Un-audited) March 31, 2025	(Audited) December 31, 2024
12	**PROPERTY AND EQUIPMENT**		--------(Rupees in '000)--------	
	Capital work-in-progress		5,560,443	3,471,199
	Property and equipment	12.2	60,478,283	60,072,285
			66,038,726	63,543,484
12.1	Capital work-in-progress			
	Civil works		4,741,168	3,187,748
	Equipment		590,783	252,122
	Others		228,492	31,329
			5,560,443	3,471,199

12.2 It includes land and buildings carried at revalued amount of Rs. 39,373.707 million (December 31, 2024: Rs. 39,448.429 million).

	(Un-audited) Quarter ended	
	March 31, 2025	March 31, 2024
12.3 Additions to property and equipment	----------(Rupees in '000)----------	
The following additions were made to property and equipment during the period:		
Capital work-in-progress - net of transferred out for capitalisation	2,089,244	807,790
Property and equipment		
Freehold land	-	101,138
Leasehold land	-	5,149,174
Buildings on freehold land	1,915	47,511
Buildings on leasehold land	773	26,182
Leasehold improvement	66,078	498,149
Furniture and fixtures	322,836	174,757
Office equipment	1,125,667	875,246
Vehicles	284,635	263,765
	1,801,904	7,135,922
Total additions to property and equipment	3,891,148	7,943,712

12.4 Disposals of property and equipment

The net book values of property and equipment disposed off during the period are as follows:

Furniture and fixtures	233	-
Office equipments	3,535	3,057
Total disposal of property and equipment	3,768	3,057

	(Un-audited) March 31, 2025	(Audited) December 31, 2024
13 RIGHT-OF-USE ASSETS	----------(Rupees in '000)----------	
	Buildings	**Buildings**
At January 1		
Cost	36,609,168	28,813,726
Accumulated depreciation	(11,318,561)	(8,862,155)
Net carrying amount at January 1	25,290,607	19,951,571
Additions / renewals / amendments / (terminations)		
- net during the period / year	1,546,030	9,309,533
Depreciation charge during the period / year	(1,102,458)	(3,923,093)
Exchange rate adjustments	(1,050)	(47,404)
Closing net carrying amount	25,733,129	25,290,607

14 INTANGIBLE ASSETS

Capital work-in-progress / advance payment to suppliers	414,441	396,879
Software	1,101,897	1,146,230
	1,516,338	1,543,109

	(Un-audited) Quarter ended	
	March 31, 2025	March 31, 2024
14.1 Additions to intangible assets	----------(Rupees in '000)----------	
The following additions were made to intangible assets during the period:		
Capital work-in-progress - net; of transferred out for capitalisation	17,562	51,609
Directly purchased	54,483	16,723
Total additions to intangible assets	72,045	68,332

14.2 There were no disposals of intangible assets during the periods ended March 31, 2025 and March 31, 2024.

	Note	(Un-audited) March 31, 2025	(Audited) December 31, 2024
		----------(Rupees in '000)----------	
15 OTHER ASSETS			
Income / mark-up accrued in local currency - net		87,079,323	82,067,618
Income / mark-up accrued in foreign currency - net		2,550,059	2,724,193
Advances, deposits, advance rent and other prepayments		6,441,102	4,582,638
Advance taxation (payments less provisions)		4,910,098	3,673,656
Advance against subscription of share		55,343	-
Non-banking assets acquired in satisfaction of claims	15.1	7,813,891	7,830,251
Dividend receivable		328,984	-
Mark to market gain on forward foreign exchange contracts		921,361	1,288,538
Mark to market gain on derivatives		2,744,453	3,128,782
Stationery and stamps on hand		22,512	28,155
Defined benefit plan		1,091,515	1,331,990
Branch adjustment account		-	29,195
Due from card issuing banks		5,002,438	2,817,994
Accounts receivable		8,453,504	10,613,225
Claims against fraud and forgeries		112,453	108,907
Acceptances		38,891,682	33,015,615
Receivable against Government of Pakistan and overseas government securities		2,747	44,928
Receivable against marketable securities		152,142	400,576
Deferred cost on staff loans		20,841,725	21,080,743
Others		714,274	135,539
		188,129,606	174,902,543
Less: Credit loss allowance / provision held against other assets	15.2	(4,041,499)	(3,466,022)
Other assets (net of credit loss allowance / provision)		184,088,107	171,436,521
Surplus on revaluation of non-banking assets acquired in satisfaction of claims - net	15.1	496,851	491,882
Other assets - total		184,584,958	171,928,403

15.1 The revalued amount of non-banking assets acquired in satisfaction of claims is Rs. 8,310.742 million (December 31, 2024: Rs. 8,332.133 million).

15.2 Credit loss allowance / provision held against other assets

Impairment against overseas operations	3,334,807	2,708,477
Expected credit loss	156,847	181,325
Fraud and forgeries	112,453	108,907
Accounts receivable	64,352	67,326
Others	373,040	399,987
	4,041,499	3,466,022

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

Opening balance	3,466,022	2,984,277
Impact of adoption of IFRS 9	862	370,152
Balance as at January 01 after adopting IFRS 9	3,466,884	3,354,429
Exchange and other adjustments	674	(2,777)
Charge for the period / year	665,905	531,375
Reversals for the period / year	(91,722)	(372,333)
	574,183	159,042
Amount written off	(242)	(44,672)
Closing balance	4,041,499	3,466,022

	(Un-audited) March 31, 2025	(Audited) December 31, 2024
	--------(Rupees in '000)--------	

16 BILLS PAYABLE

In Pakistan	28,501,185	41,462,676
Outside Pakistan	387,298	305,650
	28,888,483	41,768,326

17 BORROWINGS

Secured		
Borrowings from State Bank of Pakistan under:		
Export Refinance Scheme	27,319,868	26,867,803
Long-Term Finance Facility	19,132,139	20,278,409
Financing Facility for Renewable Energy Projects	13,464,585	13,762,263
Financing Facility for Storage of Agriculture Produce (FFSAP)	781,476	698,919
Temporary Economic Refinance Facility (TERF)	24,825,764	25,697,206
Export Refinance under Bill Discounting	14,072,206	14,253,363
SME Asaan Finance (SAAF)	6,486,198	7,073,103
Refinance Facility for Combating COVID (RFCC)	1,144,641	932,258
Refinance and Credit Guarantee Scheme for Women Entrepreneurs	212,654	172,604
Modernization of Small and Medium Entities (MSMES)	1,904,786	1,855,749
Other refinance schemes	1,075	232
Repurchase agreement borrowings	822,717,080	911,260,540
	932,062,472	1,022,852,449
Repurchase agreement borrowings	32,537,706	32,209,792
Bai Muajjal	50,720,362	48,654,565
Total secured	1,015,320,540	1,103,716,806
Unsecured		
Call borrowings	13,783,096	11,414,695
Overdrawn nostro accounts	1,135,018	15,736,314
Borrowings of overseas branches	5,620,390	5,750,351
Others		
- Pakistan Mortgage Refinance Company	4,393,036	2,464,030
- Karandaaz Risk Participation	3,415,448	2,803,546
Total unsecured	28,346,988	38,168,936
	1,043,667,528	1,141,885,742

18 DEPOSITS AND OTHER ACCOUNTS

	March 31, 2025 (Un-audited)			December 31, 2024 (Audited)		
	In Local Currency	In Foreign Currencies	Total	In Local Currency	In Foreign Currencies	Total
	----------(Rupees in '000)----------					
Customers						
- Current deposits	670,735,074	175,885,187	846,620,261	644,305,838	165,613,660	809,919,498
- Savings deposits	576,994,320	34,217,268	611,211,588	607,199,365	34,755,471	641,954,836
- Term deposits	303,851,672	73,409,604	377,261,276	315,007,439	69,798,774	384,806,213
- Others	40,565,683	20,017,286	60,582,969	35,232,274	12,915,513	48,147,787
	1,592,146,749	303,529,345	1,895,676,094	1,601,744,916	283,083,418	1,884,828,334
Financial Institutions						
- Current deposits	5,111,719	1,716,165	6,827,884	4,387,043	2,747,963	7,135,006
- Savings deposits	78,425,677	2,620,635	81,046,312	186,276,613	2,372,391	188,649,004
- Term deposits	24,903,000	9,618,289	34,521,289	47,797,204	8,366,800	56,164,004
- Others	572,980	86	573,066	136,154	120	136,274
	109,013,376	13,955,175	122,968,551	238,597,014	13,487,274	252,084,288
	1,701,160,125	317,484,520	2,018,644,645	1,840,341,930	296,570,692	2,136,912,622

18.1 Current deposits include remunerative current deposits of Rs. 27,593.445 million (December 31, 2024: Rs. 26,618.402 million).

		Note	(Un-audited) March 31, 2025	(Audited) December 31, 2024
19	**LEASE LIABILITIES**		----------(Rupees in '000)---------	
	Opening as at January 1		29,481,938	22,894,533
	Additions / renewals / amendments / (terminations) - net		1,533,619	9,245,802
	Finance charges		1,024,376	3,503,522
	Lease payments including interest		(1,389,256)	(6,108,213)
	Exchange rate / other adjustment		(4,939)	(53,706)
	Closing net carrying amount		30,645,738	29,481,938
19.1	**Liabilities outstanding**			
	Not later than one year		2,170,987	2,045,816
	Later than one year and upto five years		11,692,211	11,045,465
	Over five years		16,782,540	16,390,657
	Total at the period / year end		30,645,738	29,481,938

For the purpose of discounting PKRV rates are being used.

20	**SUBORDINATED DEBT**			
	Term Finance Certificates VI - Additional Tier-I (ADT-1)	20.1	7,000,000	7,000,000
	Term Finance Certificates VIII - Additional Tier-I (ADT-1)	20.2	7,000,000	7,000,000
			14,000,000	14,000,000

20.1 Term Finance Certificates VI - Additional Tier-I (ADT-1) - Quoted, Unsecured

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

Issue amount	Rs. 7,000,000,000
Issue date	March 2018
Maturity date	Perpetual
Rating	"AA+" (Double A plus) by The Pakistan Credit Rating Agency Limited.
Security	Unsecured
Ranking	Subordinated to all other indebtedness of the Bank including deposits but superior to equity.
Profit payment frequency	Payable semi-annually in arrears.
Redemption	Perpetual
Mark-up	For the period at end of which the Bank is in compliance with Minimum Capital Requirement (MCR) and Capital Adequacy Ratio (CAR) requirements of the SBP, mark-up rate will be Base Rate + 1.50% with no step up feature. Base Rate is defined as the six months KIBOR (ask side) prevailing on one (1) business day prior to previous profit payment date.
Lock-in-clause	Mark-up will only be paid from the Bank's current year's earning and if the Bank is in compliance of regulatory MCR and CAR requirements set by the SBP from time to time.
Loss absorbency clause	In conformity with the SBP Basel III Guidelines, the TFCs shall, if directed by the SBP, be permanently converted into ordinary shares upon: (i) the CET 1 Trigger Event; (ii) the point of non-viability Trigger Event; or (iii) failure by the Bank to comply with the Lock-In Clause. The SBP will have full discretion in declaring the point of non-viability Trigger Event.
Call Option	The Bank may, at its sole discretion, exercise call option any time after five years from the issue date, subject to prior approval of the SBP and instrument is replaced with capital of same and better quality.

20.2 Term Finance Certificates VIII - Additional Tier-I (ADT-1) - Quoted, Unsecured

The Bank issued Rs. 7,000 million of privately placed, listed, fully paid up, rated, perpetual, unsecured, subordinated, non-cumulative and contingent convertible debt instruments in the nature of Term Finance Certificates (TFCs) issued as instruments of redeemable capital under Section 66 of the Companies Act, 2017 which qualify as Additional Tier 1 Capital (ADT 1) as outlined by the SBP under BPRD circular No. 06 dated August 15, 2013. Summary of key terms and conditions of the issue are as follows:

Issue amount	Rs. 7,000,000,000
Issue date	December 2022
Maturity date	Perpetual
Rating	"AA+" (Double A plus) by The Pakistan Credit Rating Agency Limited.
Security	Unsecured
Ranking	Subordinated to all other indebtedness of the Bank including deposits but superior to equity.
Profit payment frequency	Payable semi-annually in arrears.
Redemption	Perpetual
Mark-up	For the period at end of which the Bank is in compliance with Minimum Capital Requirement (MCR) and Capital Adequacy Ratio (CAR) requirements of the SBP, mark-up rate will be Base Rate + 2.00% with no step up feature. Base Rate is defined as the six months KIBOR (Ask side) prevailing on one (1) business day prior to previous profit payment date.
Lock-in-clause	Mark-up will only be paid from the Bank's current year's earning and if the Bank is in compliance of regulatory MCR and CAR requirements set by the SBP from time to time.
Loss absorbency clause	In conformity with the SBP Basel III Guidelines, the TFCs shall, if directed by the SBP, be permanently converted into ordinary shares upon: (i) the CET 1 Trigger Event; (ii) the point of non-viability Trigger Event; or (iii) failure by the Bank to comply with the Lock-In Clause. The SBP will have full discretion in declaring the point of non-viability Trigger Event.
Call Option	The Bank may, at its sole discretion, exercise call option any time after five years from the issue date, subject to prior approval of the SBP and instrument is replaced with capital of same and better quality.

	Note	(Un-audited) March 31, 2025	(Audited) December 31, 2024
21 DEFERRED TAX LIABILITIES / (ASSETS)		----------(Rupees in '000)----------	
Deductible Temporary Differences on:			
- Credit loss allowance / provision against investments		(2,448,481)	(2,375,374)
- Credit loss allowance / provision against advances		(3,860,854)	(4,857,280)
- Modification of advances		(45,772)	(49,009)
- Credit loss allowance / provision against other assets		(1,884,455)	(1,534,994)
- Credit loss allowance against cash with treasury banks		(3,262)	(8,679)
- Credit loss allowance against balance with other banks		(6,288)	(2,082)
- Credit loss allowance against lending to financial institutions		(4,026)	(311)
- Unrealised loss on FVPL investments		(459,022)	-
- Workers' Welfare Fund		(2,712,122)	(2,504,065)
		(11,424,282)	(11,331,794)
Taxable Temporary Differences on:			
- Unrealised gain on FVPL investments		-	2,087,729
- Unrealised gain on FVPL advances		132,829	111,143
- Unrealised net gain on fair value of refinancing		635,441	643,213
- Surplus on revaluation of FVOCI investments		14,935,723	17,236,946
- Surplus on revaluation of property and equipment		2,405,752	2,386,906
- Surplus on revaluation of non banking assets		188,339	177,167
- Accelerated tax depreciation		5,041,595	5,204,331
		23,339,679	27,847,435
		11,915,397	16,515,641

	Note	(Un-audited) March 31, 2025	(Audited) December 31, 2024
		----------(Rupees in '000)----------	
22 OTHER LIABILITIES			
Mark-up / return / interest payable in local currency		22,647,033	35,004,706
Mark-up / return / interest payable in foreign currency		2,165,525	1,715,640
Unearned fee commission and income on bills discounted and guarantees		4,323,070	4,063,795
Accrued expenses		15,987,148	17,275,667
Acceptances		38,891,682	33,015,615
Dividends payable		2,656,063	307,709
Mark to market loss on forward foreign exchange contracts		447,644	1,090,874
Mark to market loss on derivatives		70,240	69,063
Branch adjustment account		83,989	-
Alternative Delivery Channel (ADC) settlement accounts	22.2	14,971,471	1,719,649
Provision for compensated absences		1,379,476	1,290,476
Payable against redemption of customer loyalty / reward points		1,308,552	1,041,845
Charity payable		176,139	176,604
Credit loss allowance / provision against off-balance sheet obligations	22.1	966,498	780,711
Security deposits against leases, lockers and others		16,787,014	13,058,856
Workers' welfare fund		7,189,631	6,789,523
Payable to vendors and suppliers		747,392	630,070
Margin deposits on derivatives		2,146,371	2,415,337
Payable to merchants (card acquiring)		1,944,418	959,295
Indirect taxes payable		4,040,263	6,453,825
Liability against share based payment		378,440	870,000
Trading liability		2,606,729	15,600,626
Others		8,462,865	7,199,556
		150,377,653	151,529,442

22.1 Credit loss allowance / provision against off-balance sheet obligations

Opening balance	780,711	78,624
Impact of adoption of IFRS 9	2,714	1,085,673
Balance as at January 01 after adopting IFRS 9	783,425	1,164,297
Exchange and other adjustments	(234)	(4,925)
Charge / (reversals) for the period / year	183,307	(378,661)
Closing balance	966,498	780,711

22.2 This represents settlement arising from channel transaction at the cut off date which were subsequently cleared.

		Note	(Un-audited) March 31, 2025	(Audited) December 31, 2024
23	**SURPLUS ON REVALUATION OF ASSETS**		----------(Rupees in '000)---------	
	Surplus / (deficit) on revaluation of:			
	- Securities measured at FVOCI - debt	10.1	18,344,991	23,225,807
	- Securities measured at FVOCI - equity	10.1	7,525,940	6,746,862
	- Property and equipment		19,909,783	19,939,951
	- Non-banking assets acquired in satisfaction of claims		496,851	491,882
			46,277,565	50,404,502
	Less: Deferred tax (liability) / asset on surplus / (deficit) on revaluation of:			
	- Securities measured at FVOCI - debt		(9,539,395)	(12,077,420)
	- Securities measured at FVOCI - equity		(3,913,489)	(3,508,368)
	- Property and equipment		(2,405,752)	(2,386,906)
	- Non-banking assets acquired in satisfaction of claims		(188,339)	(177,167)
			(16,046,975)	(18,149,861)
	Derivatives deficit		(2,851,614)	(3,175,304)
	Less: Deferred tax asset on derivative		1,482,839	1,651,158
			(1,368,775)	(1,524,146)
			31,599,365	33,778,787
24	**CONTINGENCIES AND COMMITMENTS**			
	- Guarantees	24.1	188,347,987	181,819,233
	- Commitments	24.2	839,456,239	693,195,425
	- Other contingent liabilities	24.3.1	22,945,134	23,153,037
			1,050,749,360	898,167,695
24.1	**Guarantees:**			
	Financial guarantees		6,071,582	6,048,920
	Performance guarantees		64,925,734	66,136,458
	Other guarantees		117,350,671	109,633,855
			188,347,987	181,819,233
24.2	**Commitments:**			
	Documentary credits and short-term trade-related transactions			
	- Letters of credit		255,565,975	220,709,466
	Commitments in respect of:			
	- forward foreign exchange contracts	24.2.1	353,759,414	266,938,066
	- forward government securities transactions	24.2.2	179,782,967	149,529,384
	- derivatives	24.2.3	32,176,165	33,466,502
	- forward lending	24.2.4	12,301,575	16,490,171
	Commitments for acquisition of:			
	- property and equipment		5,221,676	5,448,017
	- intangible assets		367,467	317,819
	Commitments in respect of donations		281,000	296,000
			839,456,239	693,195,425
24.2.1	**Commitments in respect of forward foreign exchange contracts**			
	Purchase		202,944,591	144,906,210
	Sale		150,814,823	122,031,856
			353,759,414	266,938,066
24.2.2	**Commitments in respect of forward government securities transactions**			
	Purchase		58,543,423	55,393,978
	Sale		121,239,544	94,135,406
			179,782,967	149,529,384

		Note	(Un-audited) March 31, 2025	(Audited) December 31, 2024
24.2.3	**Commitments in respect of derivatives**		---------(Rupees in '000)---------	
	Interest Rate Swaps			
	Purchase	25.1	22,081,958	23,054,358
	Sale		-	-
			22,081,958	23,054,358
	Cross Currency Swaps			
	Purchase		-	-
	Sale	25.1	10,094,207	10,412,144
			10,094,207	10,412,144
	Total commitments in respect of derivatives		32,176,165	33,466,502
24.2.4	**Commitments in respect of forward lending**			
	Undrawn formal standby facilities, credit lines and other commitments to lend	24.2.4.1	12,301,575	16,490,171

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

		(Un-audited) March 31, 2025	(Audited) December 31, 2024
24.3	**Other contingent liabilities**	---------(Rupees in '000)---------	
24.3.1	Claims against the Bank not acknowledged as debts	22,945,134	23,153,037

These mainly represents counter claims filed by the borrowers for restricting the Bank from disposal of collateral assets (such as hypothecated / mortgaged / pledged assets kept as security), damage to reputation and cases filed by ex-employees of the Bank for damages. Based on legal advices and / or internal assessments, management is confident that the matters will be decided in the Bank's favour and the possibility of any outcome against the Bank is remote and accordingly no provision has been made in these unconsolidated condensed interim financial statements.

24.4 Contingency for tax payable

24.4.1 There were no tax related contingencies other than as disclosed in note 36.1.

25 DERIVATIVE INSTRUMENTS

Derivatives are a type of financial contract, the value of which is determined by reference to one or more underlying assets or indices. The major categories of such contracts include futures, swaps and options. Derivatives also include structured financial products that have one or more characteristics of forwards, futures, swaps and options.

25.1 Product Analysis

	March 31, 2025 (Un-audited)					
	Interest Rate Swaps			Cross Currency Swaps		
	No. of contracts	Notional Principal	Mark to market gain - net	No. of contracts	Notional Principal	Mark to market gain - net
Counterparties		----------(Rupees in '000)----------			----------(Rupees in '000)----------	
With Banks for						
Hedging	24	22,081,958	1,875,394	-	-	-
With other entities						
Market making	-	-	-	6	10,094,207	798,819
	24	22,081,958	1,875,394	6	10,094,207	798,819

	December 31, 2024 (Audited)					
	Interest Rate Swaps			Cross Currency Swaps		
	No. of contracts	Notional Principal	Mark to market gain - net	No. of contracts	Notional Principal	Mark to market gain - net
Counterparties		----------(Rupees in '000)----------			----------(Rupees in '000)----------	
With Banks for						
Hedging	27	23,054,358	2,172,667	-	-	-
With other entities						
Market making	-	-	-	6	10,412,144	887,052
	27	23,054,358	2,172,667	6	10,412,144	887,052

		(Un-audited) Quarter ended	
		March 31, 2025	March 31, 2024 (Restated)
		----------(Rupees in '000)----------	
26	**MARK-UP/RETURN/INTEREST EARNED**		
	On:		
a)	Loans and advances	28,244,577	33,108,427
b)	Investments	64,691,119	93,553,966
c)	Lendings to financial institutions	766,929	1,747,917
d)	Balances with banks	73,087	7,336
e)	On securities purchased under resale agreements	1,317,875	1,526,461
		95,093,587	129,944,107
27	**MARK-UP/RETURN/INTEREST EXPENSED**		
	On:		
a)	Deposits	29,827,440	58,784,349
b)	Borrowings	4,406,805	5,070,985
c)	Securities sold under repurchase agreements	25,406,228	30,867,789
d)	Subordinated debt	544,700	834,214
e)	Cost of foreign currency swaps against foreign currency deposits / borrowings	408,313	2,206,189
f)	Leased assets	1,024,376	783,923
g)	Reward points / customer loyalty	263,440	112,510
		61,881,302	98,659,959
28	**FEE & COMMISSION INCOME**		
	Branch banking customer fees	453,359	387,805
	Consumer finance related fees	196,238	152,853
	Card related fees (debit and credit cards)	508,749	915,299
	Credit related fees	113,340	180,637
	Investment banking fees	151,341	21,520
	Commission on trade	817,422	741,660
	Commission on guarantees	202,845	182,648
	Commission on cash management	15,615	12,337
	Commission on remittances including home remittances	85,041	651,528
	Commission on bancassurance	170,423	133,778
	Card acquiring business	202,512	392,797
	Wealth management fee	156,932	78,897
	Commission on Benazir Income Support Programme (BISP)	46,535	427,430
	Alternative Delivery Channel (ADC) settlement accounts	380,575	330,367
	Others	55,726	53,485
		3,556,653	4,663,041
29	**FOREIGN EXCHANGE INCOME**		
	Foreign exchange income	2,117,069	2,785,552
	Foreign exchange gain / (loss) related to derivatives	1,506	(516,732)
		2,118,575	2,268,820

	Note	(Un-audited) Quarter ended March 31, 2025	March 31, 2024 (Restated)
		----------(Rupees in '000)----------	
30 GAIN ON SECURITIES			
Realised gain	30.1	1,509,136	783,036
Unrealised loss - measured at FVPL	10.1	(885,431)	(712,962)
Unrealised gain / (loss) on trading liabilities - net		2,697	(2,398)
		626,402	67,676
30.1 Realised gain on:			
Federal government securities		1,312,407	672,174
Shares		32,073	8,124
Foreign securities		164,656	102,738
		1,509,136	783,036
30.2 Net gain on financial assets / liabilities measured:			
At FVPL			
Designated upon initial recognition		(291,935)	(545,288)
Mandatorily measured at FVPL		134,465	61,699
		(157,470)	(483,589)
Net gain on financial assets measured at FVOCI - Debt		783,872	551,265
		626,402	67,676
31 OTHER INCOME			
Rent on property		3,101	8,719
Gain on sale of property and equipment - net		19,934	3,687
Gain on sale of non banking assets - net		-	27,800
Gain on termination of leases		12,411	13,929
Unrealised gain on advances classified at FVPL		41,704	11,933
Insurance premium of overseas recovered		719,128	-
Others		1,384	-
		797,662	66,068
32 OPERATING EXPENSES			
Total compensation expense	32.1	11,991,645	9,419,512
Property expense			
Rates and taxes		30,931	45,048
Utilities cost		851,222	826,487
Security (including guards)		531,246	346,383
Repair and maintenance (including janitorial charges)		563,943	445,742
Depreciation on right-of-use assets		1,102,458	924,630
Depreciation on non-banking assets acquired in satisfaction of claims		17,669	4,298
Depreciation on owned assets		305,437	229,618
		3,402,906	2,822,206
Information technology expenses			
Software maintenance		906,882	795,174
Hardware maintenance		282,208	178,244
Depreciation		435,426	313,082
Amortisation		98,714	86,363
Network charges		180,506	176,865
Consultancy and support services		19,928	38,609
		1,923,664	1,588,337
Balance carried forward		17,318,215	13,830,055

	(Un-audited) Quarter ended	
	March 31, 2025	March 31, 2024
	----------(Rupees in '000)----------	
		(Restated)
Balance brought forward	17,318,215	13,830,055
Other operating expenses		
Directors' fees and allowances	39,840	38,560
Fees and allowances to Shariah Board	7,655	4,993
Legal and professional charges	102,544	86,473
Outsourced services costs	459,437	379,767
Travelling and conveyance	518,001	341,515
Clearing and custodian charges	48,373	41,625
Depreciation	640,113	491,428
Training and development	36,384	74,652
Postage and courier charges	112,414	117,564
Communication	903,062	587,937
Stationery and printing	570,198	462,960
Marketing, advertisement and publicity	3,759,345	514,124
Donations	40,901	126,320
Auditors' remuneration	65,208	30,489
Brokerage and commission	273,746	299,491
Entertainment	230,967	208,567
Repairs and maintenance	319,827	201,362
Insurance	570,758	516,567
Cash handling charges	554,949	475,237
CNIC verification	170,813	112,086
Others	231,029	234,885
	9,655,564	5,346,602
	26,973,779	19,176,657

32.1 Total compensation expense

Managerial remuneration		
i) Fixed	7,186,704	5,878,258
ii) Variable:		
a) Cash bonus / awards etc.	1,704,454	1,391,348
b) Bonus and awards in shares etc.	230,572	143,750
Charge for defined benefit plan	240,475	167,824
Contribution to defined contribution plan	276,992	213,652
Medical	672,099	539,922
Conveyance	801,950	347,152
Staff compensated absences	89,000	52,500
Staff life insurance	42,886	43,869
Staff welfare	17,186	7,010
Club subscription	7,188	1,011
Sub-total	11,269,506	8,786,296
Sign-on bonus	17,246	37,149
Staff loans - notional cost	704,893	596,067
Grand Total	11,991,645	9,419,512

33 WORKERS' WELFARE FUND

The Supreme Court of Pakistan vide its order dated November 10, 2016 has held that the amendments made in the law introduced by the Federal Government through the Finance Act, 2008 for the levy of Workers' Welfare Fund (WWF) on banks were not lawful. The Federal Board of Revenue has filed review petitions against this order, which are currently pending. A legal advice was obtained by the Pakistan Banking Association which highlights that consequent to filing of these review petitions, a risk has arisen and the judgment is not conclusive until the review petitions is decided. Accordingly, the amount charged for Workers' Welfare Fund since 2008 has not been reversed.

	Note	(Un-audited) Quarter ended	
		March 31, 2025	March 31, 2024
		----------(Rupees in '000)----------	
			(Restated)
34 OTHER CHARGES			
Penalties imposed by the State Bank of Pakistan		4,211	208,643
35 CREDIT LOSS ALLOWANCE / PROVISIONS AND WRITE OFFS - NET			
Reversal of credit loss allowance against cash with treasury banks		(14,194)	(35,325)
Credit loss allowance against balance with other banks		7,187	1,379
(Reversal of) / credit loss allowance against lending to financial institutions		7,144	11,408
Credit loss allowance / (reversal) against provision for diminution in value of investments	10.4.1	78,687	(92,760)
(Reversal of) / credit loss allowance / provision against loans & advances	11.4	(1,137,269)	200,309
Credit loss allowance / (reversal) against other assets	15.2.1	574,183	(63,532)
Credit loss allowance / (reversal) against off-balance sheet obligations	22.1	183,307	(77,205)
Credit loss allowance / (reversal of other credit loss allowance) / write off - net		5,274	(15,432)
Recovery of written off / charged off bad debts		(172,336)	(135,636)
		(468,017)	(206,794)
36 TAXATION			
Charge / (reversal) :			
Current		10,585,283	10,417,922
Prior years		-	(54,047)
Deferred		(2,241,187)	(573,946)
		8,344,096	9,789,929

36.1 a) The income tax assessments of the Bank have been finalized upto and including tax year 2024. In respect of tax years 2008, 2014, 2017, 2019 and 2021 to 2024, the tax authority has raised certain issues including default in payment of WWF, allocation of expenses to dividend and capital gains, dividend income from mutual funds not being taken under income from business and disallowance of leasehold improvements resulting in tax demand of Rs. 1,217.274 million (December 31, 2024: Rs. 1,217.274 million) net of relief provided in appeal. Bank has filed appeal which is pending before tribunal. The management is confident that matter will be decided in favour of the Bank and consequently has not made any provision in this respect.

b) The Bank had received orders from a provincial tax authority for the periods from July 2011 to December 2020 wherein tax authority demanded sales tax on banking services and penalty amounting to Rs. 763.312 million (excluding default surcharge) by disallowing certain exemptions of sales tax on banking services and allegedly for short payment of sales tax. For periods from July 2011 to June 2014, appeals against orders are pending before Commissioner Appeals. For periods July 2014 to December 2020, Tribunal has decided the matters against the Bank. The Bank is in the process of filing appeals against these orders before Sindh High Court after consultation with the tax consultant.

The Bank has not made any provision against these orders and the management is of the view that these matters will be settled in Bank's favour through appellate process.

c) The Bank had received two different orders for the same accounting year 2016 from a tax authority wherein sales tax, further tax and penalty amounting to Rs. 5.191 million and Rs. 8.601 million (excluding default surcharge) were demanded allegedly for non-payment of sales tax on certain transactions. Appeals against these orders are pending before Commissioner Appeals and Appellate Tribunal.

A similar order for the accounting years 2017 and 2018 was issued with tax demand of Rs. 11.536 million (excluding default surcharge) which is pending before Commissioner Appeals.

The Bank has not made any provision against these orders and the management is of the view that these matters will be favourably settled through appellate process.

d) Certain other addbacks made by the tax authorities for various assessment years, appeals against which are pending with the Commissioner of Inland Revenue (Appeals), Appellate Tribunal Inland Revenue (ATIR), the High Court of Sindh and the Supreme Court of Pakistan. The Bank has not made any provision against these orders and the management is of the view that these matters will be favourably settled through appellate process.

	(Un-audited) Quarter ended	
	March 31, 2025	March 31, 2024
	----------(Rupees in '000)----------	
		(Restated)
37 BASIC AND DILUTED EARNINGS PER SHARE		
Profit for the period	7,040,102	9,903,054
	------(Number of shares in '000)------	
Weighted average number of ordinary shares	1,577,165	1,577,165
	----------(Rupees)----------	
Basic and diluted earnings per share	4.46	6.28

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

	Note	(Un-audited) Quarter ended	
		March 31, 2025	March 31, 2024
38 CASH AND CASH EQUIVALENTS		----------(Rupees in '000)----------	
Cash and balance with treasury banks	7	219,767,168	186,701,248
Balance with other banks	8	14,318,802	23,937,867
Call / clean money lendings		9,658,120	16,996,094
Overdrawn nostro accounts	17	(1,135,018)	(3,840,820)
Less: Expected credit loss		(19,601)	(30,010)
		242,589,471	223,764,379

39 FAIR VALUE MEASUREMENTS

Fair value measurement defines fair value as the price that would be received from the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of quoted securities other than those classified as amortised cost, is based on quoted market price. Quoted debt securities classified at amortised cost are carried at cost. The fair value of unquoted equity securities, other than investments in associates and subsidiaries, is determined on the basis of valuation methodologies. The fair value of unquoted debt securities, fixed term loans, other assets, other liabilities, fixed term deposits and borrowings cannot be calculated with sufficient reliability due to the absence of a current and active market for these assets and liabilities and reliable data regarding market rates for similar instruments.

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

39.1 Fair value of financial instruments

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).

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:

	March 31, 2025 (Un-audited)			
	Level 1	Level 2	Level 3	Total
On balance sheet financial instruments	----------(Rupees in '000)----------			
Financial assets - measured at fair value				
Investments				
- Federal government securities	74,639,956	1,490,613,276	-	1,565,253,232
- Shares - listed companies	18,490,890	-	-	18,490,890
- Shares - unlisted companies	-	-	3,472,257	3,472,257
- REIT Fund - listed	1,336,047	-	-	1,336,047
- Non-government debt securities	15,099,550	4,470,754	-	19,570,304
- Foreign government securities	-	58,531,237	-	58,531,237
- Foreign equity securities	248,825	-	-	248,825
- Foreign preference shares - unlisted	-	-	560,329	560,329
- Foreign non-government debt securities	-	24,896,259	8,498,155	33,394,414
Financial assets - disclosed but not measured at fair value				
Investments - amortised cost	-	281,381,104	-	281,381,104
Financial assets - measured at fair value				
Advances				
- Loans, cash credits, running finances, etc.	-	-	2,505,439	2,505,439
Off-balance sheet financial instruments - measured at fair value				
- Forward purchase of foreign exchange	-	921,361	-	921,361
- Forward sale of foreign exchange	-	(447,644)	-	(447,644)
- Forward purchase of government securities	-	(118,946)	-	(118,946)
- Forward sale government securities	-	630,488	-	630,488
- Derivatives purchases	-	1,875,394	-	1,875,394
- Derivatives sales	-	798,819	-	798,819

	December 31, 2024 (Audited)			
	Level 1	Level 2	Level 3	Total
On balance sheet financial instruments	----------(Rupees in '000)----------			
Financial assets - measured at fair value				
Investments				
- Federal government securities	67,225,943	1,504,321,374	-	1,571,547,317
- Shares - listed companies	18,503,420	-	-	18,503,420
- Shares - unlisted companies	-	-	2,333,188	2,333,188
- Preference shares - unlisted companies	-	-	500,000	500,000
- REIT Fund - listed	1,514,982	-	-	1,514,982
- Non-government debt securities	14,991,550	4,473,526	-	19,465,076
- Foreign government securities	-	62,233,161	-	62,233,161
- Foreign equity securities	257,181	-	-	257,181
- Foreign non-government debt securities	-	25,193,470	8,315,048	33,508,518
Financial assets - disclosed but not measured at fair value				
Investments - amortised cost	-	279,284,570	-	279,284,570
Financial assets - measured at fair value				
Advances				
- Loans, cash credits, running finances, etc.	-	-	1,413,735	1,413,735
Off-balance sheet financial instruments - measured at fair value				
- Forward purchase of foreign exchange	-	1,288,538	-	1,288,538
- Forward sale of foreign exchange	-	(1,090,874)	-	(1,090,874)
- Forward purchase of government securities	-	(12,708)	-	(12,708)
- Forward sale government securities	-	(451,343)	-	(451,343)
- Derivatives purchases	-	2,172,667	-	2,172,667
- Derivatives sales	-	887,052	-	887,052

39.2 The Bank's policy is to recognise transfers into and out of the different fair value hierarchy levels at the date of the event or change in circumstances that caused the transfer, occurred. There were no transfers between levels 1 and 2 during the current period.

39.3 Valuation techniques used in determination of fair values:

39.3.1 Fair value of financial assets

(a) Financial instruments in level 1

Financial instruments included in level 1 comprise of investments in ordinary shares of listed companies, listed GoP Sukuks and listed non government debt securities.

(b) Financial instruments in level 2

Financial instruments included in level 2 comprise of Market Treasury Bills, Pakistan Investment Bonds, GoP Sukuks, GoP Euro Bonds, Overseas Government Sukuks, Overseas Bonds, Term Finance Certificates, and other than Government Sukuks, forward foreign exchange contracts, forward government securities contracts, cross currency swap and interest rate swaps.

(c) Financial instruments in level 3

Financial instruments included in level 3 comprise of unlisted ordinary shares, unlisted preference shares, redeemable participating certificates and advances measured at fair value through profit and loss. Valuation techniques are mentioned in the table below.

The fair value of fixed term loans, other assets, other liabilities, fixed term deposits and borrowings cannot be calculated with sufficient reliability due to the absence of a current and active market for these assets and liabilities and reliable data regarding market rates for similar instruments.

39.3.2 Fair value of non-financial assets

Certain categories of property and equipment (land and buildings) and non banking assets acquired in satisfaction of claims are carried at revalued amounts (level 3 measurement) determined by professional valuers based on their assessment of the market values as disclosed in notes 12 and 15. The valuations are conducted by the valuation experts appointed by the Bank which are also on the panel of the State Bank of Pakistan.

39.3.3 Valuation techniques

Item	Valuation approach and input used
Market Treasury Bills (MTB) / Pakistan Investment Bonds (PIB), and GoP Sukuks (GIS) including their forward contracts	The fair value of MTBs and PIBs are derived using PKRV rates. Floating rate PIBs are revalued using PKFRV rates. The fair value of GoP sukuk listed on Pakistan Stock Exchange has been determined through closing rates of Pakistan Stock Exchange. The fair value of other GIS are revalued using PKISRV rates.
Overseas Sukuks, Overseas and GoP Euro Bonds	The fair value of overseas government sukuks, and overseas bonds are determined on the basis of price available on Bloomberg.
Debt Securities (TFCs and Sukuk other than Government)	Investment in sukuks, debt securities (comprising term finance certificates, bonds and any other security issued by a company or a body corporate for the purpose of raising funds in the form of redeemable capital) are valued on the basis of the rates announced by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by the Securities and Exchange Commission of Pakistan.
Ordinary shares - listed	The fair value of investments in listed equity securities are valued on the basis of closing quoted market price available at the Pakistan Stock Exchange.
Ordinary shares - unlisted	The fair value of investments in certain unlisted equity securities are valued on the basis of income and market approach.
Preference shares - unlisted	The fair value of investment in unlisted preference shares are valued at offer quoted price.
Foreign preference shares - unlisted	The fair value of investment in unlisted preference shares are valued at market approach.
Redeemable participating certificates	The fair value of investment in redeemable participating certificates are valued at net asset value.
Advances	The fair value of advances are valued on the basis of cashflow discount model.
Forward foreign exchange contracts	The valuation has been determined by interpolating the FX revaluation rates announced by the SBP.
Derivative instruments	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.

Property and equipment and non banking assets acquired in satisfaction of claims	The valuation experts used a market based approach to arrive at the fair value of the Bank's properties. The market approach used prices and other relevant information generated by market transactions involving identical, comparable or similar properties. These values are adjusted to reflect the current condition of the properties. The effect of changes in the unobservable inputs used in the valuations cannot be determined with certainty accordingly a qualitative disclosure of sensitivity has not been presented in these unconsolidated condensed interim financial statements.

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements of investment and advances, (The valuation techniques are stated above):

Description	Fair value as at March 31, 2025 (Un-audited)	Fair value as at December 31, 2024 (Audited)	Unobservable inputs*	Discount Rate	Relationship of unobservable inputs to fair value
	------(Rupees in '000)-------				
Ordinary shares - unlisted (income approach)	2,622,953	2,333,188	Discount rate	17.04% - 19.00%	Increase / (decrease) in discount rate by 1% with all other variables held constant, would (decrease) / increase the fair value by Rs. 101.709 million and Rs. 109.640 million (December 31, 2024: Rs. 90.457 million and Rs. 97.873 million) respectively.
Ordinary shares - unlisted (market approach)	849,304	-	Market multiple / transaction price	Not applicable	Not applicable
Foreign preference shares - unlisted (market approach)	560,329	-	Transaction price	Not applicable	Not applicable
Preference shares - unlisted	-	500,000	Offered quote	Not applicable	Not applicable
Redeemable participating certificates	8,498,155	8,315,048	Net asset value	Not applicable	Not applicable
Advances	2,505,439	1,413,735	Discount rate	25.00% - 30.00%	Increase / (decrease) in discount rate by 1% with all other variables held constant, would (decrease) / increase the fair value by Rs. 11.990 million and Rs. 12.153 million (December 31, 2024: Rs. 14.903 million and Rs. 15.134 million) respectively.

* There were no significant inter-relationships between unobservable inputs that materially affect fair values.

The following table shows reconciliation of investment and advances level 3 fair value movement:

	March 31, 2025 (Un-audited)		December 31, 2024 (Audited)	
	Investments	Advances	Investments	Advances
	---------(Rupees in '000)----------		---------(Rupees in '000)----------	
Opening balance	11,148,236	1,413,735	6,283,601	1,200,000
Impact of adoption of IFRS 9	761,681	-	2,271,824	122,135
Balance as at January 01 after adopting IFRS 9	11,909,917	1,413,735	8,555,425	1,322,135
Additions / (disposals) / transfers - net	550,329	1,050,000	-	-
Remeasurement recognised in OCI or profit and (loss) / adjustment	70,495	41,704	2,592,811	91,600
Closing balance	12,530,741	2,505,439	11,148,236	1,413,735

40 SEGMENT INFORMATION

40.1 Segment details with respect to Business Activities

	For the quarter ended March 31, 2025 (Un-audited)								
	Retail	Corporate	Islamic (Domestic)	Treasury	Digital	Overseas	Others*	Elimination	Total
	(Rupees in '000)								
Unconsolidated statement of profit and loss account									
Net mark-up / return/ profit	(11,003,344)	6,859,013	7,702,411	27,618,108	(2,001)	2,001,900	36,198	-	33,212,285
Inter segment revenue - net	29,752,028	(4,048,720)	(904,176)	(23,582,464)	2,498,938	(125,255)	(23,231)	(3,567,120)	-
Non mark-up / return / interest income	2,123,598	847,590	731,065	4,121,951	111,775	1,158,982	(12,967)	-	9,081,994
Total income / (loss)	20,872,282	3,657,883	7,529,300	8,157,595	2,608,712	3,035,627	-	(3,567,120)	42,294,279
Segment direct expenses	9,016,979	3,839,628	4,276,358	337,953	1,254,795	1,130,828	7,521,557	-	27,378,098
Inter segment expense allocation	4,787,783	545,780	1,525,582	159,414	613,639	180,453	(7,521,557)	(291,094)	-
Total expenses	13,804,762	4,385,408	5,801,940	497,367	1,868,434	1,311,281	-	(291,094)	27,378,098
Credit loss allowance / provision / (reversals)	(748,861)	(263,312)	6,615	(10,734)	416	547,859	-	-	(468,017)
Profit / (loss) before tax	7,816,381	(464,213)	1,720,745	7,670,962	739,862	1,176,487	-	(3,276,026)	15,384,198

	As at March 31, 2025 (Un-audited)								
	Retail	Corporate	Islamic (Domestic)	Treasury	Digital	Overseas	Others*	Elimination	Total
	(Rupees in '000)								
Unconsolidated statement of financial position									
Cash and bank balances	108,838,437	9,483,527	50,626,131	-	826,649	66,603,662	-	(2,312,037)	234,066,369
Investments	-	3,757,903	245,551,544	1,610,430,169	-	119,929,865	3,715,791	-	1,983,385,272
Inter segment lending - net	926,663,159	-	-	-	11,712,656	-	138,297,817	(1,076,673,632)	-
Lendings to financial institutions	-	-	31,573,396	90,015,229	-	15,717,130	-	(37,265,457)	100,040,298
Advances - performing	220,839,627	437,067,776	159,044,357	-	45,929	48,150,076	14,265,269	-	879,413,034
- non-performing	1,106,780	264,473	823,053	-	1,115	64,996	105,942	-	2,366,359
Others	38,405,115	45,935,401	64,731,352	45,547,665	1,911,911	6,125,707	73,048,408	2,167,592	277,873,151
Total assets	1,295,853,118	496,509,080	552,349,833	1,745,993,063	14,498,260	256,591,436	229,433,227	(1,114,083,534)	3,477,144,483
Borrowings	21,374,268	73,488,510	41,692,641	918,067,067	-	31,087,553	-	(42,042,511)	1,043,667,528
Subordinated debt	-	-	-	-	-	-	14,000,000	-	14,000,000
Deposits and other accounts	1,219,110,164	207,837,145	400,290,096	-	13,777,489	177,579,754	-	49,997	2,018,644,645
Inter segment borrowing - net	-	171,703,984	31,584,857	837,019,243	-	36,474,649	-	(1,076,782,733)	-
Others	55,368,686	43,479,441	74,044,677	(18,234,319)	720,771	10,437,989	51,318,313	4,691,713	221,827,271
Total liabilities	1,295,853,118	496,509,080	547,612,271	1,736,851,991	14,498,260	255,579,945	65,318,313	(1,114,083,534)	3,298,139,444
Net assets	-	-	4,737,562	9,141,072	-	1,011,491	164,114,914	-	179,005,039
Equity									179,005,039
Contingencies and commitments	156,917,663	243,371,792	86,076,278	513,949,983	769	45,148,853	5,284,022	-	1,050,749,360

The segment profit and loss (P&L) statement illustrates revenue based on customer, channel, and product ownership. Consequently, revenue might appear in multiple segments since each one plays a role in capturing that income stream.

* Others include head office related activities.

	For the quarter March 31, 2024 (Un-audited) - Restated								
	Retail	Corporate	Islamic (Domestic)	Treasury	Digital	Overseas	Others*	Elimination	Total
	(Rupees in '000)								
Unconsolidated statement of profit and loss account									
Net mark-up / return/ profit	(28,913,192)	3,036,143	8,222,761	47,253,014	(2,171)	1,975,212	(287,619)	-	31,284,148
Inter segment revenue - net	49,550,426	1,748,978	(274,853)	(51,198,378)	2,164,402	444,303	32,610	(2,467,488)	-
Non mark-up / return / interest income	2,393,525	1,305,756	570,814	2,541,529	502,205	443,724	255,009	-	8,012,562
Total income / (loss)	23,030,759	6,090,877	8,518,722	(1,403,835)	2,664,436	2,863,239	-	(2,467,488)	39,296,710
Segment direct expenses	7,528,524	180,017	3,055,833	255,801	960,088	1,033,418	6,796,840	-	19,810,521
Inter segment expense allocation	4,370,214	471,243	1,335,519	203,286	615,488	151,800	(6,796,840)	(350,710)	-
Total expenses	11,898,738	651,260	4,391,352	459,087	1,575,576	1,185,218	-	(350,710)	19,810,521
Credit loss allowance / provision / (reversals)	(224,545)	60,051	41,839	(74,511)	5,110	(14,738)	-	-	(206,794)
Profit / (loss) before tax	11,356,566	5,379,566	4,085,531	(1,788,411)	1,083,750	1,692,759	-	(2,116,778)	19,692,983

	As at December 31, 2024 (Audited)								
	Retail	Corporate	Islamic (Domestic)	Treasury	Digital	Overseas	Others*	Elimination	Total
	(Rupees in '000)								
Unconsolidated statement of financial position									
Cash and bank balances	109,749,938	17,976,222	41,944,162	-	775,190	66,937,500	-	8,910,575	246,293,587
Investments	-	5,492,251	242,118,099	1,617,562,126	-	123,313,534	2,746,444	-	1,991,232,454
Inter segment lending - net	988,532,481	-	-	-	10,562,483	-	83,946,238	(1,083,041,202)	-
Lendings to financial institutions	-	-	43,283,519	97,393,884	-	7,103,006	-	(46,782,086)	100,998,323
Advances - performing	242,468,773	634,142,272	165,966,972	-	59,194	56,323,050	12,650,639	(5,571,000)	1,106,039,900
- non-performing	1,140,010	1,072,573	917,894	-	1,966	67,755	106,117	29,939	3,336,254
Others	24,516,991	39,838,680	53,364,017	42,082,631	2,095,622	2,843,261	100,201,974	(2,637,573)	262,305,603
Total assets	1,366,408,193	698,521,998	547,594,663	1,757,038,641	13,494,455	256,588,106	199,651,412	(1,129,091,347)	3,710,206,121
Borrowings	18,008,205	66,732,348	35,770,158	1,037,179,587	-	28,681,197	-	(44,485,753)	1,141,885,742
Subordinated debt	-	-	-	-	-	-	14,000,000	-	14,000,000
Deposits and other accounts	1,277,413,227	262,957,681	398,788,680	-	12,936,578	185,193,870	2,800	(380,214)	2,136,912,622
Inter segment borrowing - net	-	330,688,006	30,376,465	689,991,745	-	31,961,837	-	(1,083,018,053)	-
Others	70,986,761	38,143,963	76,483,156	18,960,678	557,877	9,902,659	25,467,580	(1,207,327)	239,295,347
Total liabilities	1,366,408,193	698,521,998	541,418,459	1,746,132,010	13,494,455	255,739,563	39,470,380	(1,129,091,347)	3,532,093,711
Net assets	-	-	6,176,204	10,906,631	-	848,543	160,181,032	-	178,112,410
Equity									178,112,410
Contingencies and commitments	137,249,361	230,283,930	79,773,852	391,608,905	718	54,966,306	4,284,623	-	898,167,695

The segment profit and loss (P&L) statement illustrates revenue based on customer, channel, and product ownership. Consequently, revenue might appear in multiple segments since each one plays a role in capturing that income stream.

* Others include head office related activities.

41 RELATED PARTY TRANSACTIONS

The Bank has related party transactions with its subsidiary, associates, joint ventures, employee benefit plans, its directors, key management personnel and other related parties.

The Banks enters into transactions with related parties in the ordinary course of business and on substantially the same terms as for comparable transactions with person of similar standing. Contributions to and accruals in respect of staff retirement benefits and other benefit plans are made in accordance with the actuarial valuations / terms of the contribution plan. Remuneration to the executives / officers is determined in accordance with the terms of their appointment.

Details of transactions with related parties during the period, other than those which have been disclosed elsewhere in these financial statements are as follows:

	As at March 31, 2025 (Un-audited)					As at December 31, 2024 (Audited)				
	Directors/ CEO	Key management personnel	Subsidiaries	Associates	Other related parties	Directors/ CEO	Key management personnel	Subsidiaries	Associates	Other related parties
	(Rupees in '000)					(Rupees in '000)				
Investments										
Opening balance	-	-	2,505,217	1,177,606	2,923,188	-	-	305,217	1,177,606	1,802,909
Investment made during the period / year	-	-	-	-	114,515	-	-	2,200,000	-	511,863
Investment redeemed / disposed off during the period / year	-	-	-	-	(69,160)	-	-	-	-	(331,613)
Revaluation of investment during the period / year	-	-	-	-	648,459	-	-	-	-	2,190,383
Transfer in / (out) - net	-	-	-	-	-	-	-	-	-	(1,250,354)
Closing balance	-	-	2,505,217	1,177,606	3,617,002	-	-	2,505,217	1,177,606	2,923,188
Credit loss allowance / provision for diminution in value of investments	-	-	1,505,217	-	-	-	-	1,505,217	-	-
Advances										
Opening balance	11,225	971,469	-	-	1,052,432	14,918	935,186	-	-	1,925,526
Addition during the period / year	630	2,335	316,665	-	2,190,988	1,715	232,432	16,288,652	-	43,510,218
Repaid during the period / year	(628)	(97,827)	(316,665)	-	(2,993,658)	(5,408)	(194,161)	(16,288,652)	-	(44,383,312)
Transfer in / (out) - net	-	-	-	-	1,864	-	(1,988)	-	-	-
Closing balance	11,227	875,977	-	-	251,626	11,225	971,469	-	-	1,052,432
Credit loss allowance held against advances	8	319	-	-	1,968	34	3,690	-	-	1,524
Other assets										
Interest / mark-up accrued	4,870	85,610	6	-	16,597	4,593	81,687	-	-	22,681
Receivable from staff retirement fund	-	-	-	-	1,091,515	-	-	-	-	1,331,990
Prepayment / rent receivable	-	-	5,265	-	-	-	-	3,139	-	-
Advance against shares	-	-	-	-	55,343	-	-	-	-	-
Credit loss allowance held against other assets	-	-	-	-	-	-	-	-	-	-
Borrowings										
Opening balance	-	-	-	-	2,464,030	-	-	-	-	2,605,576
Borrowings during the period / year	-	-	-	-	3,100,000	-	-	-	-	1,149,273
Settled during the period / year	-	-	-	-	(1,170,994)	-	-	-	-	(1,290,819)
Closing balance	-	-	-	-	4,393,036	-	-	-	-	2,464,030

	As at March 31, 2025 (Un-audited)					As at December 31, 2024 (Audited)				
	Directors/ CEO	Key management personnel	Subsidiaries	Associates	Other related parties	Directors/ CEO	Key management personnel	Subsidiary	Associates	Other related parties
	(Rupees in '000)					(Rupees in '000)				
Deposits and other accounts										
Opening balance	185,847	392,643	807,925	60,026,664	12,533,349	406,959	340,757	55,874	17,153,420	18,550,205
Received during the period / year	664,872	1,789,281	17,352,225	318,240,184	28,053,215	5,668,276	4,582,080	47,640,608	1,211,982,771	276,598,239
Withdrawn during the period / year	(716,539)	(1,410,487)	(17,104,530)	(369,006,779)	(27,892,649)	(5,889,395)	(4,524,294)	(46,888,557)	(1,169,109,527)	(278,997,497)
Transfer in / (out) - net	-	-	-	-	405	7	(5,900)	-	-	(3,617,598)
Closing balance	134,180	771,437	1,055,620	9,260,069	12,694,320	185,847	392,643	807,925	60,026,664	12,533,349
Subordinated debt										
Opening balance	-	-	-	-	-	-	-	-	-	300,000
Transfer in / (out) - net	-	-	-	-	-	-	-	-	-	(300,000)
Closing balance	-	-	-	-	-	-	-	-	-	-
Other liabilities										
Interest / mark-up payable	272	787	117	1,989	250,473	226	248	-	-	126,062
Dividend payable	923,759	-	-	-	797,471	7	-	-	-	9
Unearned rent	-	-	-	1,558	-	-	-	-	2,532	-
Others	-	-	2,763	-	61,954	-	-	2,657	-	32,800
Contingencies and commitments	-	-	-	-	7,385,621	-	-	-	-	576,500

	For the quarter ended March 31, 2025 (Un-audited)					For the quarter ended March 31, 2024 (Un-audited)				
	(Rupees in '000)					(Rupees in '000)				
Income										
Mark-up / return / interest earned	255	7,310	6	-	17,575	435	8,174	33,303	-	152,496
Fee and commission income	66	331	-	156,932	3,407	-	247	-	75,191	2,022
Dividend income	-	-	-	-	298,750	-	-	-	105,000	115,692
Gain / (loss) on sale of securities	-	-	-	-	709	-	4	-	-	-
Rent on property	-	-	2,126	975	-	-	-	-	975	-
Gain on sale of property and equipment - net	7,094	81	-	1,454	-	-	-	-	2,504	-
Expenses										
Mark-up / return / interest paid	2,073	4,942	11,447	220,076	362,011	5,655	10,081	31,980	228,504	555,799
Operating expenses										
Fee and remuneration	335,542	1,076,444	-	-	-	277,933	838,271	-	-	-
Clearing and custodian charges	-	-	-	-	-	-	-	-	-	-
Software maintenance	-	-	-	-	28,580	-	-	-	-	67,709
Communication cost	-	-	-	-	166,372	-	-	-	-	151,780
Brokerage and commission	-	-	1,307	-	-	-	-	2,252	-	-
Charge for defined benefit plan	-	-	-	-	240,475	-	-	-	-	167,824
Contribution to defined contribution plan	-	-	-	-	276,992	-	-	-	-	213,652
Training and subscription	-	-	-	-	-	-	-	-	-	416
Credit loss allowance / (reversal of) credit loss allowance against loans & advances	(26)	(3,371)	-	-	317	(2)	908	8,108	-	(6,023)
Reversal of credit loss allowance against off-balance sheet	-	-	-	-	(11)	-	-	-	-	(71)
Other information										
Dividend paid	2,177	3,862	-	3,535	134,203	1,975,727	9,056	-	7,465	1,661,448
Insurance premium paid	-	-	-	1,558,708	-	-	-	-	1,092,940	-
Insurance claims settled	-	-	-	214,888	-	-	-	-	215,993	-

	(Un-audited) March 31, 2025	(Audited) December 31, 2024
42 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS	----------(Rupees in '000)----------	
Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	15,771,651	15,771,651
Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier 1 (CET 1) Capital	146,296,846	143,542,085
Eligible Additional Tier 1 (ADT 1) Capital	13,550,000	13,550,000
Total eligible tier 1 capital	159,846,846	157,092,085
Eligible tier 2 capital	38,284,360	43,822,367
Total eligible capital (tier 1 + tier 2)	198,131,206	200,914,452
Risk weighted assets (RWAs):		
Credit risk	842,837,063	828,663,610
Market risk	37,632,363	47,806,075
Operational risk	242,467,238	242,467,238
Total	1,122,936,664	1,118,936,923
Common equity tier 1 capital adequacy ratio	13.03%	12.83%
Tier 1 capital adequacy ratio	14.23%	14.04%
Total capital adequacy ratio	17.64%	17.96%

In line with Basel III capital adequacy guidelines, the following capital requirements are applicable to the Bank:

Common Equity Tier 1 Capital Adequacy ratio	6.00%	6.00%
Tier 1 Capital Adequacy Ratio	7.50%	7.50%
Total Capital Adequacy Ratio	11.50%	11.50%

For Capital adequacy calculation, the Bank has adopted Standardised Approach for credit and market risk related exposures and Alternate Standardised Approach (ASA) for operational risk.

Leverage Ratio (LR):		
Eligible tier-1 capital	159,846,846	157,092,085
Total exposures	3,883,028,879	4,071,667,095
Leverage ratio	4.12%	3.86%
Liquidity Coverage Ratio (LCR):		
Total high quality liquid assets	1,033,566,650	1,197,167,258
Total net cash outflow	562,075,763	626,056,805
Liquidity coverage ratio	184%	191%
Net Stable Funding Ratio (NSFR):		
Total available stable funding	1,687,172,725	1,690,754,449
Total required stable funding	1,289,553,561	1,340,991,900
Net stable funding ratio	131%	126%

42.1 The Bank has opted for transition arrangement to phase in ECL impact as permitted by SBP vide BPRD Circular No. 03 of 2022 dated July 05, 2022. Had the transitional arrangement not applied, CAR and Leverage ratio would have been 17.75% and 4.06% respectively.

43 ISLAMIC BANKING BUSINESS

The Bank operates 440 Islamic banking branches (December 31, 2024: 423 branches) and 4 sub branches (December 31, 2024: 4 sub branch) as at March 31, 2025.

STATEMENT OF FINANCIAL POSITION	Note	(Un-audited) March 31, 2025	(Audited) December 31, 2024
		----------(Rupees in '000)----------	
ASSETS			
Cash and balances with treasury banks		44,854,466	37,669,937
Balances with other banks		5,771,665	4,274,225
Due from financial institutions	43.1	31,573,396	43,283,519
Investments	43.2	245,551,544	242,118,099
Islamic financing and related assets - net	43.3	159,867,410	166,884,866
Property and equipment		14,373,723	13,455,659
Right-of-use assets		11,299,090	10,805,081
Intangible assets		33,799	36,315
Deferred tax assets		-	-
Other assets		39,024,740	29,066,962
Total assets		552,349,833	547,594,663
LIABILITIES			
Bills payable		6,686,411	9,532,140
Due to financial institutions		41,692,641	35,770,158
Deposits and other accounts	43.4	400,290,096	398,788,680
Lease liabilities		13,255,347	12,456,340
Deferred tax liabilities		2,475,610	4,080,920
Other liabilities		51,627,309	50,413,756
Total Liabilities		516,027,414	511,041,994
NET ASSETS		36,322,419	36,552,669
REPRESENTED BY			
Islamic banking fund		3,950,000	3,950,000
Surplus on revaluation of assets		4,737,563	6,176,202
Unappropriated/ unremitted profit	43.5	27,634,856	26,426,467
		36,322,419	36,552,669
CONTINGENCIES AND COMMITMENTS	43.6		

PROFIT AND LOSS ACCOUNT	Note	(Un-audited) Quarter ended March 31, 2025	March 31, 2024
		----------(Rupees in '000)----------	
			(Restated)
Profit / return earned on Islamic financing and related assets, investments and placements	43.7	14,385,099	20,276,507
Profit / return expensed on deposits and other dues expensed	43.8	6,682,688	12,053,746
Net profit / return		7,702,411	8,222,761
Fee and commission income		538,556	479,895
Foreign exchange income		174,691	87,957
Loss on securities		11,802	786
Net gains on derecognition of financial assets measured at amortised cost		-	-
Other income		6,016	2,176
Total other income		731,065	570,814
Total income		8,433,476	8,793,575
OTHER EXPENSES			
Operating expenses		5,746,064	4,295,234
Workers' welfare fund		55,377	88,987
Other charges		499	7,131
Total other expenses		5,801,940	4,391,352
Profit before credit loss allowance / provisions		2,631,536	4,402,223
Credit loss allowance / provisions and write offs - net		6,615	41,839
PROFIT BEFORE TAXATION		2,624,921	4,360,384
Taxation		1,417,272	2,154,862
PROFIT AFTER TAXATION		1,207,649	2,205,522

43.1 Due from financial institutions

	March 31, 2025 (Un-audited)			December 31, 2024 (Audited)		
	In Local Currency	In Foreign Currencies	Total	In Local Currency	In Foreign Currencies	Total
	(Rupees in '000)					
Musharaka Placements	5,000,000	-	5,000,000	-	-	-
Bai Muajjal Receivables	26,573,512	-	26,573,512	43,283,744	-	43,283,744
	31,573,512	-	31,573,512	43,283,744	-	43,283,744
Less: Credit loss allowance						
Stage 1	(116)	-	(116)	(225)	-	(225)
	31,573,396	-	31,573,396	43,283,519	-	43,283,519

43.2 Investments

	March 31, 2025 (Un-audited)				December 31, 2024 (Audited)			
	Cost / Amortised cost	Credit loss allowance	Surplus / (Deficit)	Carrying Value	Cost / Amortised cost	Credit loss allowance	Surplus / (Deficit)	Carrying Value
	(Rupees in '000)							
By segment & type:								
Fair value through profit or loss								
Federal Government Securities								
Naya Pakistan Certificates	1,304,799	-	-	1,304,799	2,651,621	-	-	2,651,621
Non Government Debt Securities								
Sukuk - Unlisted	200,000	-	-	200,000	200,000	-	-	200,000
	1,504,799	-	-	1,504,799	2,851,621	-	-	2,851,621
Fair value through other comprehensive income								
Federal Government Securities								
Ijarah Sukuk	211,011,650	-	2,660,325	213,671,975	202,848,571	-	5,765,368	208,613,939
Non Government Debt Securities								
Sukuk - Unlisted	15,481,355	-	252,297	15,733,652	15,487,734	-	140,246	15,627,980
	226,493,005	-	2,912,622	229,405,627	218,336,305	-	5,905,614	224,241,919
Amortised cost								
Federal Government Securities								
Ijarah Sukuk	11,569,140	-	-	11,569,140	11,571,369	-	-	11,571,369
Non Government Debt Securities								
Sukuk - Unlisted	3,128,362	(56,384)	-	3,071,978	3,509,611	(56,421)	-	3,453,190
	14,697,502	(56,384)	-	14,641,118	15,080,980	(56,421)	-	15,024,559
Total investments	242,695,306	(56,384)	2,912,622	245,551,544	236,268,906	(56,421)	5,905,614	242,118,099

43.2.1 Particulars of credit loss allowance

	March 31, 2025 (Un-audited)				December 31, 2024 (Audited)			
	Expected Credit Loss			Total	Expected Credit Loss			Total
	Stage 1	Stage 2	Stage 3		Stage 1	Stage 2	Stage 3	
	(Rupees in '000)							
Sukuk - Unlisted	13	-	56,371	56,384	50	-	56,371	56,421

	(Un-audited) March 31, 2025	(Audited) December 31, 2024
43.3 Islamic financing and related assets	----------(Rupees in '000)----------	
Classified at amortised cost		
Ijarah	21,654,821	18,999,774
Murabaha	2,624,083	3,381,416
Musharaka	19,960,793	33,759,137
Diminishing musharaka	26,692,526	22,632,822
Salam	996,498	1,144,902
Musawama financing	3,005,196	3,920,834
Tijarah financing	5,101,145	5,144,193
Islamic staff financing	5,168,662	4,584,066
SBP islamic export refinance	113,257	36,718
Islamic long term finance facility plant & machinery	4,436,511	4,583,214
Islamic refinance renewable energy	2,357,347	2,398,333
Islamic temporary economic refinance facility (ITERF)	6,773,276	7,021,800
Naya Pakistan home financing	3,044,858	3,115,734
Islamic refinance facility for combating COVID	817,216	919,253
Refinance facility under bills discounting	18,665,503	17,192,728
Advances against islamic assets	25,729,843	27,919,555
Inventory related to islamic financing	17,439,553	14,483,301
Other Islamic modes	451,017	812,375
Gross Islamic financing and related assets	165,032,105	172,050,155
Less: Credit loss allowance against Islamic financings		
- Stage 1	(261,625)	(297,387)
- Stage 2	(186,261)	(97,574)
- Stage 3	(4,716,809)	(4,770,328)
	(5,164,695)	(5,165,289)
Islamic financing and related assets - net of credit loss allowance	159,867,410	166,884,866

43.4 Deposits

	March 31, 2025 (Un-audited)			December 31, 2024 (Audited)		
	In Local Currency	In Foreign Currencies	Total	In Local Currency	In Foreign Currencies	Total
	----------(Rupees in '000)----------					
Customers						
- Current deposits	161,932,407	10,004,385	171,936,792	160,930,379	9,107,965	170,038,344
- Savings deposits	103,014,347	4,065,589	107,079,936	102,440,702	4,374,103	106,814,805
- Term deposits	64,069,656	594,081	64,663,737	65,010,578	443,177	65,453,755
- Other deposits	2,614,905	2,316,258	4,931,163	2,518,243	1,814,136	4,332,379
	331,631,315	16,980,313	348,611,628	330,899,902	15,739,381	346,639,283
Financial Institutions						
- Current deposits	2,100,657	42,584	2,143,241	1,852,268	152	1,852,420
- Savings deposits	24,700,227	-	24,700,227	2,161,977	-	2,161,977
- Term deposits	24,835,000	-	24,835,000	48,135,000	-	48,135,000
	51,635,884	42,584	51,678,468	52,149,245	152	52,149,397
	383,267,199	17,022,897	400,290,096	383,049,147	15,739,533	398,788,680

43.4.1 Current deposits include remunerative current deposits of Rs. 27,593.445 million (December 31, 2024: Rs. 26,618.402 million).

	(Un-audited) March 31, 2025	(Audited) December 31, 2024
	----------(Rupees in '000)----------	
43.5 Islamic banking business unappropriated profit		
Opening balance	26,426,467	18,664,167
Impact of adopting IFRS 9	-	- 414,335
Balance at January 01 on adopting IFRS 9	26,426,467	18,249,832
Add: Islamic Banking profit before taxation for the period / year	2,624,921	17,921,026
Less: Taxation for the period / year	(1,417,272)	(9,745,771)
Add: Transfer from surplus on revaluation of assets to unappropriated profit - net	740	1,380
Closing balance	27,634,856	26,426,467
43.6 Contingencies and commitments		
- Guarantees	6,341,767	6,089,005
- Commitments	79,734,511	73,684,847
	86,076,278	79,773,852

	(Un-audited) For the quarter ended	
	March 31, 2025	March 31, 2024
	----------(Rupees in '000)----------	
		(Restated)
43.7 Profit/Return earned on Islamic financing and related assets, investments and placements		
Profit earned on:		
- Islamic financing and related assets	4,667,331	7,149,673
- Investments	8,107,944	11,448,702
- Placements	1,609,824	1,678,132
	14,385,099	20,276,507
43.8 Profit on deposits and other dues expensed		
Deposits and other accounts	5,336,003	10,549,373
Due to financial institutions	672,740	1,030,211
Securities sold under repurchase agreements	160,914	-
Cost of foreign currency swaps against foreign currency deposits / borrowings	17,079	159,721
Finance charges on lease liability	455,315	304,514
Reward points / customer loyalty	40,637	9,927
	6,682,688	12,053,746

43.9 PLS Pool Management- Islamic Banking Group (IBG)

43.9.1 The pools, their key features and risk and reward characteristics.

The profit and loss sharing between the Rabbul Maal (depositor) and Mudarib (Bank - IBG) is based upon the underlying principles of Mudaraba, where the Bank also contributes its equity to general pool of funds, and becomes the capital provider.

Currently IBG is managing following pools:

1) General Pool for LCY Depositors
2) FCY Pool for Foreign Currency (USD, GBP, EURO, AED, SAR and CAD) depositors
3) FIs Pool for Treasury Purposes
4) IERS Pool for Islamic Export Refinance Scheme facilities
5) Special pool
6) PMRC Musharikah Pool

All the Mudaraba based remunerative deposits shall be considered as an investment from Rabbul Maal in the pool, along with IBG's own share of equity, which is also commingled in the pool. The applications of these funds are on Islamic financing and related assets, investments, and placements for generating profits to be shared among the depositors as per the weightage system.

The IERS pool is maintained as per the guideline under the SBP IERS Scheme.

The assets, liabilities, equities, income and expenses are segregated for each of the pool. No pool investment is intermingled with each other. All pools are usually exposed to general credit risk, asset ownership risk and profit rate risk of the underlying assets involved in pool.

		(Un-audited) March 31, 2025	(Audited) December 31, 2024
43.9.2	Avenues / sectors where Mudaraba based deposits have been deployed.	----------(Rupees in '000)----------	
	Agriculture, Forestry, Hunting and Fishing	774,072	726,781
	Automobile and transportation equipment	2,818,554	3,860,359
	Cement	1,741,447	1,009,611
	Chemical and Pharmaceuticals	8,458,789	11,133,965
	Construction	2,549,521	2,511,288
	Electronics and electrical appliances	4,582,549	5,334,659
	Food & Allied Products	8,494,864	10,179,543
	Footwear and Leather garments	1,496,068	1,390,032
	Glass and Ceramics	756,577	358,052
	Individuals	35,890,326	34,367,473
	Metal & Allied industries	3,950,423	3,457,419
	Mining and Quarrying	454,288	454,714
	Oil and Allied	3,306,373	2,175,309
	Paper and Board	771,649	806,473
	Plastic and Allied Industries	6,184,865	5,302,071
	Power (electricity), Gas, Water, Sanitary	10,706,758	11,004,109
	Services	3,151,330	3,061,744
	Sugar	4,695,680	1,955,464
	Technology and Related services	27,262	16,531
	Textile	47,598,903	56,828,136
	Transport, Storage and Communication	7,773,585	7,563,322
	Wholesale and Retail Trade	5,512,836	6,017,248
	Others	3,335,386	2,535,852
	Total gross islamic financing and related assets	165,032,105	172,050,155
	Total gross investments (cost)	242,695,306	236,268,906
	Total islamic placements	31,573,512	43,283,519
	Total invested funds	439,300,923	451,602,580

43.9.3 The major components of Profit distribution and charging of the expenses.

Profit is distributed among the Mudaraba deposits on the basis of underlying principles of weightage mechanism which are announced before the beginning of the relevant period. Only direct attributable expenses such as depreciation on ijarah assets, brokerage, CIB Charges, bad debts write off and credit loss allowance on advances and loss on sale of investments etc are charged to the pool.

43.9.4 The Bank managed the following general and specific pools during the period:

Remunerative Depositors' Pools	Profit rate and weightage announcement period	Profit rate return earned	Profit sharing ratio		Mudarib share	Profit rate return distributed to remunerative deposits (savings and fixed)	Percentage of Mudarib share transferred through Hiba	Amount of Mudarib Share transferred through Hiba
		%	Mudarib Share / Fee	Rabbul Maal Share	(Rupees in '000)	%	%	(Rupees in '000)
General Pools								
PKR Pool	Monthly	11.52%	50.00%	50.00%	2,565,361	7.15%	1.84%	181,859
USD Pool	Monthly	5.95%	88.89%	11.11%	49,274	1.89%	9.11%	17,533
GBP Pool	Monthly	6.75%	88.89%	11.11%	8,209	0.86%	0.00%	-
EUR Pool	Monthly	5.65%	88.89%	11.11%	3,931	0.51%	0.00%	-
AED Pool	Monthly	4.41%	88.89%	11.11%	414	0.34%	0.00%	-
SAR Pool	Monthly	4.32%	88.89%	11.11%	220	0.23%	0.00%	-
CAD Pool	Monthly	9.35%	88.89%	11.11%	216	0.26%	0.00%	-
Specific Pools								
Special Pool (Saving & TDRs)	Monthly	12.29%	5.00%	95.00%	141,114	11.07%	4.92%	28,637

SBP Refinance Borrowing Pool	Profit rate and weightage announcement period	Profit rate return earned	Profit sharing ratio		Mudarib share	Profit rate return distributed to remunerative deposits (savings and fixed)	Percentage of Mudarib share transferred through Hiba	Amount of Mudarib Share transferred through Hiba
		%	Mudarib Share / Fee	Rabbul Maal Share	(Rupees in '000)	%	%	(Rupees in '000)
Islamic Export Refinance (IERS/BD) Pool	Monthly	13.56%	21.64%	3.36%	947,727	Nil	0.00%	-

44 AFGHANISTAN OPERATIONS

Bank Alfalah maintains a two-branch presence in Afghanistan. The Board and the management of the Bank continue to closely monitor the evolving situation in Afghanistan which has been hampered due to the country's frozen reserves and uncertainty regarding international recognition which prevent normal flows in and out of Afghanistan. The Bank has taken impairment against net assets where there is an indication that carrying amount may be higher than its recoverable amount. The Bank remains focused on maintaining its control standards i.e. both onshore and through Head Office oversight.

45 BANGLADESH OPERATIONS

During the year 2024, a non-binding indicative offer was received from Bank Asia Limited, Dhaka, Bangladesh ("Bank Asia") to acquire the Bank's Bangladesh Operations (assets and liabilities). In this regard, the Bank has been granted an in-principle approval by the State Bank of Pakistan to facilitate conduct of due diligence exercise by Bank Asia.

Further, non-binding offer was also received in year 2024 from Hatton National Bank of Sri Lanka ("HNB") to acquire the Bank's Bangladesh Operations (assets and liabilities). Subsequent to period end March 31, 2025 HNB has decided not to proceed with acquisition.

46 NON-ADJUSTING EVENT

The Board of Directors in its meeting held on April 17, 2025 has declared an interim cash dividend of 25% i.e. Rs. 2.5 per share (March 31, 2024: Rs. 2.0 per share i.e. 20%). These unconsolidated condensed interim financial statements do not include the effect of this appropriation which will be accounted for subsequent to the period end.

47 DATE OF AUTHORISATION

These unconsolidated condensed interim financial statements were authorised for issue on April 17, 2025 by the Board of Directors of the Bank.

48 GENERAL

48.1 Comparative information has been re-classified, re-arranged, restated or additionally incorporated in these unconsolidated condensed interim financial statements, wherever necessary to facilitate comparison.

48.2 The effect of reclassification, rearrangement in the comparative information presented in these unconsolidated condensed interim financial statements is as follows:

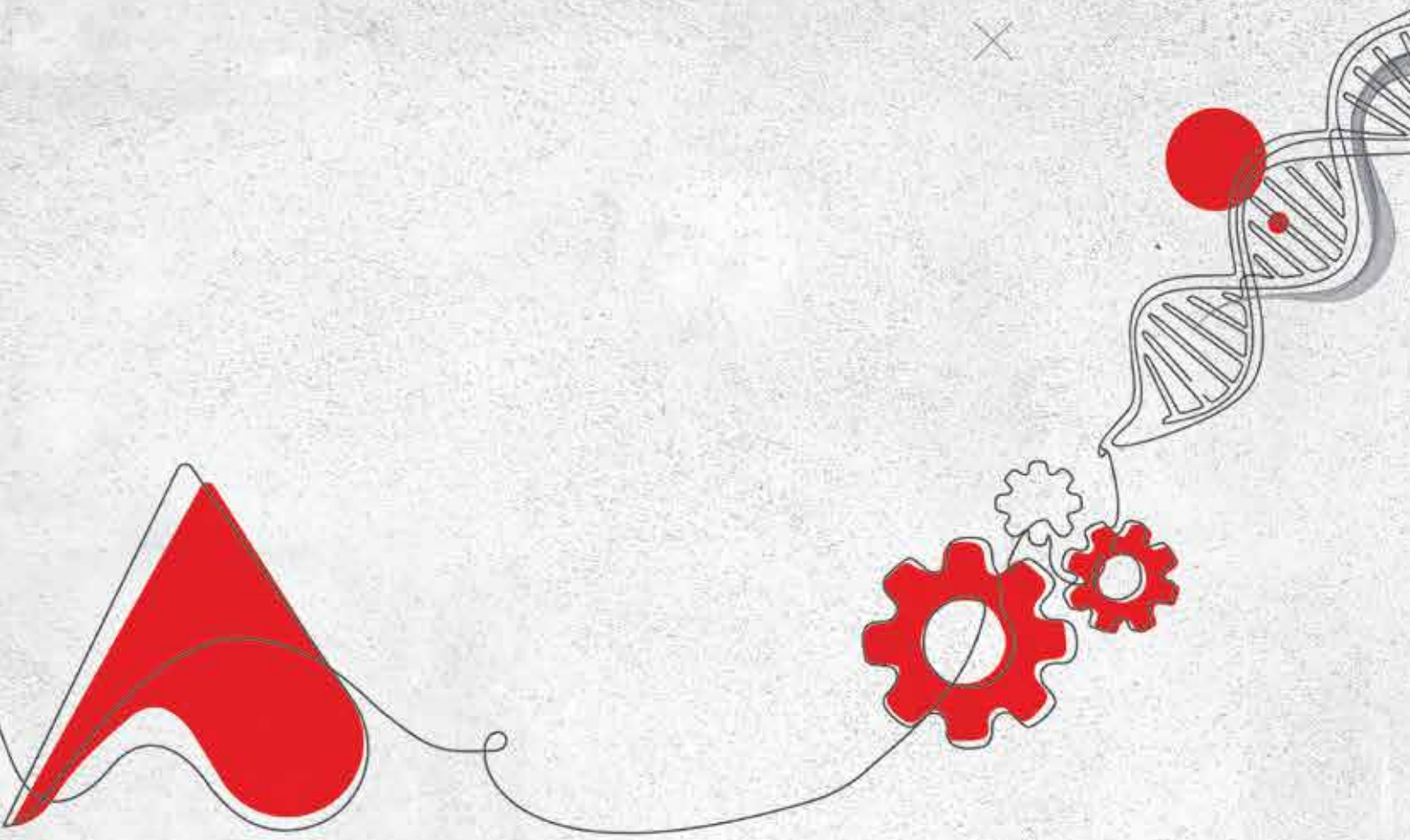
Description of item	Nature	(Rupees in '000)	From	To
Agent commission	Expense	181,695	Commission on Benazir Income Support Programme (BISP)	Brokerage and commission
Verification cost	Expense	44,991	Commission on Benazir Income Support Programme (BISP)	CNIC verification
Optional issuer fee	Income	188,651	Foreign exchange income	Card related fees (debit and credit
Conversion fee	Expense	83,117	Foreign exchange income	Card related fees (debit and credit
Conversion fee	Expense	70,733	Foreign exchange income	Card acquiring business

48.3 The effect of restatement is mentioned in note 4.1 of these unconsolidated condensed interim financial statements.

President & Chief Executive Officer **Chief Financial Officer** **Director** **Director** **Director**

CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

QUARTER ENDED MARCH 31, 2025



Consolidated Condensed Interim Statement of Financial Position

As at March 31, 2025

	Note	(Un-audited) March 31, 2025	(Audited) December 31, 2024
		----------(Rupees in '000)----------	
ASSETS			
Cash and balances with treasury banks	7	219,794,220	227,868,901
Balances with other banks	8	14,932,234	19,713,246
Lendings to financial institutions	9	100,040,298	100,998,323
Investments	10	1,988,575,653	1,996,182,261
Advances	11	881,779,582	1,109,376,542
Property and equipment	12	66,178,713	63,673,849
Right-of-use assets	13	25,847,364	25,365,699
Intangible assets	14	1,532,609	1,559,640
Deferred tax assets		-	-
Other assets	15	185,015,619	172,317,236
Total Assets		3,483,696,292	3,717,055,697
LIABILITIES			
Bills payable	16	28,888,483	41,768,326
Borrowings	17	1,043,967,528	1,142,200,709
Deposits and other accounts	18	2,017,589,025	2,136,104,698
Lease liabilities	19	30,777,362	29,555,307
Subordinated debt	20	14,000,000	14,000,000
Deferred tax liabilities	21	15,032,246	19,459,032
Other liabilities	22	151,134,487	152,580,928
Total Liabilities		3,301,389,131	3,535,669,000
NET ASSETS		182,307,161	181,386,697
REPRESENTED BY			
Share capital		15,771,651	15,771,651
Reserves		44,150,153	43,466,925
Surplus on revaluation of assets	23	31,636,305	33,820,479
Unappropriated profit		90,730,304	88,305,939
Total equity attributable to the equity holders of the Holding Company		182,288,413	181,364,994
Non-controlling interest	24	18,748	21,703
		182,307,161	181,386,697
CONTINGENCIES AND COMMITMENTS	25		

The annexed notes 1 to 48 form an integral part of these consolidated condensed interim financial statements.

President & Chief Executive Officer **Chief Financial Officer** **Director** **Director** **Director**

Consolidated Condensed Interim Statement of Profit and Loss Account (Un-audited)

For the quarter ended March 31, 2025

	Note	Quarter ended March 31, 2025	Quarter ended March 31, 2024 (Restated)
		----------(Rupees in '000)--------	
Mark-up / return / interest earned	27	95,123,561	129,922,478
Mark-up / return / interest expensed	28	61,882,118	98,663,719
Net mark-up / return / interest income		33,241,443	31,258,759
NON MARK-UP / INTEREST INCOME			
Fee and commission income	29	3,664,470	4,796,181
Dividend income		880,222	297,545
Foreign exchange income	30	2,143,675	2,268,820
Income from derivatives		1,102,480	544,412
Gain on securities	31	621,549	65,723
Net gains / (loss) on derecognition of financial assets measured at amortised cost		-	-
Share of profit from associates		255,144	274,893
Other income	32	795,536	66,068
Total non-mark-up / interest income		9,463,076	8,313,642
Total Income		42,704,519	39,572,401
NON MARK-UP / INTEREST EXPENSES			
Operating expenses	33	27,161,486	19,346,678
Workers' welfare fund	34	400,108	425,656
Other charges	35	5,901	208,643
Total non-mark-up / interest expenses		27,567,495	19,980,977
Profit before credit loss allowance / provisions		15,137,024	19,591,424
Reversal of credit loss allowance /provisions and write offs - net	36	(467,750)	(206,794)
Extra ordinary / unusual items		-	-
PROFIT BEFORE TAXATION		15,604,774	19,798,218
Taxation	37	8,532,085	9,878,731
PROFIT AFTER TAXATION		7,072,689	9,919,487
Profit / (loss) attributable to:			
Equity holders of the Holding Company		7,075,644	9,945,989
Non-controlling interest		(2,955)	(26,502)
		7,072,689	9,919,487
		----------(Rupees)----------	
Basic and diluted earnings per share	38	4.49	6.31

The annexed notes 1 to 48 form an integral part of these consolidated condensed interim financial statements.

President & Chief Executive Officer **Chief Financial Officer** **Director** **Director** **Director**

Consolidated Condensed Interim Statement of Comprehensive Income (Un-audited)

For the quarter ended March 31, 2025

	Quarter ended March 31, 2025	Quarter ended March 31, 2024 (Restated)
	----------(Rupees in '000)----------	
Profit after taxation for the period	7,072,689	9,919,487
Other comprehensive income / (loss)		
Items that may be reclassified to the statement of profit and loss account in subsequent periods:		
Effect of translation of net investment in foreign branches	(20,782)	(706,161)
Movement in (deficit) / surplus on revaluation of debt investments through FVOCI - net of tax	(2,874,692)	(2,125,794)
Gain on sale of debt securities carried at FVOCI reclassified to profit and loss - net of tax	376,259	281,145
Movement in share of (deficit) / surplus on revaluation of investments of associates - net of tax	(4,481)	(243)
	(2,523,696)	(2,551,053)
Items that will not be reclassified to the statement of profit and loss account in subsequent periods:		
Movement in surplus / (deficit) on revaluation of equity investments - net of tax	53,611	121,711
Movement in (deficit) / surplus on revaluation of property and equipment - net of tax	(18,844)	(9,824)
Movement in (deficit) / surplus on revaluation of non-banking assets - net of tax	(4,894)	(178)
	29,873	111,709
Total comprehensive income	4,578,866	7,480,143
Total comprehensive income attributable to:		
Equity holders of the Holding Company	4,581,821	7,506,645
Non-controlling interest	(2,955)	(26,502)
	4,578,866	7,480,143

The annexed notes 1 to 48 form an integral part of these consolidated condensed interim financial statements.

President & Chief Executive Officer **Chief Financial Officer** **Director** **Director** **Director**

Consolidated Condensed Interim Statement of Changes in Equity

For the quarter ended March 31, 2025

	Share capital	Capital Reserves		Statutory reserve	Surplus / (deficit) on revaluation of			Unappro-priated profit	Sub-total	Non Controlling Interest	Total
		Share premium	Exchange translation reserve		Investments	Property and equipment	Non banking assets				
	(Rupees in '000)										
Balance as at December 31, 2023 (audited)	15,771,651	4,731,049	14,191,974	22,478,107	(902,400)	12,088,444	86,726	71,472,352	139,917,903	(294,665)	139,623,238
Impact of adoption of IFRS 9 - net of tax (note 4.1)	-	-	-	-	5,002,695	-	-	(2,250,700)	2,751,995	-	2,751,995
Balance as at January 01, 2024 after adoption of IFRS 9	15,771,651	4,731,049	14,191,974	22,478,107	4,100,295	12,088,444	86,726	69,221,652	142,669,898	(294,665)	142,375,233
Changes in equity for the quarter ended March 31, 2024											
Profit / (loss) after taxation - restated	-	-	-	-	-	-	-	9,945,989	9,945,989	(26,502)	9,919,487
Other comprehensive income / (loss) - net of tax											
Effect of translation of net investment in foreign branches	-	-	(706,161)	-	-	-	-	-	(706,161)	-	(706,161)
Movement in surplus on revaluation of investments in debt securities - net of tax	-	-	-	-	(2,125,794)	-	-	-	(2,125,794)	-	(2,125,794)
Gain on sale of debt securities carried at FVOCI reclassified to profit and loss - net of tax	-	-	-	-	281,145	-	-	-	281,145	-	281,145
Movement in surplus on revaluation of equity securities - net of tax	-	-	-	-	121,711	-	-	-	121,711	-	121,711
Movement in share of surplus on revaluation of investments of associates - net of tax	-	-	-	-	(243)	-	-	-	(243)	-	(243)
Movement in surplus on revaluation of property and equipment - net of tax	-	-	-	-	-	(9,824)	-	-	(9,824)	-	(9,824)
Movement in surplus on revaluation of non-banking assets - net of tax	-	-	-	-	-	-	(178)	-	(178)	-	(178)
Total other comprehensive (loss) / income - net of tax	-	-	(706,161)	-	(1,723,181)	(9,824)	(178)	-	(2,439,344)	-	(2,439,344)
Transfer to statutory reserve	-	-	-	991,151	-	-	-	(991,151)	-	-	-
Transfer from surplus on revaluation of assets to unappropriated profit - net of tax	-	-	-	-	-	(22,119)	(9,180)	31,299	-	-	-
Gain on disposal of equity investments at FVOCI transferred to unappropriated profit - net of tax	-	-	-	-	(699)	-	-	699	-	-	-
Transactions with owners, recorded directly in equity											
Final cash dividend for the year ended December 31, 2023 - 50%	-	-	-	-	-	-	-	(7,885,826)	(7,885,826)	-	(7,885,826)
Closing balance as at March 31, 2024 (un-audited) - restated	15,771,651	4,731,049	13,485,813	23,469,258	2,376,415	12,056,501	77,368	70,322,662	142,290,717	(321,167)	141,969,550
Changes in equity for nine months period ended December 31, 2024											
Profit after taxation	-	-	-	-	-	-	-	29,907,632	29,907,632	36,177	29,943,809
Other comprehensive income / (loss) - net of tax											
Effect of translation of net investment in foreign branches	-	-	(1,059,857)	-	-	-	-	-	(1,059,857)	-	(1,059,857)
Movement in surplus on revaluation of investments in debt securities - net of tax	-	-	-	-	11,089,098	-	-	-	11,089,098	-	11,089,098
Gain on sale of debt securities carried at FVOCI reclassified to profit and loss - net of tax	-	-	-	-	657,929	-	-	-	657,929	-	657,929
Movement in surplus on revaluation of equity securities - net of tax	-	-	-	-	1,909,008	-	-	-	1,909,008	-	1,909,008
Movement in share of surplus on revaluation of investments of associates - net of tax	-	-	-	-	36,619	-	-	-	36,619	-	36,619
Remeasurement gain on defined benefit obligations - net of tax	-	-	-	-	-	-	-	460,866	460,866	54	460,920
Movement in surplus on revaluation of property and equipment - net of tax	-	-	-	-	-	5,619,106	-	-	5,619,106	-	5,619,106
Movement in surplus on revaluation of non-banking assets - net of tax	-	-	-	-	-	-	236,807	-	236,807	-	236,807
Total other comprehensive (loss) / income - net of tax	-	-	(1,059,857)	-	13,692,654	5,619,106	236,807	460,866	18,949,576	54	18,949,630
Balance carried forward	15,771,651	4,731,049	12,425,956	23,469,258	16,069,069	17,675,607	314,175	100,691,160	191,147,925	(284,936)	190,862,989

Consolidated Condensed Interim Statement of Changes in Equity

For the quarter ended March 31, 2025

	Share capital	Capital Reserves		Statutory reserve	Surplus / (deficit) on revaluation of			Unappro-priated profit	Sub-total	Non Controlling Interest	Total
		Share premium	Exchange translation reserve		Investments	Property and equipment	Non banking assets				
	(Rupees in '000)										
Balance brought forward	15,771,651	4,731,049	12,425,956	23,469,258	16,069,069	17,675,607	314,175	100,691,160	191,147,925	(284,936)	190,862,989
Transfer to statutory reserve	-	-	-	2,840,662	-	-	-	(2,840,662)	-	-	-
Transfer from surplus on revaluation of assets to unappropriated profit - net of tax	-	-	-	-	-	(122,562)	540	122,022	-	-	-
Gain on disposal of equity investments at FVOCI transferred to unappropriated profit - net of tax	-	-	-	-	(116,350)	-	-	116,350	-	-	-
Transactions with owners, recorded directly in equity											
Adjustment of non-controlling interest	-	-	-	-	-	-	-	(311,627)	(311,627)	311,627	-
Right Issuance cost - subsidiary	-	-	-	-	-	-	-	(8,314)	(8,314)	(4,988)	(13,302)
Interim cash dividend for the quarter ended March 31, 2024 - 20%	-	-	-	-	-	-	-	(3,154,330)	(3,154,330)	-	(3,154,330)
Interim cash dividend for the half year ended June 30, 2024 - 20%	-	-	-	-	-	-	-	(3,154,330)	(3,154,330)	-	(3,154,330)
Interim cash dividend for the quarter ended September 30, 2024 - 20%	-	-	-	-	-	-	-	(3,154,330)	(3,154,330)	-	(3,154,330)
Balance as at December 31, 2024 (audited)	15,771,651	4,731,049	12,425,956	26,309,920	15,952,719	17,553,045	314,715	88,305,939	181,364,994	21,703	181,386,697
Impact of adoption of IFRS 9 - net of tax (note 4.1)	-	-	-	-	365,607	-	-	(81,096)	284,511	-	284,511
Balance as at January 01, 2025 after adoption of IFRS 9	15,771,651	4,731,049	12,425,956	26,309,920	16,318,326	17,553,045	314,715	88,224,843	181,649,505	21,703	181,671,208
Changes in equity for the quarter ended March 31, 2025											
Profit after taxation	-	-	-	-	-	-	-	7,075,644	7,075,644	(2,955)	7,072,689
Other comprehensive income / (loss) - net of tax											
Effect of translation of net investment in foreign branches	-	-	(20,782)	-	-	-	-	-	(20,782)	-	(20,782)
Movement in surplus / (deficit) on revaluation of investments in debt instruments - net of tax	-	-	-	-	(2,874,692)	-	-	-	(2,874,692)	-	(2,874,692)
Debt investments at FVOCI – reclassified to profit or loss	-	-	-	-	376,259	-	-	-	376,259	-	376,259
Movement in surplus / (deficit) on revaluation of investments in equity instruments - net of tax	-	-	-	-	53,611	-	-	-	53,611	-	53,611
Movement in share of surplus / (deficit) on revaluation of investments of associates - net of tax	-	-	-	-	(4,481)	-	-	-	(4,481)	-	(4,481)
Movement in surplus on revaluation of property and equipment - net of tax	-	-	-	-	-	(18,844)	-	-	(18,844)	-	(18,844)
Movement in surplus on revaluation of non-banking assets - net of tax	-	-	-	-	-	-	(4,894)	-	(4,894)	-	(4,894)
Total other comprehensive (loss) / income - net of tax	-	-	(20,782)	-	(2,449,303)	(18,844)	(4,894)	-	(2,493,823)	-	(2,493,823)
Transfer to statutory reserve	-	-	-	704,010	-	-	-	(704,010)	-	-	-
Transfer from surplus on revaluation of assets to unappropriated profit - net of tax	-	-	-	-	-	(30,170)	(1,309)	31,479	-	-	-
Gain on disposal of equity investments at FVOCI transferred to unappropriated profit - net of tax	-	-	-	-	(45,261)	-	-	45,261	-	-	-
Transactions with owners, recorded directly in equity											
Final cash dividend for the year ended December 31, 2024 - 25%	-	-	-	-	-	-	-	(3,942,913)	(3,942,913)	-	(3,942,913)
Closing balance as at March 31, 2025 (un-audited)	15,771,651	4,731,049	12,405,174	27,013,930	13,823,762	17,504,031	308,512	90,730,304	182,288,413	18,748	182,307,161

The annexed notes 1 to 48 form an integral part of these consolidated condensed interim financial statements.

President & Chief Executive Officer **Chief Financial Officer** **Director** **Director** **Director**

Consolidated Condensed Interim Cash Flow Statement (Un-audited)

For the quarter ended March 31, 2025

	Note	Quarter ended	
		March 31, 2025	March 31, 2024
		---------(Rupees in '000)---------	
			(Restated)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		15,604,774	19,798,218
Less: Dividend income		(880,222)	(297,545)
Share of profit from associates		(255,144)	(274,893)
		14,469,408	19,225,780
Adjustments:			
Net markup / return / interest income		(33,241,443)	(31,258,759)
Depreciation	33	1,406,088	1,041,310
Depreciation on right-of-use assets	33	1,111,356	929,968
Amortisation	33	99,340	86,535
Reversal of credit loss allowance /provisions and write offs - net	36	(467,750)	(206,794)
Unrealised loss on revaluation of investments classified as FVPL	31	890,284	715,322
Unrealised gain on advances classified at FVPL	32	(41,704)	(11,933)
Gain on sale of property and equipment - net	32	(19,934)	(3,687)
Gain on sale of non banking assets - net	32	-	(27,800)
Gain on termination of leases - net	32	(12,411)	(13,929)
Staff loans - notional cost	33.1	704,893	596,067
Finance charges on leased assets	28	1,028,217	785,423
Workers' welfare fund		400,108	425,656
Charge for defined benefit plan	33.1	240,475	167,824
Charge for staff compensated absences	33.1	89,000	52,500
		(27,813,481)	(26,722,297)
		(13,344,073)	(7,496,517)
Decrease / (increase) in operating assets			
Lendings to financial institutions		9,216,237	84,789,152
Securities classified as FVPL		(31,678,269)	14,575,634
Advances		229,868,668	23,727,239
Other assets (excluding advance taxation and mark-up receivable)		(7,516,571)	(1,410,549)
		199,890,065	121,681,476
(Decrease) / increase in operating liabilities			
Bills payable		(12,879,843)	(4,266,992)
Borrowings		(84,594,944)	(328,452,569)
Deposits		(118,515,673)	(42,598,052)
Other liabilities (excluding current taxation and mark-up payable)		7,450,875	13,188,727
		(208,539,585)	(362,128,886)
		(21,993,593)	(247,943,927)
Mark-up / Interest received		88,622,140	107,511,491
Mark-up / Interest paid		(72,828,739)	(102,161,627)
Income tax paid		(11,879,352)	(12,531,298)
Net cash (used in) / generated from operating activities		(18,079,544)	(255,125,361)
Balance carried forward		(18,079,544)	(255,125,361)

Consolidated Condensed Interim Cash Flow Statement (Un-audited)

For the quarter ended March 31, 2025

	Note	Quarter ended	
		March 31, 2025	March 31, 2024
		---------(Rupees in '000)---------	
			(Restated)
Balance brought forward		(18,079,544)	(255,125,361)
CASH FLOWS FROM INVESTING ACTIVITIES			
Net Investments in securities classified as FVOCI		36,761,129	241,542,679
Net (divestment) / investments in amortised cost		(2,265,308)	5,805,646
Dividends received from associates		-	105,000
Dividends received from other investments		551,238	221,009
Investments in property and equipment and intangible assets		(3,969,360)	(8,029,155)
Proceeds from sale of property and equipment		23,702	6,744
Proceeds from sale of non-banking assets		-	267,800
Effect of translation of net investment in foreign branches		(20,782)	(706,161)
Net cash generated from / (used in) investing activities		31,080,619	239,213,562
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments of lease obligations against right-of-use assets		(1,397,851)	(1,131,109)
Dividend paid		(1,594,559)	(6,552,473)
Net cash used in financing activities		(2,992,410)	(7,683,582)
Increase / (decrease) in cash and cash equivalents		10,008,665	(23,595,381)
Cash and cash equivalents at beginning of the period		232,770,640	249,548,197
Effects of exchange rate changes on cash and cash equivalents		467,957	(1,648,505)
		233,238,597	247,899,692
Expected credit loss allowance on cash and cash equivalents - net		2,294	(30,010)
Cash and cash equivalents at end of the period	39	243,249,556	224,274,301

The annexed notes 1 to 48 form an integral part of these consolidated condensed interim financial statements.

President & Chief Executive Officer **Chief Financial Officer** **Director** **Director** **Director**

Notes to and Forming Part of the Consolidated Condensed Interim Financial Statements (Un-audited)

For the quarter ended March 31, 2025

1 STATUS AND NATURE OF BUSINESS

1.1 The "Group" consists of:

Holding Company : Bank Alfalah Limited, Pakistan

Bank Alfalah Limited (the Holding Company) is a banking company incorporated in Pakistan and is engaged in commercial banking and related services in Pakistan and overseas. The Bank's registered office is located at B. A. Building, I. I. Chundrigar Road, Karachi and its shares are listed on the Pakistan Stock Exchange. The Holding Company is engaged in banking services as described in the Banking Companies Ordinance, 1962. The Holding Company is operating through 1,163 branches (December 31, 2024: 1,141 branches) and 12 sub-branches (December 31, 2024: 12 sub-branches). Out of the 1,163 branches, 712 (December 31, 2024: 707) are conventional, 440 (December 31, 2024: 423) are Islamic, 10 (December 31, 2024: 10) are overseas and 1 (December 31 2024: 1) is an offshore banking unit.

	Note	Percentage of Holding	
		March 31, 2025	December 31, 2024
Subsidiaries			
Alfalah Securities (Private) Limited		95.59%	95.59%
Alfalah Currency Exchange (Private) Limited, Pakistan		100.00%	100.00%

During the period ended March 31, 2025, the shareholders of the Holding Company in annual general meeting of the Holding Company held on March 20, 2025 has authorised the Holding Company to sell entire shareholding in its subsidiary, Alfalah Securities (Private) Limited to Optimus Capital Management (Private) Limited. Execution of the transaction is in process as per share purchase agreement.

1.2 In addition, the Group maintains investments in the following:

Associates		
Alfalah Insurance Company Limited	30.00%	30.00%
Sapphire Wind Power Company Limited	40.22%	40.22%
Alfalah Asset Management Limited	30.00%	30.00%

2 BASIS OF PRESENTATION

2.1 STATEMENT OF COMPLIANCE

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

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

Wherever the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 or the directives issued by the SBP and the SECP differ with the requirements of IFRS or IFAS, requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 and the said directives have been followed.

The SBP has deferred the applicability of International Accounting Standard (IAS) 40, 'Investment Property' for banking companies through BSD Circular Letter No. 10 dated August 26, 2002 till further instructions. Further, the SECP has deferred the applicability of International Financial Reporting Standard (IFRS) 7, 'Financial Instruments: Disclosures' on banks through its notification S.R.O 411(I)/2008 dated April 28, 2008. The SBP through BPRD Circular No. 04 of 2015 dated February 25, 2015 had deferred the applicability of Islamic Financial Accounting Standard-3 for Profit and Loss Sharing on Deposits (IFAS-3) issued by the Institute of Chartered Accountants of Pakistan (ICAP) and notified by the SECP, vide their SRO No. 571 of 2013 dated June 12, 2013 for Institutions offering Islamic Financial Services (IIFS). Accordingly, the requirements of these standards have not been considered in the preparation of these consolidated condensed interim financial statements.

Moreover, Alfalah Insurance Company Limited has deferred the application of IFRS 9 till January 01, 2026, which is same as effective date for application of IFRS 17 - Insurance Contracts as allowed by the SECP through S.R.O. 506(i)/2024 dated March 29, 2024. Furthermore, Sapphire Wind Power Company Limited was granted a partial exemption from the application of IFRS 9 till December 31, 2025 vide SECP S.R.O. 1784(I)/2024- dated November 04, 2024. Consequently, the requirements of IFRS 9 with respect to application of Expected Credit Losses in respect of trade debts and other receivables due from Central Power Purchasing Agency (CPPA-G) have not been followed.

2.1.1 The disclosures made in these consolidated condensed interim financial statements have been limited based on the format prescribed by the SBP through BPRD Circular Letter No. 02 dated February 09, 2023 and the requirements of International Accounting Standard 34, "Interim Financial Reporting". These do not include all the information and disclosures required for annual financial statements, and therefore should be read in conjunction with the annual audited consolidated financial statements of the Group for the year ended December 31, 2024.

2.1.2 Basis of consolidation

A subsidiary is an entity controlled by the Group. Control exists when the Group is exposed, or has rights, to variable returns from its investment with the investee and has the ability to affect those return through its power over the investee.

These consolidated condensed interim financial statements incorporate the financial statements of subsidiaries from the date that control commences until the date that control ceases.

Associates are those entities on which the Group has significant influence, but not control, over the financial and operating polices. Associates as well as investment in mutual funds established under trust structure are accounted for using the equity

Non-controlling interests are that part of the net results of operations and of net assets of subsidiary which are not owned by the Holding Company. Material intra-group balances and transactions are eliminated.

2.1.3 Key financial figures of the Islamic Banking branches are disclosed in note 43 to the unconsolidated condensed interim financial statements.

2.1.4 The management of the Holding company believes that there is no significant doubt on the Group company's ability to continue as a going concern. Therefore, the consolidated financial statements have been prepared on a going concern basis.

2.2 Standards, interpretations of and amendments to published accounting and reporting standards that are effective in the current period:

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Group's accounting periods beginning on or after January 01, 2025 but are considered not relevant or do not have any material effect on the Group's operations and are therefore not detailed in these consolidated condensed interim financial statements except for IFRS 9 (Financial Instruments), the impact of which is disclosed under note 4.1.

2.3 Standards, interpretations of and amendments to published accounting and reporting standards that are not yet effective:

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Group's accounting periods beginning on or after January 01, 2025 but are considered not to be relevant or will not have any material effect on the Group's financial statements except for:

- the new standard - IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18) (published in April 2024) with applicability date of January 01, 2027 by IASB. IFRS 18 is yet to be adopted in Pakistan. IFRS 18 when adopted and applicable shall impact the presentation of 'Statement of Profit and Loss Account' with certain additional disclosures in the condensed interim in the consolidated financial statements.

- amendments to IFRS 9 'Financial Instruments' which clarify the date of recognition and derecognition of a financial asset or financial liability including settlement of liabilities through banking instruments and channels including electronic transfers. The amendment when applied may impact the timing of recognition and derecognition of financial liabilities.

- amendment to IAS 21 'The Effects of Changes in Foreign Exchange Rates' which will require Banks to apply a consistent approach in assessing whether a currency can be exchanged into another currency and, when it cannot, in determining the exchange rate to use and the disclosures to provide.

3 BASIS OF MEASUREMENT

3.1 Accounting convention

These consolidated condensed interim financial statements have been prepared under the historical cost convention except that certain property and equipment and non banking assets acquired in satisfaction of claims are stated at revalued amounts; investments classified at fair value through profit and loss and fair value through other comprehensive income; advances classified at fair value through profit and loss, foreign exchange contracts and derivative financial instruments are measured at fair value; defined benefit obligations are carried at present value; right of use of asset and related lease liability are measured at present value on initial recognition; and staff loans are measured at fair value on initial recognition.

3.2 Functional and presentation currency

These consolidated condensed interim financial statements are presented in Pakistani Rupees, which is the Group's functional and presentation currency. The amounts are rounded off to the nearest thousand rupees.

4 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the preparation of these consolidated condensed interim financial statements are consistent with those applied in the preparation of the annual audited consolidated financial statements of the Group for the year ended December 31, 2024 except for changes mentioned in note 4.1.

4.1 IFRS 9 - 'Financial Instruments'

The Holding Company adopted IFRS 9 effective from January 01, 2024 with modified retrospective approach for restatement permitted under IFRS 9. The cumulative impact of initial application of Rs. 2,751.995 million was recorded as an adjustment to equity at the beginning of the previous accounting period.

The Holding Company, in compliance with extended timelines defined in SBP's BPRD Circular Letter No. 16 dated July 29, 2024 and BPRD Circular Letter No. 01 dated January 22, 2025 had incorporated certain IFRS 9 related impacts in the last quarter of 2024. Therefore the consolidated condensed interim statement of profit and loss account (un-audited) for the quarter ended March 31, 2024 has been restated to incorporate there impacts. Had the restatement not been incorporated the profit after tax for the quarter ended March 31, 2024 would have been higher by Rs. 8.455 million. The details are tabulated below:

Head		(Rupees in '000)	Description
Mark-up / return / interest earned	Increase	768,658	Fair value impact of subsidised advances and modification of advances
Mark-up / return / interest earned	Increase	596,067	Fair value impact of staff loans
Mark-up / return / interest expensed	Increase	797,170	Fair value impact of subsidised borrowings
Other income	Increase	11,933	Fair value impact of advances measured at fair value through profit and loss
Operating expenses	Increase	596,067	Fair value impact of staff loans
Taxation	Decrease	8,124	Impact of restatement

During the current period, in accordance with BPRD Circular No. 03 of 2022 dated July 05, 2022 and BPRD Circular Letter No. 16 dated July 29, 2024 the Group has applied IFRS 9 'Financial Instruments' for Bangladesh Operations and measured unquoted equity securities at fair value. The cumulative impact of application in current period Rs. 284.511 million has been recorded as an adjustment to equity at the beginning of the current period.

5 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of consolidated condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and income and expenses as well as in the disclosure of contingent liabilities. It also requires management to exercise judgment in application of its accounting policies. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. These estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised, if the revision affects only that period, or in the period of revision and in future periods if the revision affects both current and future periods.

The significant judgments made by the management in applying the Group's accounting policies and the key sources of estimation were the same as those applied in the preparation of annual audited financial statements for the year ended December 31, 2024 except for matters related to adoption of IFRS 9 which have been disclosed in note 4.1 to the consolidated condensed interim financial statements.

6 FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies adopted by the Group are consistent with those disclosed in the annual audited consolidated financial statements for the year ended December 31, 2024.

	(Un-audited) March 31, 2025	(Audited) December 31, 2024
7 CASH AND BALANCES WITH TREASURY BANKS	---------(Rupees in '000)---------	
In hand		
- local currency	50,843,388	48,338,529
- foreign currency	4,985,222	5,619,401
	55,828,610	53,957,930
With State Bank of Pakistan in		
- local currency current accounts	77,944,862	92,353,394
- foreign currency current accounts	8,349,295	7,192,719
- foreign currency deposit accounts	13,093,684	10,832,548
	99,387,841	110,378,661
With other central banks in		
- foreign currency current accounts	60,183,784	60,980,202
- foreign currency deposit accounts	1,580,761	1,820,112
	61,764,545	62,800,314
With National Bank of Pakistan in local currency current account	2,711,030	628,396
Prize bonds	107,806	119,605
	219,799,832	227,884,906
Less: Credit loss allowance held against cash and balances with treasury banks	(5,612)	(16,005)
Cash and balances with treasury banks - net of credit loss allowance	219,794,220	227,868,901
8 BALANCES WITH OTHER BANKS		
In Pakistan		
- in current accounts	588,410	803,655
- in deposit accounts	45,449	477,299
	633,859	1,280,954
Outside Pakistan		
- in current accounts	14,280,396	18,406,200
- in deposit accounts	31,968	31,982
	14,312,364	18,438,182
	14,946,223	19,719,136
Less: Credit loss allowance held against balances with other banks	(13,989)	(5,890)
Balances with other banks - net of credit loss allowance	14,932,234	19,713,246
9 LENDINGS TO FINANCIAL INSTITUTIONS		
Call / clean money lendings	9,658,120	1,792,764
Repurchase agreement lendings (Reverse Repo)	85,392,684	94,208,913
Bai Muajjal receivable - other financial institution	4,997,525	4,997,525
	100,048,329	100,999,202
Less: Credit loss allowance held against lending to financial institutions	(8,031)	(879)
Lending to financial institutions - net of credit loss allowance	100,040,298	100,998,323

9.1 Lending to Financial Institution- Particulars of credit loss allowance

		March 31, 2025 (Un-audited)		December 31, 2024 (Audited)	
		Lending	Credit loss allowance held	Lending	Credit loss allowance held
		----------(Rupees in '000)----------			
Domestic					
Performing	Stage 1	95,390,209	287	99,606,438	754
Overseas					
Performing	Stage 1	4,658,120	7,744	1,392,764	125
Total		100,048,329	8,031	100,999,202	879

10 INVESTMENTS

10.1 Investments by type:

	March 31, 2025 (Un-audited)				December 31, 2024 (Audited)			
	Cost / Amortised cost	Credit loss allowance / Provision for diminution	Surplus / (Deficit)	Carrying Value	Cost / Amortised cost	Credit loss allowance / Provision for diminution	Surplus / (Deficit)	Carrying Value
	----------(Rupees in '000)----------							
Fair value through profit or loss								
Federal Government Securities								
- Market Treasury Bills	94,705,456	-	(41,636)	94,663,820	74,055,824	-	(5,499)	74,050,325
- Pakistan Investment Bonds	199,597,391	-	(883,202)	198,714,189	183,913,135	-	47,072	183,960,207
- Ijarah Sukuk	3,661,331	-	1,169	3,662,500	1,733,628	-	10,084	1,743,712
- Naya Pakistan Certificates	1,304,799	-	-	1,304,799	2,651,621	-	-	2,651,621
Shares								
- Ordinary shares / units - Listed	2,730,067	-	(95,245)	2,634,822	2,451,629	-	1,133,300	3,584,929
- Preference shares - Unlisted	-	-	-	-	-	-	500,000	500,000
Non Government Debt Securities								
- Term Finance Certificates	1,450,000	-	-	1,450,000	1,450,000	-	-	1,450,000
- Sukuks	422,444	-	(444)	422,000	422,000	-	444	422,444
Foreign Securities								
- Overseas Bonds - Sovereign	9,158,902	-	(5,835)	9,153,067	13,043,880	-	(6,799)	13,037,081
- Redeemable Participating Certificates	8,363,246	-	134,909	8,498,155	5,913,093	-	2,401,955	8,315,048
	321,393,636	-	(890,284)	320,503,352	285,634,810	-	4,080,557	289,715,367
Fair value through other comprehensive income								
Federal Government Securities								
- Market Treasury Bills	22,804,249	-	264,212	23,068,461	22,155,073	-	429,662	22,584,735
- Pakistan Investment Bonds	964,787,853	-	12,485,205	977,273,058	1,009,681,395	-	14,952,851	1,024,634,246
- Ijarah Sukuk	249,881,745	-	6,020,328	255,902,073	241,695,919	-	9,230,018	250,925,937
- Government of Pakistan Euro Bonds	11,813,436	(2,230,941)	1,230,324	10,812,819	12,368,725	(2,145,627)	922,305	11,145,403
Shares								
- Ordinary shares - Listed	10,816,390	-	5,087,632	15,904,022	10,202,508	-	4,768,790	14,971,298
- Ordinary shares - Unlisted	1,351,363	-	2,120,894	3,472,257	1,351,363	-	1,471,825	2,823,188
- Preference Shares - Unlisted	25,000	(25,000)	-	-	25,000	(25,000)	-	-
Non Government Debt Securities								
- Term Finance Certificates	2,074,789	(110,136)	-	1,964,653	2,076,398	(111,745)	-	1,964,653
- Sukuk	15,577,865	(96,511)	252,297	15,733,651	15,584,244	(96,511)	140,246	15,627,979
Foreign Securities								
- Overseas Bonds - Sovereign	50,602,872	(77,717)	(1,146,985)	49,378,170	50,691,578	(77,534)	(1,417,964)	49,196,080
- Overseas Bonds - Others	25,662,683	(6,934)	(759,490)	24,896,259	26,231,004	(7,505)	(1,030,029)	25,193,470
- Equity securities - Listed	266,969	-	(18,144)	248,825	265,427	-	(8,246)	257,181
- Preference shares - Unlisted	560,329	-	-	560,329	557,108	-	-	557,108
REIT Fund - listed	1,000,489	-	335,558	1,336,047	1,000,489	-	514,493	1,514,982
	1,357,226,032	(2,547,239)	25,871,831	1,380,550,624	1,393,886,231	(2,463,922)	29,973,951	1,421,396,260
Balance carried forward	1,678,619,668	(2,547,239)	24,981,547	1,701,053,976	1,679,521,041	(2,463,922)	34,054,508	1,711,111,627

10.1 Investments by type:

	March 31, 2025 (Un-audited)				December 31, 2024 (Audited)			
	Cost / Amortised cost	Credit loss allowance / Provision for diminution	Surplus / (Deficit)	Carrying Value	Cost / Amortised cost	Credit loss allowance / Provision for diminution	Surplus / (Deficit)	Carrying Value
	(Rupees in '000)							
Balance brought forward	1,678,619,668	(2,547,239)	24,981,547	1,701,053,976	1,679,521,041	(2,463,922)	34,054,508	1,711,111,627
Amortised cost								
Federal Government Securities								
- Pakistan Investment Bonds	220,224,491	-	-	220,224,491	218,414,195	-	-	218,414,195
- Ijarah Sukuk	40,401,273	-	-	40,401,273	40,376,451	-	-	40,376,451
Non Government Debt Securities								
- Term Finance Certificates	305,930	(24,716)	-	281,214	324,680	(24,715)	-	299,965
- Sukuk	3,128,362	(56,384)	-	3,071,978	3,509,612	(56,421)	-	3,453,191
Foreign Securities								
- Overseas Bonds - Sovereign	16,436,796	(65,621)	-	16,371,175	15,601,311	(216)	-	15,601,095
	280,496,852	(146,721)	-	280,350,131	278,226,249	(81,352)	-	278,144,897
Associates (valued at equity method)								
- Alfalah Insurance Company Limited	1,026,780	-	-	1,026,780	991,493	-	-	991,493
- Sapphire Wind Power Company Limited	5,087,079	-	-	5,087,079	4,945,252	-	-	4,945,252
- Alfalah Asset Management Limited	1,057,687	-	-	1,057,687	988,992	-	-	988,992
	7,171,546	-	-	7,171,546	6,925,737	-	-	6,925,737
Total Investments	1,966,288,066	(2,693,960)	24,981,547	1,988,575,653	1,964,673,027	(2,545,274)	34,054,508	1,996,182,261

10.2 Particulars of assets and liabilities of associates

				March 31, 2025 (Un-audited)				
	Associate	Country of incorporation	Percentage of Holding	Assets	Liabilities	Revenue	Profit for the period	Total Comprehensive income
				(Rupees in '000)				
Alfalah Insurance Company Limited	Associate	Pakistan	30.00%	8,555,509	5,142,495	702,980	148,740	117,624
Sapphire Wind Power Company Limited	Associate	Pakistan	30.00%	19,760,361	3,610,664	579,191	472,757	472,757
Alfalah Asset Management Limited	Associate	Pakistan	40.22%	3,521,020	891,262	663,072	185,695	185,695

				December 31, 2024 (Audited)		March 31, 2024 (Un-audited)		
	Associate	Country of incorporation	Percentage of Holding	Assets	Liabilities	Revenue	Profit for the period	Total Comprehensive income
				(Rupees in '000)				
Alfalah Insurance Company Limited	Associate	Pakistan	30.00%	7,622,491	4,327,101	622,125	180,123	178,531
Sapphire Wind Power Company Limited	Associate	Pakistan	30.00%	19,530,002	3,853,062	805,688	638,280	638,280
Alfalah Asset Management Limited	Associate	Pakistan	40.22%	3,473,064	1,014,104	311,139	78,104	78,104

	(Un-audited) March 31, 2025	(Audited) December 31, 2024
	-------(Rupees in 000)-------	
10.3 Investments given as collateral		
Market Treasury Bills	9,332,139	18,948,162
Pakistan Investment Bonds	871,913,129	952,096,877
Overseas Bonds	10,752,850	8,759,125
	891,998,118	979,804,164

10.3.1 The market value of securities given as collateral is Rs. 903,319.973 million (December 31, 2024: Rs. 993,194.012 million).

	(Un-audited) March 31, 2025	(Audited) December 31, 2024
	-------(Rupees in 000)-------	
10.4 Credit loss allowance / provision for diminution in value of investments		
10.4.1 Opening balance	2,545,274	3,355,413
Impact of adoption of IFRS 9	60,074	(437,729)
Balance as at January 01 after adopting IFRS 9	2,605,348	2,917,684
Exchange and other adjustments	9,925	(29,753)
Charge / (reversals)		
Charge for the period / year	80,519	236,742
Reversals for the period / year	(1,715)	(578,980)
Reversal on disposals	(117)	(419)
	78,687	(342,657)
Closing Balance	2,693,960	2,545,274

10.4.2 Particulars of credit loss allowance against debt securities

Category of classification		March 31, 2025 (Un-audited)		December 31, 2024 (Audited)	
		Outstanding amount	Credit loss allowance / Provision held	Outstanding amount	Credit loss allowance / Provision held
Domestic		----------(Rupees in '000)----------			
Performing	Stage 1	406,250	48	806,250	85
Underperforming	Stage 2	-	-	-	-
Non-performing	Stage 3				
Substandard		-	-	-	-
Doubtful		-	-	-	-
Loss		312,699	312,699	314,307	314,307
		718,949	312,747	1,120,557	314,392
Overseas					
Performing	Stage 1	92,702,351	150,272	78,312,741	85,255
Performing		-	-	14,211,152	-
Underperforming	Stage 2	11,813,436	2,230,941	12,368,725	2,145,627
Non-performing	Stage 3				
Substandard		-	-	-	-
Doubtful		-	-	-	-
Loss		-	-	-	-
Total		105,234,736	2,693,960	106,013,175	2,545,274

10.4.3 The market value of securities classified as amortised cost as at March 31, 2025 amounted to Rs. 281,381.104 million (December 31, 2024: Rs. 279,284.570 million).

11 ADVANCES

	Note	Performing		Non Performing		Total	
		March 31, 2025 (Un-audited)	December 31, 2024 (Audited)	March 31, 2025 (Un-audited)	December 31, 2024 (Audited)	March 31, 2025 (Un-audited)	December 31, 2024 (Audited)
		(Rupees in '000)					
Classified at amortised cost							
Loans, cash credits, running finances, etc.		702,537,036	929,992,948	34,576,933	36,406,677	737,113,969	966,399,625
Islamic financing and related assets		159,492,302	166,361,932	5,539,803	5,688,223	165,032,105	172,050,155
Bills discounted and purchased		22,486,343	16,129,793	270,719	269,602	22,757,062	16,399,395
		884,515,681	1,112,484,673	40,387,455	42,364,502	924,903,136	1,154,849,175
Classified at FVPL							
Loans, cash credits, running finances, etc.		2,250,000	1,200,000	-	-	2,250,000	1,200,000
Fair value adjustment on loans - FVPL		255,439	213,735	-	-	255,439	213,735
		2,505,439	1,413,735	-	-	2,505,439	1,413,735
Advances - gross		887,021,120	1,113,898,408	40,387,455	42,364,502	927,408,575	1,156,262,910
Credit loss allowance / provision against advances							
- Stage 1	11.4	(1,908,275)	(2,232,954)	-	-	(1,908,275)	(2,232,954)
- Stage 2	11.4	(1,510,665)	(1,388,083)	-	-	(1,510,665)	(1,388,083)
- Stage 3	11.4	-	-	(38,021,097)	(38,440,559)	(38,021,097)	(38,440,559)
- Specific	11.4	-	-	-	(587,690)	-	(587,690)
- General	11.4	(4,188,956)	(4,237,082)	-	-	(4,188,956)	(4,237,082)
		(7,607,896)	(7,858,119)	(38,021,097)	(39,028,249)	(45,628,993)	(46,886,368)
Advances - net of credit loss allowance / provision		879,413,224	1,106,040,289	2,366,358	3,336,253	881,779,582	1,109,376,542

11.1 Advances include an amount of Rs. 405.769 million (December 31, 2024: Rs. 401.503 million), being Employee Loan facilities allowed to Citibank, N.A, Pakistan's employees, which were either taken over by the Holding Company, or were granted afresh, under a specific arrangement executed between the Holding Company and Citibank, N.A, Pakistan. The said arrangement is subject to certain relaxations as specified vide SBP Letter BPRD/BRD/Citi/2017/21089 dated September 11, 2017.

The said arrangement covers only existing employees of Citibank, N.A, Pakistan, and the relaxations allowed by the SBP are on continual basis, but subject to review by the SBP's BID and OSED departments. These loans carry mark-up at the rates ranging from 14.00% to 33.69% (December 31, 2024: 14.83% to 33.69%) per annum with maturities up to October 2043 (December 31, 2024: October 2043).

11.2 Particulars of advances (gross)	(Un-audited) March 31, 2025	(Audited) December 31, 2024
	(Rupees in '000)	
In local currency	818,007,970	1,038,688,031
In foreign currencies	109,400,605	117,574,879
	927,408,575	1,156,262,910

11.3 Advances include Rs. 40,387.455 million (December 31, 2024: Rs. 42,364.502 million) which have been placed under non-performing status as detailed below:

Category of Classification		March 31, 2025 (Un-audited)		December 31, 2024 (Audited)	
		Non-Performing Loans	Credit loss allowance /provision	Non-Performing Loans	Credit loss allowance /provision
		(Rupees in '000)			
Domestic					
Other Assets Especially Mentioned (OAEM)	Stage 3	168,884	4,864	237,808	-
Substandard	Stage 3	1,225,394	436,622	2,991,264	1,260,906
Doubtful	Stage 3	2,367,082	1,114,679	2,311,039	1,103,457
Loss	Stage 3	35,979,756	35,883,588	36,168,946	36,076,196
		39,741,116	37,439,753	41,709,057	38,440,559
Overseas					
Substandard	Stage 3 / Specific	37,939	23,060	38,700	23,355
Doubtful	Stage 3 / Specific	-	-	-	-
Loss	Stage 3 / Specific	608,400	558,284	616,745	564,335
		646,339	581,344	655,445	587,690
Total		40,387,455	38,021,097	42,364,502	39,028,249

11.4 Particulars of Credit loss allowance / provision against advances

	March 31, 2025 (Un-audited)						December 31, 2024 (Audited)					
	Expected Credit Loss			Specific	General	Total	Expected Credit Loss			Specific	General	Total
	Stage 1	Stage 2	Stage 3				Stage 1	Stage 2	Stage 3			
	(Rupees in '000)											
Opening balance	2,232,954	1,388,083	38,440,559	587,690	4,237,082	46,886,368	-	-	-	32,374,940	9,861,797	42,236,737
Impact of adoption of IFRS 9	50,662	49,899	587,751	(587,690)	-	100,622	3,383,875	1,941,645	33,605,109	(31,884,624)	(1,715,503)	5,330,502
Balance as at January 01 after adopting IFRS 9	2,283,616	1,437,982	39,028,310	-	4,237,082	46,986,990	3,383,875	1,941,645	33,605,109	490,316	8,146,294	47,567,239
Exchange and other adjustments	637	-	(6,304)	-	(4,067)	(9,734)	(249)	-	-	(49,929)	(35,775)	(85,953)
Charge for the period / year	238,968	328,122	1,327,521	-	-	1,894,611	589,912	228,688	14,212,577	148,294	-	15,179,471
Reversals for the period / year	(625,713)	(259,524)	(2,102,584)	-	(44,059)	(3,031,880)	(1,576,721)	(680,132)	(7,187,019)	(991)	(3,873,437)	(13,318,300)
	(386,745)	68,598	(775,063)	-	(44,059)	(1,137,269)	(986,809)	(451,444)	7,025,558	147,303	(3,873,437)	1,861,171
Transfer	10,767	4,085	(14,852)	-	-	-	(163,863)	(102,118)	265,981	-	-	-
Amounts written off	-	-	(210,994)	-	-	(210,994)	-	-	(19,688)	-	-	(19,688)
Amounts charged off	-	-	-	-	-	-	-	-	(2,310,924)	-	-	(2,310,924)
Amounts charged off - agriculture financing	-	-	-	-	-	-	-	-	(125,477)	-	-	(125,477)
	10,767	4,085	(225,846)	-	-	(210,994)	(163,863)	(102,118)	(2,190,108)	-	-	(2,456,089)
Closing balance	1,908,275	1,510,665	38,021,097	-	4,188,956	45,628,993	2,232,954	1,388,083	38,440,559	587,690	4,237,082	46,886,368

11.4.1 The additional profit arising from availing the forced sales value (FSV) benefit - net of tax as at March 31, 2025 which is not available for distribution as either cash or stock dividend to shareholders / bonus to employees amounted to Rs. 72.695 million (December 31, 2024: Rs. 79.607 million).

11.4.2 During the period, non performing loans and provisions were reduced by Rs. Nil (December 31, 2024: Rs. 5,317.765 million) due to debt property swap transactions.

11.4.3 Specific provision relates to overseas branches to meet the requirements of regulatory authorities of the respective countries in which overseas branches operate.

11.4.4 General provision includes:

(i) Provision held at overseas branches to meet the requirements of the regulatory authorities of the respective countries in which overseas branches operate; and

(ii) Provision of Rs. 3,878.000 million (December 31, 2024: Rs. 3,878.000 million) against the high risk portfolio, which is showing higher economic vulnerability. The portfolio excludes GoP backed exposure, staff loans and loans secured against liquid collaterals.

11.4.5 Although the Holding Company has made provision against its non-performing portfolio as per the category of classification of the loan, the Holding Company holds enforceable collateral in the event of recovery through litigation. These securities comprise of charge against various tangible assets of the borrower including land, building and machinery, stock in trade etc.

11.5 Advances - Particulars of credit loss allowance / provision against advances

	March 31, 2025 (Un-audited)						December 31, 2024 (Audited)					
	Expected Credit Loss			Specific	General	Total	Expected Credit Loss			Specific	General	Total
	Stage 1	Stage 2	Stage 3				Stage 1	Stage 2	Stage 3			
	(Rupees in '000)											
Opening balance	2,232,954	1,388,083	38,440,559	587,690	4,237,082	46,886,368	-	-	-	32,374,940	9,861,797	42,236,737
Impact of adoption of IFRS 9	50,662	49,899	587,751	(587,690)	-	100,622	3,383,875	1,941,645	33,605,109	(31,884,624)	(1,715,503)	5,330,502
Balance as at January 01 after adopting IFRS 9	2,283,616	1,437,982	39,028,310	-	4,237,082	46,986,990	3,383,875	1,941,645	33,605,109	490,316	8,146,294	47,567,239
Exchange and other adjustments	637	-	(6,304)	-	(4,067)	(9,734)	(249)	-	-	(49,929)	(35,775)	(85,953)
New Advances	238,968	328,122	839,339	-	-	1,406,429	589,912	228,688	10,739,861	55,479	-	11,613,940
Due to credit deterioration	-	-	175,048	-	-	175,048	-	-	3,472,716	92,815	-	3,565,531
Advances derecognised or repaid / reversal	(184,078)	(61,510)	(2,102,584)	-	(44,059)	(2,392,231)	(1,348,975)	(337,218)	(6,805,825)	(991)	(3,873,437)	(12,366,446)
Transfer to stage 1	54,808	(54,808)	-	-	-	-	209,329	(209,329)	-	-	-	-
Transfer to stage 2	(43,324)	72,085	(28,761)	-	-	-	(342,027)	342,027	-	-	-	-
Transfer to stage 3	(717)	(13,192)	13,909	-	-	-	(31,165)	(234,816)	265,981	-	-	-
Changes in risk parameters	(441,635)	(198,014)	313,134	-	-	(326,515)	(227,746)	(342,914)	(381,194)	-	-	(951,854)
	(375,978)	72,683	(789,915)	-	(44,059)	(1,137,269)	(1,150,672)	(553,562)	7,291,539	147,303	(3,873,437)	1,861,171
Amounts written off	-	-	(210,994)	-	-	(210,994)	-	-	(19,688)	-	-	(19,688)
Amounts charged off	-	-	-	-	-	-	-	-	(2,436,401)	-	-	(2,436,401)
Closing balance	1,908,275	1,510,665	38,021,097	-	4,188,956	45,628,993	2,232,954	1,388,083	38,440,559	587,690	4,237,082	46,886,368

11.6 Advances - Category of classification

		March 31, 2025 (Un-audited)		December 31, 2024 (Audited)	
		Outstanding	Credit loss allowance /provision	Outstanding	Credit loss allowance /provision
		----------(Rupees in '000)----------			
Domestic					
Performing	Stage 1	709,078,553	1,754,752	950,300,612	2,101,954
Underperforming	Stage 2	129,281,845	1,499,832	112,325,725	1,388,083
Non-Performing	Stage 3				
Other Assets Especially Mentioned (OAEM)		168,884	4,864	237,808	-
Substandard		1,225,394	436,622	2,991,264	1,260,906
Doubtful		2,367,082	1,114,679	2,311,039	1,103,457
Loss		35,979,756	35,883,589	36,168,946	36,076,196
General Provision		-	3,878,000	-	3,878,000
		878,101,514	44,572,338	1,104,335,394	45,808,596
Overseas					
Performing	Stage 1	45,436,636	153,523	51,272,071	131,000
Underperforming	Stage 2	3,224,086	10,833	-	-
Non-Performing	Stage 3 / Specific				
Other Assets Especially Mentioned (OAEM)		-	-	-	-
Substandard		37,939	23,060	38,700	23,355
Doubtful		-	-	-	-
Loss		608,400	558,283	616,745	564,335
General Provision		-	310,956	-	359,082
		49,307,061	1,056,655	51,927,516	1,077,772
Total		927,408,575	45,628,993	1,156,262,910	46,886,368

		Note	(Un-audited) March 31, 2025	(Audited) December 31, 2024
12	**PROPERTY AND EQUIPMENT**		--------(Rupees in '000)--------	
	Capital work-in-progress	12.1	5,562,998	3,473,754
	Property and equipment	12.2	60,615,715	60,200,095
			66,178,713	63,673,849

12.1 Capital work-in-progress

Civil works	4,743,723	3,190,303
Equipment	590,783	252,122
Others	228,492	31,329
	5,562,998	3,473,754

12.2 It includes land and buildings carried at revalued amount of Rs. 39,373.707 million (December 31, 2024: Rs. 39,448.429 million).

		(Un-audited) Quarter Ended	
		March 31, 2025	March 31, 2024
12.3	**Additions to property and equipment**	----------(Rupees in 000)----------	
	The following additions were made to property and equipment during the period:		
	Capital work-in-progress - net of transferred out for capitalisation	2,089,244	816,483
	Property and equipment		
	Freehold land	-	101,138
	Leasehold land	-	5,149,174
	Buildings on freehold land	1,915	47,511
	Buildings on leasehold land	773	26,182
	Leasehold improvement	68,208	498,149
	Furniture and fixtures	322,836	175,287
	Office equipment	1,140,602	885,494
	Vehicles	284,635	263,765
		1,818,969	7,146,700
	Total additions to property and equipment	3,908,213	7,963,183

12.4 Disposals of property and equipment

The net book values of property and equipment disposed off during the period are as follows:

Furniture and fixtures	233	-
Office equipments	3,535	3,057
Total disposal of property and equipment	3,768	3,057

		(Un-audited) March 31, 2025	(Audited) December 31, 2024
		----------(Rupees in 000)----------	
13	**RIGHT-OF-USE ASSETS**	**Buildings**	**Buildings**
	At January 1		
	Cost	36,730,369	28,896,873
	Accumulated depreciation	(11,364,670)	(8,929,916)
	Net carrying amount at January 1	25,365,699	19,966,957
	Additions / renewals / amendments / (terminations) - net during the period / year	1,594,071	9,392,220
	Depreciation charge during the period / year	(1,111,356)	(3,946,074)
	Exchange rate adjustments	(1,050)	(47,404)
	Closing net carrying amount	25,847,364	25,365,699

14 INTANGIBLE ASSETS

Capital work-in-progress / advance payment to suppliers	416,164	398,802
Software	1,109,778	1,154,088
Membership Card	6,000	6,000
License fee	667	750
	1,532,609	1,559,640

		(Un-audited) Quarter Ended	
		March 31, 2025	March 31, 2024
14.1	**Additions to intangible assets**	----------(Rupees in 000)----------	
	The following additions were made to intangible assets during the period:		
	Capital work-in-progress - net; of transferred out for capitalisation	17,362	54,184
	Directly purchased	55,050	16,852
	Total additions to intangible assets	72,412	71,036

14.2 There were no disposal of intangible assets during the periods ended March 31, 2025 and March 31, 2024.

	Note	(Un-audited) March 31, 2025	(Audited) December 31, 2024
		------(Rupees in '000)------	
15 OTHER ASSETS			
Income / mark-up accrued in local currency - net		87,089,534	82,073,211
Income / mark-up accrued in foreign currency - net		2,550,059	2,724,193
Advances, deposits, advance rent and other prepayments		6,672,677	4,619,209
Advance taxation (payments less provisions)		4,962,492	3,729,029
Advance against subscription of share		55,343	-
Non-banking assets acquired in satisfaction of claims	15.1	7,813,891	7,830,251
Dividend receivable		328,984	-
Mark to market gain on forward foreign exchange contracts		921,361	1,288,538
Mark to market gain on derivatives		2,744,453	3,128,782
Stationery and stamps on hand		22,512	28,155
Defined benefit plan		1,091,515	1,331,990
Branch adjustment account		-	29,195
Due from card issuing banks		5,002,438	2,817,994
Accounts receivable		8,453,504	10,613,225
Claims against fraud and forgeries		112,453	108,907
Acceptances		38,891,682	33,015,615
Receivable against Government of Pakistan and overseas government securities		2,747	44,928
Receivable against marketable securities		1,532,226	1,935,323
Deferred cost on staff loans		20,841,725	21,080,743
Others		714,455	135,605
		189,804,051	176,534,893
Less: Credit loss allowance / provision held against other assets	15.2	(5,285,283)	(4,709,539)
Other assets (net of credit loss allowance / provision)		184,518,768	171,825,354
Surplus on revaluation of non-banking assets acquired in satisfaction of claims - net	15.1	496,851	491,882
Other assets - total		185,015,619	172,317,236

15.1 The revalued amount of non-banking assets acquired in satisfaction of claims is Rs. 8,310.742 million (December 31, 2024: Rs. 8,332.133 million).

	(Un-audited) March 31, 2025	(Audited) December 31, 2024
15.2 Credit loss allowance / provision held against other assets	--------(Rupees in '000)--------	
Impairment against overseas operations	3,334,807	2,708,477
Expected credit loss	156,847	181,325
Fraud and forgeries	112,453	108,907
Receivable against marketable securities	1,243,784	1,243,517
Accounts receivable	64,352	67,326
Others	373,040	399,987
	5,285,283	4,709,539
15.2.1 Movement in credit loss allowance / provision held against other assets		
Opening balance	4,709,539	4,619,037
Impact of adoption of IFRS 9	862	370,152
Balance as at January 01 after adopting IFRS 9	4,710,401	4,989,189
Exchange and other adjustments	674	(2,777)
Charge for the period / year	666,172	531,375
Reversals for the period / year	(91,722)	(753,490)
	574,450	(222,115)
Amount written off	(242)	(54,758)
Closing balance	5,285,283	4,709,539

		(Un-audited) March 31, 2025	(Audited) December 31, 2024
16	**BILLS PAYABLE**	--------(Rupees in '000)--------	
	In Pakistan	28,501,185	41,462,676
	Outside Pakistan	387,298	305,650
		28,888,483	41,768,326

17	**BORROWINGS**		
	Secured		
	Borrowings from State Bank of Pakistan under:		
	Export Refinance Scheme	27,319,868	26,867,803
	Long-Term Finance Facility	19,132,139	20,278,409
	Financing Facility for Renewable Energy Projects	13,464,585	13,762,263
	Financing Facility for Storage of Agriculture Produce (FFSAP)	781,476	698,919
	Temporary Economic Refinance Facility (TERF)	24,825,764	25,697,206
	Export Refinance under Bill Discounting	14,072,206	14,253,363
	SME Asaan Finance (SAAF)	6,486,198	7,073,103
	Refinance Facility for Combating COVID (RFCC)	1,144,641	932,258
	Refinance and Credit Guarantee Scheme for Women Entrepreneurs	212,654	172,604
	Modernization of Small and Medium Entities (MSMES)	1,904,786	1,855,749
	Other refinance schemes	1,075	232
	Repurchase agreement borrowings	822,717,080	911,260,540
		932,062,472	1,022,852,449
	Repurchase agreement borrowings	32,537,706	32,209,792
	Bai Muajjal	50,720,362	48,654,565
	Others	300,000	314,967
	Total secured	1,015,620,540	1,104,031,773
	Unsecured		
	Call borrowings	13,783,096	11,414,695
	Overdrawn nostro accounts	1,135,018	15,736,314
	Borrowings of overseas branches	5,620,390	5,750,351
	Others		
	- Pakistan Mortgage Refinance Company	4,393,036	2,464,030
	- Karandaaz Risk Participation	3,415,448	2,803,546
	Total unsecured	28,346,988	38,168,936
		1,043,967,528	1,142,200,709

18 DEPOSITS AND OTHER ACCOUNTS

	March 31, 2025 (Un-audited)			December 31, 2024 (Audited)		
	In Local Currency	In Foreign Currencies	Total	In Local Currency	In Foreign Currencies	Total
	----------(Rupees in '000)----------					
Customers						
Current deposits	670,735,074	175,885,187	846,620,261	644,305,838	165,613,660	809,919,498
Savings deposits	576,994,320	34,217,268	611,211,588	607,199,365	34,755,471	641,954,836
Term deposits	303,851,672	73,409,604	377,261,276	315,007,439	69,798,774	384,806,213
Others	40,565,683	20,017,286	60,582,969	35,232,274	12,915,513	48,147,787
	1,592,146,749	303,529,345	1,895,676,094	1,601,744,916	283,083,418	1,884,828,334
Financial Institutions						
Current deposits	4,511,860	1,716,165	6,228,025	4,204,792	2,747,963	6,952,755
Savings deposits	77,969,916	2,620,635	80,590,551	185,650,940	2,372,391	188,023,331
Term deposits	24,903,000	9,618,289	34,521,289	47,797,204	8,366,800	56,164,004
Others	572,980	86	573,066	136,154	120	136,274
	107,957,756	13,955,175	121,912,931	237,789,090	13,487,274	251,276,364
	1,700,104,505	317,484,520	2,017,589,025	1,839,534,006	296,570,692	2,136,104,698

18.1 Current deposits include remunerative current deposits of Rs. 27,593.445 million (December 31, 2024: Rs. 26,618.402 million).

		Note	(Un-audited) March 31, 2025	(Audited) December 31, 2024
19	**LEASE LIABILITIES**		-------(Rupees in '000)-------	
	Opening as at January 1		29,555,307	22,899,808
	Additions / renewals / amendments / (terminations) - net		1,596,628	9,328,489
	Finance charges		1,028,217	3,518,804
	Lease payments including interest		(1,397,851)	(6,138,088)
	Exchange rate / other adjustment		(4,939)	(53,706)
	Closing net carrying amount		30,777,362	29,555,307
19.1	**Liabilities outstanding**			
	Not later than one year		2,207,197	2,061,668
	Later than one year and upto five years		11,751,975	11,067,332
	Over five years		16,818,190	16,426,307
	Total at the period / year end		30,777,362	29,555,307
20	**SUBORDINATED DEBT**			
	Term Finance Certificates VI - Additional Tier-I (ADT-1)	20.1	7,000,000	7,000,000
	Term Finance Certificates VIII - Additional Tier-I (ADT-1)	20.2	7,000,000	7,000,000
			14,000,000	14,000,000

20.1 Term Finance Certificates VI - Additional Tier-I (ADT-1) - Quoted, Unsecured

The Holding Company issued listed, fully paid up, rated, perpetual, unsecured, subordinated, non-cumulative and contingent convertible debt instruments in the nature of Term Finance Certificates (TFCs) issued as instruments of redeemable capital under Section 66 of the Companies Act, 2017 which qualify as Additional Tier 1 Capital (ADT 1) as outlined by the SBP under BPRD Circular No. 6 dated August 15, 2013. Summary of terms and conditions of the issue are:

Issue amount	Rs. 7,000,000,000
Issue date	March 2018
Maturity date	Perpetual
Rating	"AA+" (Double A plus) by The Pakistan Credit Rating Agency Limited.
Security	Unsecured
Ranking	Subordinated to all other indebtedness of the Holding Company including deposits but superior to equity.
Profit payment frequency	Payable semi-annually in arrears.
Redemption	Perpetual
Mark-up	For the period at end of which the Holding Company is in compliance with Minimum Capital Requirement (MCR) and Capital Adequacy Ratio (CAR) requirements of the SBP, mark-up rate will be Base Rate + 1.50% with no step up feature. Base Rate is defined as the six months KIBOR (ask side) prevailing on one (1) business day prior to previous profit payment date.
Lock-in-clause	Mark-up will only be paid from the Holding Company's current year's earning and if the Holding Company is in compliance of regulatory MCR and CAR requirements set by the SBP from time to time.
Loss absorbency clause	In conformity with the SBP Basel III Guidelines, the TFCs shall, if directed by the SBP, be permanently converted into ordinary shares upon: (i) the CET 1 Trigger Event; (ii) the point of non-viability Trigger Event; or (iii) failure by the Holding Company to comply with the Lock-In Clause. The SBP will have full discretion in declaring the point of non-viability Trigger Event.
Call option	The Holding Company may, at its sole discretion, exercise call option any time after five years from the issue date, subject to prior approval of the SBP and instrument is replaced with capital of same and better quality.

20.2 Term Finance Certificates VIII - Additional Tier-I (ADT-1) - Quoted, Unsecured

The Holding Company issued Rs. 7,000 million of privately placed, listed, fully paid up, rated, perpetual, unsecured, subordinated, non-cumulative and contingent convertible debt instruments in the nature of Term Finance Certificates (TFCs) issued as instruments of redeemable capital under Section 66 of the Companies Act, 2017 which qualify as Additional Tier 1 Capital (ADT 1) as outlined by the SBP under BPRD circular No. 06 dated August 15, 2013. Summary of key terms and conditions of the issue are as follows:

Issue amount	Rs. 7,000,000,000
Issue date	December 2022
Maturity date	Perpetual
Rating	"AA+" (Double A plus) by The Pakistan Credit Rating Agency Limited.
Security	Unsecured
Ranking	Subordinated to all other indebtedness of the Holding Company including deposits but superior to equity.
Profit payment frequency	Payable semi-annually in arrears.
Redemption	Perpetual
Mark-up	For the period at end of which the Holding Company is in compliance with Minimum Capital Requirement (MCR) and Capital Adequacy Ratio (CAR) requirements of the SBP, mark-up rate will be Base Rate + 2.00% with no step up feature. Base Rate is defined as the six months KIBOR (Ask side) prevailing on one (1) business day prior to previous profit payment date.
Lock-in-clause	Mark-up will only be paid from the Holding Company's current year's earning and if the Holding Company is in compliance of regulatory MCR and CAR requirements set by the SBP from time to time.
Loss absorbency clause	In conformity with the SBP Basel III Guidelines, the TFCs shall, if directed by the SBP, be permanently converted into ordinary shares upon: (i) the CET 1 Trigger Event; (ii) the point of non-viability Trigger Event; or (iii) failure by the Holding Company to comply with the Lock-In Clause. The SBP will have full discretion in declaring the point of non-viability Trigger Event.
Call option	The Holding Company may, at its sole discretion, exercise call option any time after five years from the issue date, subject to prior approval of the SBP and instrument is replaced with capital of same and better quality.

	(Un-audited) March 31, 2025	(Audited) December 31, 2024
21 DEFERRED TAX LIABILITIES / (ASSETS)	--------(Rupees in '000)--------	
Deductible Temporary Differences on:		
- Credit loss allowance / provision against investments	(2,448,481)	(2,375,374)
- Credit loss allowance / provision against advances	(3,860,854)	(4,857,280)
- Modification of advances	(45,772)	(49,009)
- Credit loss allowance / provision against other assets	(1,884,455)	(1,536,101)
- Credit loss allowance against cash with treasury banks	(3,262)	(8,679)
- Credit loss allowance against balance with other banks	(6,316)	(2,111)
- Credit loss allowance against lending to financial institutions	(4,026)	(311)
- Unrealised loss on FVPL investments	(459,022)	-
- Workers' Welfare Fund	(2,712,122)	(2,504,065)
- Pre-commencement expenditures	1,794	(3,697)
- Others	-	(45,636)
	(11,422,516)	(11,382,263)
Taxable Temporary Differences on:		
- Unrealised gain on FVPL investments	-	2,087,274
- Unrealised gain on FVPL advances	132,829	111,143
- Unrealised net gain on fair value of refinancing	635,441	643,213
- Surplus on revaluation of FVOCI investments	14,935,984	17,238,393
- Surplus on revaluation of property and equipment	2,405,752	2,386,906
- Surplus on revaluation of non banking assets	188,339	177,167
- Share of profit and other comprehensive income from associates	3,116,849	2,989,028
- Accelerated tax depreciation	5,039,568	5,208,171
	26,454,762	30,841,295
	15,032,246	19,459,032

22 OTHER LIABILITIES	Note	(Un-audited) March 31, 2025	(Audited) December 31, 2024
		--------(Rupees in '000)--------	
Mark-up / return / interest payable in local currency		22,655,170	35,014,735
Mark-up / return / interest payable in foreign currency		2,165,525	1,715,640
Unearned fee commission and income on bills discounted and guarantees		4,323,070	4,063,795
Accrued expenses		16,092,549	17,352,068
Acceptances		38,891,682	33,015,615
Dividends payable		2,656,063	307,709
Mark to market loss on forward foreign exchange contracts		447,644	1,090,874
Mark to market loss on derivatives		70,240	69,063
Branch adjustment account		83,989	-
Alternative Delivery Channel (ADC) settlement accounts	22.2	14,971,471	1,719,649
Provision for compensated absences		1,379,476	1,290,476
Payable against redemption of customer loyalty / reward points		1,308,552	1,041,845
Charity payable		176,139	176,604
Credit loss allowance / provision against off-balance sheet obligations	22.1	966,498	780,711
Security deposits against leases, lockers and others		16,787,014	13,058,856
Workers' welfare fund		7,190,826	6,790,718
Payable to vendors and suppliers		747,392	630,070
Margin deposits on derivatives		2,146,371	2,415,337
Payable to merchants (card acquiring)		1,944,418	959,295
Indirect taxes payable		4,046,859	6,467,747
Payable against marketable securities		568,046	881,360
Liability against share based payment		378,440	870,000
Trading liability		2,606,729	15,600,626
Others		8,530,324	7,268,135
		151,134,487	152,580,928

22.1 Credit loss allowance / provision against off-balance sheet obligations

Opening balance	780,711	78,624
Impact of adoption of IFRS 9	2,714	1,085,673
Balance as at January 01 after adopting IFRS 9	783,425	1,164,297
Exchange adjustments	(234)	(4,925)
Charge / (reversals) for the period / year	183,307	(378,661)
Closing balance	966,498	780,711

22.2 This represents settlement arising from channel transaction at the cut off date which were subsequently cleared.

	Note	(Un-audited) March 31, 2025	(Audited) December 31, 2024
23 SURPLUS ON REVALUATION OF ASSETS		----------(Rupees in '000)----------	
Surplus / (deficit) on revaluation of:			
- Securities measured at FVOCI - debt	10.1	18,345,891	23,227,089
- Securities measured at FVOCI - equity	10.1	7,525,940	6,746,862
- Available for sale securities of associates		75,628	84,963
- Property and equipment		19,909,783	19,939,951
- Non-banking assets acquired in satisfaction of claims		496,851	491,882
		46,354,093	50,490,747
Less: Deferred tax (liability) / asset on surplus / (deficit) on revaluation of:			
- Securities measured at FVOCI - debt		(9,539,656)	(12,077,792)
- Securities measured at FVOCI - equity		(3,913,489)	(3,508,368)
- Available for sale securities of associates		(39,327)	(44,181)
- Property and equipment		(2,405,752)	(2,386,906)
- Non-banking assets acquired in satisfaction of claims		(188,339)	(177,167)
		(16,086,563)	(18,194,414)
Derivatives deficit		(2,851,614)	(3,175,304)
Less: Deferred tax asset on derivative		1,482,839	1,651,158
		(1,368,775)	(1,524,146)
		31,636,305	33,820,479

24 NON-CONTROLLING INTEREST

Name	Principal activity	Principal place of Business	(Un-audited) March 31, 2025	(Audited) December 31, 2024
			Ownership interest held by NCI	
Alfalah Securities (Private) Limited	Stock Brokerage	Pakistan	4.41%	4.41%

Key financial information of the subsidiary	(Un-audited) March 31, 2025	(Audited) December 31, 2024
	----------(Rupees in '000)----------	
Assets	1,514,599	1,850,958
Liabilities	1,089,478	1,358,817
Net Assets	425,121	492,141
Non-Controlling Interest (NCI)	18,748	21,703

	(Un-audited) Quarter Ended	
	March 31, 2025	March 31, 2024
	----------(Rupees in '000)----------	
Revenue	132,658	145,582
Expenses and provision	140,023	210,891
Loss before tax	(7,365)	(65,309)
Loss after tax	(16,618)	(70,673)
Other comprehensive loss	(16,618)	(70,673)
Cash Flows:		
Cash flows used in operating activities	(329,123)	(628,315)
Cash flows generated from investing activities	-	230,734
Cash flows (used in) / generated from financing activities	(7,349)	769,020
Net (decrease) / increase in cash and cash equivalent	(336,472)	371,439

		Note	(Un-audited) March 31, 2025	(Audited) December 31, 2024
			---------(Rupees in '000)---------	
25	**CONTINGENCIES AND COMMITMENTS**			
	- Guarantees	25.1	188,347,987	181,819,233
	- Commitments	25.2	839,492,630	693,691,150
	- Other contingent liabilities	25.3.1	22,945,134	23,153,037
			1,050,785,751	898,663,420
25.1	**Guarantees:**			
	Financial guarantees		6,071,582	6,048,920
	Performance guarantees		64,925,734	66,136,458
	Other guarantees		117,350,671	109,633,855
			188,347,987	181,819,233
25.2	**Commitments:**			
	Documentary credits and short-term trade-related transactions			
	- Letters of credit		255,565,975	220,709,466
	Commitments in respect of:			
	- forward foreign exchange contracts	25.2.1	353,759,414	266,938,066
	- forward government securities transactions	25.2.2	179,782,967	149,529,384
	- derivatives	25.2.3	32,176,165	33,466,502
	- forward lending	25.2.4	12,301,575	16,490,171
	Commitments for acquisition of:			
	- property and equipment		5,244,067	5,479,175
	- intangible assets		381,467	332,386
	Commitments in respect of donations		281,000	296,000
	Other commitments	25.2.5	-	450,000
			839,492,630	693,691,150
25.2.1	**Commitments in respect of forward foreign exchange contracts**			
	Purchase		202,944,591	144,906,210
	Sale		150,814,823	122,031,856
			353,759,414	266,938,066
25.2.2	**Commitments in respect of forward government securities transactions**			
	Purchase		58,543,423	55,393,978
	Sale		121,239,544	94,135,406
			179,782,967	149,529,384
25.2.3	**Commitments in respect of derivatives**			
	Interest rate swap			
	Purchase	26.1	22,081,958	23,054,358
	Sale		-	-
			22,081,958	23,054,358
	Cross Currency Swaps			
	Purchase		-	-
	Sale	26.1	10,094,207	10,412,144
			10,094,207	10,412,144
	Total commitments in respect of derivatives		32,176,165	33,466,502
25.2.4	**Commitments in respect of forward lending**			
	Undrawn formal standby facilities, credit lines and other commitments to lend	25.2.4.1	12,301,575	16,490,171

25.2.4.1 These represent commitments that are irrevocable because they cannot be withdrawn at the discretion of the Holding Company without the risk of incurring significant penalty or expense.

25.2.5 Other Commitments

A commercial bank on behalf of Alfalah Securities (Private) Limited has given a guarantee of Rs. Nil (December 31, 2024: Rs. 450 million) to National Clearing Company of Pakistan Limited (NCCPL) in respect of margin eligible securities. The guarantee facility is for one year and is secured by 1st Pari Passu charge on current assets of the subsidiary.

		(Un-audited) March 31, 2025	(Audited) December 31, 2024
25.3	**Other contingent liabilities**	---------(Rupees in '000)---------	
25.3.1	Claims against the Holding Company not acknowledged as debts	22,945,134	23,153,037

These mainly represents counter claims filed by the borrowers for restricting the Holding Company from disposal of collateral assets (such as hypothecated / mortgaged / pledged assets kept as security), damage to reputation and cases filed by ex-employees of the Holding Company for damages. Based on legal advices and / or internal assessments, management is confident that the matters will be decided in the Holding Company's favour and the possibility of any outcome against the Holding Company is remote and accordingly no provision has been made in these consolidated condensed interim financial statements.

25.4 Contingency for tax payable

There were no tax related contingencies other than as disclosed in note 37.1

26 DERIVATIVE INSTRUMENTS

Derivatives are a type of financial contract, the value of which is determined by reference to one or more underlying assets or indices. The major categories of such contracts include futures, swaps and options. Derivatives also include structured financial products that have one or more characteristics of forwards, futures, swaps and options.

26.1 Product Analysis

	March 31, 2025 (Un-audited)					
	Interest Rate Swaps			Cross Currency Swaps		
	No. of contracts	Notional Principal	Mark to market gain - net	No. of contracts	Notional Principal	Mark to market gain - net
Counterparties		---------(Rupees in '000)--------			----------(Rupees in '000)----------	
With Banks for						
Hedging	24	22,081,958	1,875,394	-	-	-
With other entities						
Market making	-	-	-	6	10,094,207	798,819
	24	22,081,958	1,875,394	6	10,094,207	798,819

	December 31, 2024 (Audited)					
	Interest Rate Swaps			Cross Currency Swaps		
	No. of contracts	Notional Principal	Mark to market gain - net	No. of contracts	Notional Principal	Mark to market gain - net
Counterparties		---------(Rupees in '000)--------			----------(Rupees in '000)----------	
With Banks for						
Hedging	27	23,054,358	2,172,667	-	-	-
With other entities						
Market making	-	-	-	6	10,412,144	887,052
	27	23,054,358	2,172,667	6	10,412,144	887,052

		(Un-audited) Quarter Ended	
		March 31, 2025	March 31, 2024
		----------(Rupees in '000)----------	
			(Restated)
27	**MARK-UP/RETURN/INTEREST EARNED**		
	On:		
a)	Loans and advances	28,267,504	33,076,737
b)	Investments	64,696,459	93,553,966
c)	Lendings to financial institutions	766,929	1,747,917
d)	Balances with banks / financial institutions	74,268	17,397
e)	On securities purchased under resale agreements	1,318,401	1,526,461
		95,123,561	129,922,478
28	**MARK-UP/RETURN/INTEREST EXPENSED**		
	On:		
a)	Deposits	29,816,055	58,752,369
b)	Borrowings	4,415,165	5,105,225
c)	Securities sold under repurchase agreements	25,406,228	30,867,789
d)	Subordinated debt	544,700	834,214
e)	Cost of foreign currency swaps against foreign currency deposits / borrowings	408,313	2,206,189
f)	Leased assets	1,028,217	785,423
g)	Reward points / customer loyalty	263,440	112,510
		61,882,118	98,663,719
29	**FEE & COMMISSION INCOME**		
	Branch banking customer fees	453,321	387,805
	Consumer finance related fees	196,238	152,853
	Card related fees (debit and credit cards)	508,749	915,299
	Credit related fees	113,340	180,637
	Investment banking fees	151,341	21,707
	Commission on trade	817,422	741,660
	Commission on guarantees	202,845	182,648
	Commission on cash management	15,615	12,337
	Commission on remittances including home remittances	85,041	651,528
	Commission on bancassurance	170,423	133,778
	Card acquiring business	202,512	392,797
	Wealth management fee	156,932	78,897
	Commission on Benazir Income Support Programme (BISP)	46,535	427,430
	Alternative Delivery Channel (ADC) settlement accounts	380,575	330,367
	Brokerage / commission Income	107,855	132,953
	Others	55,726	53,485
		3,664,470	4,796,181
30	**FOREIGN EXCHANGE INCOME**		
	Foreign exchange income	2,142,169	2,785,552
	Foreign exchange gain / (loss) related to derivatives	1,506	(516,732)
		2,143,675	2,268,820

	Note	(Un-audited) Quarter Ended	
		March 31, 2025	March 31, 2024 (Restated)
		----------(Rupees in '000)----------	
31 GAIN ON SECURITIES			
Realised gain	31.1	1,509,136	783,443
Unrealised loss - measured at FVPL	10.1	(890,284)	(715,322)
Unrealised gain / (loss) on trading liabilities - net		2,697	(2,398)
		621,549	65,723
31.1 Realised gain on:			
Federal Government Securities		1,312,407	672,174
Shares		32,073	8,531
Foreign Securities		164,656	102,738
		1,509,136	783,443
31.2 Net gain on financial assets / liabilities measured:			
At FVPL			
Designated upon initial recognition		(296,788)	(547,241)
Mandatorily measured at FVPL		134,465	61,699
		(162,323)	(485,542)
Net gain on financial assets measured at FVOCI - Debt		783,872	551,265
		621,549	65,723
32 OTHER INCOME			
Rent on property		975	8,719
Gain on sale of property and equipment - net		19,934	3,687
Gain on sale of non banking assets - net		-	27,800
Gain on termination of leases		12,411	13,929
Unrealised gain on advances classified at FVPL		41,704	11,933
Insurance premium of overseas recovered		719,128	-
Others		1,384	-
		795,536	66,068
33 OPERATING EXPENSES			
Total compensation expense	33.1	12,123,407	9,503,446
Property expense			
Rates and taxes		30,931	45,048
Utilities cost		852,151	829,122
Security (including guards)		531,450	346,383
Repair and maintenance (including janitorial charges)		565,059	445,742
Depreciation on right-of-use assets		1,111,356	929,968
Depreciation on non-banking assets acquired in satisfaction of claims		17,669	4,298
Depreciation on owned assets		305,976	229,618
		3,414,592	2,830,179
Information technology expenses			
Software maintenance		907,918	796,953
Hardware maintenance		282,208	178,244
Depreciation		435,426	313,082
Amortisation		99,340	86,535
Network charges		184,650	179,350
Consultancy and support services		22,340	40,403
		1,931,882	1,594,567
Balance carried forward		17,469,881	13,928,192

	(Un-audited) Quarter Ended	
	March 31, 2025	March 31, 2024
	----------(Rupees in '000)----------	
		(Restated)
Balance brought forward	17,469,881	13,928,192
Other operating expenses		
Directors' fees and allowances	39,840	38,560
Fees and allowances to Shariah Board	7,655	4,993
Legal and professional charges	109,925	107,934
Outsourced services costs	459,645	379,767
Travelling and conveyance	519,129	349,244
Clearing and custodian charges	55,010	50,136
Depreciation	647,017	494,312
Training and development	36,384	74,652
Postage and courier charges	112,481	117,598
Communication	903,796	591,033
Stationery and printing	572,165	463,360
Marketing, advertisement and publicity	3,759,746	514,175
Donations	40,901	126,320
Auditors' remuneration	65,943	30,883
Brokerage and commission	272,477	309,358
Entertainment	231,578	209,127
Repairs and maintenance	320,451	202,614
Insurance	573,453	517,603
Cash Handling charges	555,174	475,237
CNIC verification	170,813	112,086
Others	238,022	249,494
	9,691,605	5,418,486
	27,161,486	19,346,678

33.1 Total compensation expense

Managerial Remuneration		
i) Fixed	7,259,877	5,921,819
ii) Variable:		
a) Cash bonus / awards etc.	1,753,421	1,428,616
b) Bonus and awards in shares etc.	230,572	143,750
Charge for defined benefit plan	240,475	167,824
Contribution to defined contribution plan	276,992	213,652
Medical	672,099	539,922
Conveyance	811,036	347,152
Staff compensated absences	89,000	52,500
Staff life insurance	42,886	43,869
Staff welfare	17,277	7,010
Club subscription	7,188	1,011
Others	445	3,105
Sub-total	11,401,268	8,870,230
Sign-on Bonus	17,246	37,149
Staff loans - notional cost	704,893	596,067
Grand Total	12,123,407	9,503,446

34 WORKERS' WELFARE FUND

The Supreme Court of Pakistan vide its order dated November 10, 2016 has held that the amendments made in the law introduced by the Federal Government through the Finance Act, 2008 for the levy of Workers' Welfare Fund (WWF) on banks were not lawful. The Federal Board of Revenue has filed review petitions against this order, which are currently pending. A legal advice was obtained by the Pakistan Banking Association which highlights that consequent to filing of these review petitions, a risk has arisen and the judgment is not conclusive until the review petitions is decided. Accordingly, the amount charged for Workers' Welfare Fund since 2008 has not been reversed.

	Note	(Un-audited) Quarter Ended	
		March 31, 2025	March 31, 2024
		----------(Rupees in '000)----------	
35 OTHER CHARGES			(Restated)
Penalties imposed by the State Bank of Pakistan		4,211	208,463
Penalties imposed by other regulatory bodies		1,690	-
		5,901	208,463

36 CREDIT LOSS ALLOWANCE / PROVISIONS / REVERSALS AND WRITE OFFS - NET

Reversal of credit loss allowance against cash with treasury banks		(14,194)	(35,325)
Credit loss allowance against balance with other banks		7,187	1,379
(Reversal of) / credit loss allowance against lending to financial institutions		7,144	11,408
Credit loss allowance / (reversal) against provision for diminution in value of investments	10.4.1	78,687	(92,760)
(Reversal of) / credit loss allowance / provision against loans & advances	11.4	(1,137,269)	200,309
Credit loss allowance / (reversal) against other assets	15.2.1	574,450	(63,532)
Credit loss allowance / (reversal) against off-balance sheet obligations	22.1	183,307	(77,205)
Credit loss allowance / (reversal of other credit loss allowance) / write off - net		5,274	(15,432)
Recovery of written off / charged off bad debts		(172,336)	(135,636)
		(467,750)	(206,794)

37 TAXATION

Charge / (reversal) :		
Current	10,594,850	10,429,468
Prior years	-	(54,047)
Deferred	(2,062,765)	(496,690)
	8,532,085	9,878,731

37.1 a) The income tax assessments of the Holding Company have been finalized upto and including tax year 2024. In respect of tax years 2008, 2014, 2017, 2019 and 2021 to 2024, the tax authority has raised certain issues including default in payment of WWF, allocation of expenses to dividend and capital gains, dividend income from mutual funds not being taken under income from business and disallowance of leasehold improvements resulting in tax demand of Rs. 1,217.274 million (December 31, 2024: Rs. 1,217.274 million) net of relief provided in appeal. The Holding Company has filed appeal which is pending before tribunal. The management is confident that matter will be decided in favour of the Holding Company and consequently has not made any provision in this respect.

b) The Holding Company had received orders from a provincial tax authority for the periods from July 2011 to December 2020 wherein tax authority demanded sales tax on banking services and penalty amounting to Rs. 763.312 million (excluding default surcharge) by disallowing certain exemptions of sales tax on banking services and allegedly for short payment of sales tax. For periods from July 2011 to June 2014, appeals against orders are pending before Commissioner Appeals. For periods July 2014 to December 2020, Tribunal has decided the matters against the Holding Company. The Holding Company is in the process of filing appeals against these orders before Sindh High Court after consultation with the tax consultant.

The Holding Company has not made any provision against these orders and the management is of the view that these matters will be settled in Holding Company's favour through appellate process.

c) The Holding Company had received two different orders for the same accounting year 2016 from a tax authority wherein sales tax, further tax and penalty amounting to Rs. 5.191 million and Rs. 8.601 million (excluding default surcharge) were demanded allegedly for non-payment of sales tax on certain transactions. Appeals against these orders are pending before Commissioner Appeals and Appellate Tribunal.

A similar order for the accounting years 2017 and 2018 was issued with tax demand of Rs. 11.536 million (excluding default surcharge) which is pending before Commissioner Appeals.

The Holding Company has not made any provision against these orders and the management is of the view that these matters will be favourably settled through appellate process.

d) Certain other addbacks made by the tax authorities for various assessment years, appeals against which are pending with the Commissioner of Inland Revenue (Appeals), Appellate Tribunal Inland Revenue (ATIR), the High Court of Sindh and the Supreme Court of Pakistan. The Holding Company has not made any provision against these orders and the management is of the view that these matters will be favourably settled through appellate process.

	(Un-audited) Quarter Ended	
	March 31, 2025	March 31, 2024
	----------(Rupees in '000)----------	
38 BASIC AND DILUTED EARNINGS PER SHARE		(Restated)
Profit for the period attributable to equity holders of the Holding Company	7,075,644	9,945,989
	------(Number of shares in '000)------	
Weighted average number of ordinary shares	1,577,165	1,577,165
	----------(Rupees)----------	
Basic and diluted earnings per share	4.49	6.31

38.1 Diluted earnings per share has not been presented separately as the Holding Company does not have any convertible instruments in issue.

	Note	(Un-audited) Quarter Ended	
		March 31, 2025	March 31, 2024
39 CASH AND CASH EQUIVALENTS		----------(Rupees in '000)----------	
Cash and balance with treasury banks	7	219,799,832	186,701,388
Balance with other banks	8	14,946,223	25,251,737
Call / clean money lendings		9,658,120	16,996,094
Borrowings - others		-	(804,088)
Overdrawn nostro accounts	17	(1,135,018)	(3,840,820)
Less: Expected credit loss		(19,601)	(30,010)
		243,249,556	224,274,301

40 FAIR VALUE MEASUREMENTS

Fair value measurement defines fair value as the price that would be received from the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of quoted securities other than those classified as amortised cost, is based on quoted market price. Quoted debt securities classified at amortised cost are carried at cost. The fair value of unquoted equity securities, other than investments in associates and subsidiaries, is determined on the basis of valuation methodologies. The fair value of unquoted debt securities, fixed term loans, other assets, other liabilities, fixed term deposits and borrowings cannot be calculated with sufficient reliability due to the absence of a current and active market for these assets and liabilities and reliable data regarding market rates for similar instruments.

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

40.1 Fair value of financial instruments

The Group 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).

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:

	March 31, 2025 (Un-audited)			
	Level 1	Level 2	Level 3	Total
On balance sheet financial instruments	----------(Rupees in '000)----------			
Financial assets - measured at fair value				
Investments				
- Federal government securities	74,639,956	1,490,761,763	-	1,565,401,719
- Shares - listed companies	18,538,844	-	-	18,538,844
- Shares - unlisted companies	-	-	3,472,257	3,472,257
- REIT Fund - listed	1,336,047	-	-	1,336,047
- Non-government debt securities	15,099,550	4,470,754	-	19,570,304
- Foreign government securities	-	58,531,237	-	58,531,237
- Foreign equity securities	248,825	-	-	248,825
- Foreign preference shares - unlisted	-	-	560,329	560,329
- Foreign non-government debt securities	-	24,896,259	8,498,155	33,394,414
Financial assets - disclosed but not measured at fair value				
Investments - amortised cost	-	281,381,104	-	281,381,104
Financial assets - measured at fair value				
Advances				
- Loans, cash credits, running finances, etc.	-	-	2,505,439	2,505,439
Off-balance sheet financial instruments - measured at fair value				
- Forward purchase of foreign exchange	-	921,361	-	921,361
- Forward sale of foreign exchange	-	(447,644)	-	(447,644)
- Forward purchase of government securities	-	(118,946)	-	(118,946)
- Forward sale government securities	-	630,488	-	630,488
- Derivatives purchases	-	1,875,394	-	1,875,394
- Derivatives sales	-	798,819	-	798,819

	December 31, 2024 (Audited)			
	Level 1	Level 2	Level 3	Total
On balance sheet financial instruments	----------(Rupees in '000)----------			
Financial assets - measured at fair value				
Investments				
- Federal government securities	67,225,943	1,504,470,243	-	1,571,696,186
- Shares - listed companies	18,556,227	-	-	18,556,227
- Shares - unlisted companies	-	-	2,333,188	2,333,188
- Preference shares - unlisted companies	-	-	500,000	500,000
- REIT Fund - listed	1,514,982	-	-	1,514,982
- Non-government debt securities	14,991,550	4,473,526	-	19,465,076
- Foreign government securities	-	62,233,161	-	62,233,161
- Foreign equity securities	257,181	-	-	257,181
- Foreign non-government debt securities	-	25,193,470	8,315,048	33,508,518
Financial assets - disclosed but not measured at fair value				
Investments - amortised cost	-	274,074,182	-	274,074,182
Financial assets - measured at fair value				
Advances				
- Loans, cash credits, running finances, etc.	-	-	1,413,735	1,413,735
Off-balance sheet financial instruments - measured at fair value				
- Forward purchase of foreign exchange	-	1,288,538	-	1,288,538
- Forward sale of foreign exchange	-	(1,090,874)	-	(1,090,874)
- Forward purchase of government securities	-	(12,708)	-	(12,708)
- Forward sale government securities	-	(451,343)	-	(451,343)
- Derivatives purchases	-	2,172,667	-	2,172,667
- Derivatives sales	-	887,052	-	887,052

40.2 The Group's policy is to recognise transfers into and out of the different fair value hierarchy levels at the date of the event or change in circumstances that caused the transfer, occurred. There were no transfers between levels 1 and 2 during the current period.

40.3 Valuation techniques used in determination of fair values:

40.3.1 Fair value of financial assets

Financial instruments in level 1

Financial instruments included in level 1 comprise of investments in ordinary shares of listed companies, listed GoP Sukuks and listed non government debt securities.

(b) Financial instruments in level 2

Financial instruments included in level 2 comprise of Market Treasury Bills, Pakistan Investment Bonds, GoP Sukuks, GoP Euro Bonds, Overseas Government Sukuks, Overseas Bonds, Term Finance Certificates, and other than Government Sukuks, forward foreign exchange contracts, forward government securities contracts, cross currency swap and interest rate swaps.

(c) Financial instruments in level 3

Financial instruments included in level 3 comprise of unlisted ordinary shares, unlisted preference shares, redeemable participating certificates and advances measured at fair value through profit and loss. Valuation techniques are mentioned in the table below.

The fair value of fixed term loans, other assets, other liabilities, fixed term deposits and borrowings cannot be calculated with sufficient reliability due to the absence of a current and active market for these assets and liabilities and reliable data regarding market rates for similar instruments.

40.3.2 Fair value of non-financial assets

Certain categories of property and equipment (land and buildings) and non banking assets acquired in satisfaction of claims are carried at revalued amounts (level 3 measurement) determined by professional valuers based on their assessment of the market values as disclosed in notes 12 and 15. The valuations are conducted by the valuation experts appointed by the Group which are also on the panel of the State Bank of Pakistan.

40.3.3 Valuation techniques

Item	Valuation approach and input used
Market Treasury Bills (MTB) / Pakistan Investment Bonds (PIB), and GoP Sukuks (GIS) including their forward contracts	The fair value of MTBs and PIBs are derived using PKRV rates. Floating rate PIBs are revalued using PKFRV rates. The fair value of GoP sukuk listed on Pakistan Stock Exchange has been determined through closing rates of Pakistan Stock Exchange. The fair value of other GIS are revalued using PKISRV rates.
Overseas Sukuks, Overseas and GoP Euro Bonds	The fair value of overseas government sukuks, and overseas bonds are determined on the basis of price available on Bloomberg.
Debt Securities (TFCs and Sukuk other than Government)	Investment in sukuks, debt securities (comprising term finance certificates, bonds and any other security issued by a company or a body corporate for the purpose of raising funds in the form of redeemable capital) are valued on the basis of the rates announced by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by the Securities and Exchange Commission of Pakistan.
Ordinary shares - listed	The fair value of investments in listed equity securities are valued on the basis of closing quoted market price available at the Pakistan Stock Exchange.
Ordinary shares - unlisted	The fair value of investments in certain unlisted equity securities are valued on the basis of income and market approach.
Preference shares - unlisted	The fair value of investment in unlisted preference shares are valued at offer quoted price.
Foreign preference shares - unlisted	The fair value of investment in unlisted preference shares are valued at market approach.
Redeemable participating certificates	The fair value of investment in redeemable participating certificates are valued at net asset value.
Advances	The fair value of advances are valued on the basis of cashflow discount model.
Forward foreign exchange contracts	The valuation has been determined by interpolating the FX revaluation rates announced by the SBP.
Derivative Instruments	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.

Property and equipment and non banking assets acquired in satisfaction of claims	The valuation experts used a market based approach to arrive at the fair value of the Group's properties. The market approach used prices and other relevant information generated by market transactions involving identical, comparable or similar properties. These values are adjusted to reflect the current condition of the properties. The effect of changes in the unobservable inputs used in the valuations cannot be determined with certainty accordingly a qualitative disclosure of sensitivity has not been presented in these consolidated condensed interim financial statements.

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements of investment and advances, (The valuation techniques are stated above):

Description	Fair value as at March 31, 2025 (Un-audited)	Fair value as at December 31, 2024 (Audited)	Unobservable inputs*	Discount Rate	Relationship of unobservable inputs to fair value
	------(Rupees in '000)-------				
Ordinary shares - unlisted (income approach)	2,622,953	2,333,188	Discount rate	17.04% - 19.00%	Increase / (decrease) in discount rate by 1% with all other variables held constant, would (decrease) / increase the fair value by Rs. 101.709 million and Rs. 109.640 million (December 31, 2024: Rs. 90.457 million and Rs. 97.873 million) respectively.
Ordinary shares - unlisted (market approach)	849,304	-	Market multiple / transaction price	Not applicable	Not applicable
Foreign preference shares - unlisted (market approach)	560,329	-	Transaction price	Not applicable	Not applicable
Preference shares - unlisted	-	500,000	Offered quote	Not applicable	Not applicable
Redeemable participating certificates	8,498,155	8,315,048	Net asset value	Not applicable	Not applicable
Advances	2,505,439	1,413,735	Discount rate	25.00% - 30.00%	Increase / (decrease) in discount rate by 1% with all other variables held constant, would (decrease) / increase the fair value by Rs. 11.990 million and Rs. 12.153 million (December 31, 2024: Rs. 14.903 million and Rs. 15.134 million) respectively.

* There were no significant inter-relationships between unobservable inputs that materially affect fair values.

The following table shows reconciliation of investment and advances level 3 fair value movement:

	March 31, 2025 (Un-audited)		December 31, 2024 (Audited)	
	Investments	Advances	Investments	Advances
	----------(Rupees in '000)----------			
Opening balance	11,148,236	1,413,735	6,283,601	1,200,000
Impact of adoption of IFRS 9	761,681	-	2,271,824	122,135
Balance as at January 01 after adopting IFRS 9	11,909,917	1,413,735	8,555,425	1,322,135
Additions / (disposals) / transfers - net	550,329	1,050,000	-	-
Remeasurement recognised in OCI or profit and (loss) / adjustment	70,495	41,704	2,592,811	91,600
Closing balance	12,530,741	2,505,439	11,148,236	1,413,735

41 SEGMENT INFORMATION

41.1 Segment details with respect to business activities

	For the quarter ended March 31, 2025 (Un-audited)									
	Retail	Corporate	Islamic (Domestic)	Treasury	Digital	Overseas	Subsidiaries	Others*	Elimination	Total
	(Rupees in '000)									
Consolidated statement of profit and loss account										
Net mark-up / return/ profit	(11,003,344)	6,859,013	7,702,411	27,618,108	(2,001)	2,001,900	29,158	36,198	-	33,241,443
Inter segment revenue - net	29,752,028	(4,048,720)	(904,176)	(23,582,464)	2,498,938	(125,255)	-	(23,231)	(3,567,120)	-
Non mark-up / return / interest income	2,123,598	847,590	731,065	4,121,951	111,775	1,158,982	129,371	242,177	(3,433)	9,463,076
Total income	20,872,282	3,657,883	7,529,300	8,157,595	2,608,712	3,035,627	158,529	255,144	(3,570,553)	42,704,519
Segment direct expenses	9,016,979	3,839,628	4,276,358	337,953	1,254,795	1,130,828	192,830	7,521,557	(3,433)	27,567,495
Inter segment expense allocation	4,787,783	545,780	1,525,582	159,414	613,639	180,453	-	(7,521,557)	(291,094)	-
Total expenses	13,804,762	4,385,408	5,801,940	497,367	1,868,434	1,311,281	192,830	-	(294,527)	27,567,495
Credit loss allowance / provision / (reversals)	(748,861)	(263,312)	6,615	(10,734)	416	547,859	264	-	3	(467,750)
Profit / (loss) before tax	7,816,381	(464,213)	1,720,745	7,670,962	739,862	1,176,487	(34,565)	255,144	(3,276,029)	15,604,774

	As at March 31, 2025 (Un-audited)									
	Retail	Corporate	Islamic (Domestic)	Treasury	Digital	Overseas	Subsidiaries	Others*	Elimination	Total
	(Rupees in '000)									
Consolidated statement of financial position										
Cash and bank balances	108,838,437	9,483,527	50,626,131	-	826,649	66,603,662	1,709,232	-	(3,361,184)	234,726,454
Investments	-	3,757,903	245,551,544	1,610,430,169	-	119,929,865	196,441	8,709,731	-	1,988,575,653
Inter segment lending - net	926,663,159	-	-	-	11,712,656	-	-	138,297,817	(1,076,673,632)	-
Lendings to financial institutions	-	-	31,573,396	90,015,229	-	15,717,130	-	-	(37,265,457)	100,040,298
Advances - performing	220,839,627	437,067,776	159,044,357	-	45,929	48,150,076	189	14,265,270	-	879,413,224
- non-performing	1,106,780	264,473	823,053	-	1,115	64,996	-	105,941	-	2,366,358
Others	38,405,115	45,935,401	64,731,352	45,547,665	1,911,911	6,125,707	709,017	73,048,408	2,159,729	278,574,305
Total assets	1,295,853,118	496,509,080	552,349,833	1,745,993,063	14,498,260	256,591,436	2,614,879	234,427,167	(1,115,140,544)	3,483,696,292
Borrowings	21,374,268	73,488,510	41,692,641	918,067,067	-	31,087,553	300,000	-	(42,042,511)	1,043,967,528
Subordinated debt	-	-	-	-	-	-	-	14,000,000	-	14,000,000
Deposits and other accounts	1,219,110,164	207,837,145	400,290,096	-	13,777,489	177,579,754	-	-	(1,005,623)	2,017,589,025
Inter segment borrowing - net	-	171,703,984	31,584,857	837,019,243	-	36,474,649	-	-	(1,076,782,733)	-
Others	55,368,686	43,479,441	74,044,677	(18,234,319)	720,771	10,437,989	889,847	54,435,163	4,690,323	225,832,578
Total liabilities	1,295,853,118	496,509,080	547,612,271	1,736,851,991	14,498,260	255,579,945	1,189,847	68,435,163	(1,115,140,544)	3,301,389,131
Net assets	-	-	4,737,562	9,141,072	-	1,011,491	1,425,032	165,992,004	-	182,307,161
Equity including non-controlling interest										182,307,161
Contingencies and commitments	156,917,663	243,371,792	86,076,278	513,949,983	769	45,148,853	36,391	5,284,022	-	1,050,785,751

The segment profit and loss (P&L) statement illustrates revenue based on customer, channel, and product ownership. Consequently, revenue might appear in multiple segments since each one plays a role in capturing that income stream.

* Others include head office related activities.

	For the quarter ended March 31, 2024 (Un-audited) - Restated									
	Retail	Corporate	Islamic (Domestic)	Treasury	Digital	Overseas	Subsidiaries	Others*	Elimination	Total
	(Rupees in '000)									
Consolidated statement of profit and loss account										
Net mark-up / return/ profit	(28,913,192)	3,036,143	8,222,761	47,253,014	(2,171)	1,975,212	(54,166)	(258,842)	-	31,258,759
Inter segment revenue - net	49,550,426	1,748,978	(274,853)	(51,198,378)	2,164,402	444,303	-	32,610	(2,467,488)	-
Non mark-up / return / interest income	2,393,525	1,305,756	570,814	2,541,529	502,205	443,724	133,439	424,902	(2,252)	8,313,642
Total income	23,030,759	6,090,877	8,518,722	(1,403,835)	2,664,436	2,863,239	79,273	198,670	(2,469,740)	39,572,401
Segment direct expenses	7,528,524	180,017	3,055,833	255,801	960,088	1,033,418	144,581	6,824,967	(2,252)	19,980,977
Inter segment expense allocation	4,370,214	471,243	1,335,519	203,286	615,488	151,800	-	(6,796,840)	(350,710)	-
Total expenses	11,898,738	651,260	4,391,352	459,087	1,575,576	1,185,218	144,581	28,127	(352,962)	19,980,977
Credit loss allowance / provision / (reversals)	(224,545)	60,051	41,839	(74,511)	5,110	(14,738)	-	-	-	(206,794)
Profit / (loss) before tax	11,356,566	5,379,566	4,085,531	(1,788,411)	1,083,750	1,692,759	(65,308)	170,543	(2,116,778)	19,798,218

	As at December 31, 2024 (Audited)									
	Retail	Corporate	Islamic (Domestic)	Treasury	Digital	Overseas	Subsidiaries	Others*	Elimination	Total
	(Rupees in '000)									
Consolidated statement of financial position										
Cash and bank balances	109,749,938	17,976,222	41,944,162	-	775,190	66,937,500	2,071,561	-	8,127,574	247,582,147
Investments	-	5,492,251	242,118,099	1,617,562,126	-	123,313,534	201,676	7,494,575	-	1,996,182,261
Inter segment lending - net	988,532,481	-	-	-	10,562,483	-	-	83,946,238	(1,083,041,202)	-
Lendings to financial institutions	-	-	43,283,519	97,393,884	-	7,103,006	-	-	(46,782,086)	100,998,323
Advances - performing	242,468,773	634,142,272	165,966,972	-	59,194	56,323,050	389	12,650,639	(5,571,000)	1,106,040,289
- non-performing	1,140,010	1,072,573	917,894	-	1,966	67,755	-	106,116	29,939	3,336,253
Others	24,516,991	39,838,680	53,364,017	42,082,631	2,095,622	2,843,261	613,478	100,201,974	(2,640,230)	262,916,424
Total assets	1,366,408,193	698,521,998	547,594,663	1,757,038,641	13,494,455	256,588,106	2,887,104	204,399,542	(1,129,877,005)	3,717,055,697
Borrowings	18,008,205	66,732,348	35,770,158	1,037,179,587	-	28,681,197	314,967	-	(44,485,753)	1,142,200,709
Subordinated debt	-	-	-	-	-	-	-	14,000,000	-	14,000,000
Deposits and other accounts	1,277,413,227	262,957,681	398,788,680	-	12,936,578	185,193,870	-	2,800	(1,188,138)	2,136,104,698
Inter segment borrowing - net	-	330,688,006	30,376,465	689,991,745	-	31,961,837	-	-	(1,083,018,053)	-
Others	70,986,761	38,143,963	76,483,156	18,960,678	557,877	9,902,659	1,056,951	28,456,609	(1,185,061)	243,363,593
Total liabilities	1,366,408,193	698,521,998	541,418,459	1,746,132,010	13,494,455	255,739,563	1,371,918	42,459,409	(1,129,877,005)	3,535,669,000
Net assets	-	-	6,176,204	10,906,631	-	848,543	1,515,186	161,940,133	-	181,386,697
Equity including non-controlling interest										181,386,697
Contingencies and commitments	137,249,361	230,283,930	79,773,852	391,608,905	718	54,966,306	495,725	4,284,623	-	898,663,420

The segment profit and loss (P&L) statement illustrates revenue based on customer, channel, and product ownership. Consequently, revenue might appear in multiple segments since each one plays a role in capturing that income stream.

* Others include head office related activities.

42 RELATED PARTY TRANSACTIONS

The Group has related party transactions with its associates, joint ventures, employee benefit plans, its directors, key management personnel and other related parties.

The Group enters into transactions with related parties in the ordinary course of business and on substantially the same terms as for comparable transactions with person of similar standing. Contributions to and accruals in respect of staff retirement benefits and other benefit plans are made in accordance with the actuarial valuations / terms of the contribution plan. Remuneration to the executives / officers is determined in accordance with the terms of their appointment.

Details of transactions with related parties during the period, other than those which have been disclosed elsewhere in these consolidated financial statements are as follows:

	As at March 31, 2025 (Un-audited)				As at December 31, 2024 (Audited)			
	Directors/ CEO	Key management personnel	Associates	Other related parties	Directors/ CEO	Key management personnel	Associates	Other related parties
	(Rupees in '000)				(Rupees in '000)			
Investments								
Opening balance	-	-	6,925,737	2,923,188	-	-	6,052,472	1,802,909
Investment made during the period / year	-	-	-	114,515	-	-	-	511,863
Investment redeemed / disposed off during the period / year	-	-	-	(69,160)	-	-	-	(331,613)
Revaluation of investment during the period / year	-	-	-	648,459	-	-	-	2,190,383
Equity method adjustment	-	-	245,809	-	-	-	873,265	-
Transfer in / (out) - net	-	-	-	-	-	-	-	(1,250,354)
Closing balance	-	-	7,171,546	3,617,002	-	-	6,925,737	2,923,188
Credit loss allowance / provision for diminution in value of investments	-	-	-	-	-	-	-	-
Advances								
Opening balance	11,225	971,469	-	1,052,432	14,918	935,186	-	1,925,526
Addition during the period / year	630	2,335	-	2,190,988	1,715	232,432	-	43,510,218
Repaid during the period / year	(628)	(97,827)	-	(2,993,658)	(5,408)	(194,161)	-	(44,383,312)
Transfer in / (out) - net	-	-	-	1,864	-	(1,988)	-	-
Closing balance	11,227	875,977	-	251,626	11,225	971,469	-	1,052,432
Credit loss allowance held against advances	8	319	-	1,968	34	3,690	-	1,524
Other Assets								
Interest / mark-up accrued	4,870	85,610	-	16,597	4,593	81,687	-	22,681
Receivable from staff retirement fund	-	-	-	1,091,515	-	-	-	1,331,990
Prepayment / rent receivable	-	-	8,350	-	-	-	9,209	-
Advance against shares	-	-	-	55,343	-	-	-	-
Credit loss allowance held against other assets	-	-	-	-	-	-	-	-
Borrowings								
Opening balance	-	-	-	2,464,030	-	-	-	2,605,576
Borrowings during the period / year	-	-	-	3,100,000	-	-	-	1,149,273
Settled during the period / year	-	-	-	(1,170,994)	-	-	-	(1,290,819)
Closing balance	-	-	-	4,393,036	-	-	-	2,464,030

	As at March 31, 2025 (Un-audited)				As at December 31, 2024 (Audited)			
	Directors/ CEO	Key management personnel	Associates	Other related parties	Directors/ CEO	Key management personnel	Associates	Other related parties
	(Rupees in '000)				(Rupees in '000)			
Deposits and other accounts								
Opening balance	185,847	392,643	60,026,664	12,533,349	406,959	340,757	17,153,420	18,550,205
Received during the period / year	664,872	1,789,281	318,240,184	28,053,215	5,668,276	4,582,080	1,211,982,771	276,598,239
Withdrawn during the period / year	(716,539)	(1,410,487)	(369,006,779)	(27,892,649)	(5,889,395)	(4,524,294)	(1,169,109,527)	(278,997,497)
Transfer in / (out) - net	-	-	-	405	7	(5,900)	-	(3,617,598)
Closing balance	134,180	771,437	9,260,069	12,694,320	185,847	392,643	60,026,664	12,533,349
Subordinated debt								
Opening balance	-	-	-	-	-	-	-	300,000
Transfer in / (out) - net	-	-	-	-	-	-	-	(300,000)
Closing balance	-	-	-	-	-	-	-	-
Other Liabilities								
Interest / mark-up payable	272	787	1,989	250,473	226	248	-	126,062
Dividend payable	923,759	-	-	797,471	7	-	-	9
Unearned rent	-	-	1,558	-	-	-	2,532	-
Others	-	-	-	61,954	-	-	-	32,800
Contingencies and commitments	-	-	-	7,385,621	-	-	-	576,500

	For the quarter ended March 31, 2025 (Un-audited)				For the quarter ended March 31, 2024 (Un-audited)			
	(Rupees in '000)				(Rupees in '000)			
Income								
Mark-up / return / interest earned	255	7,310	-	17,575	435	8,174	-	152,496
Fee and commission income	66	331	159,359	3,407	-	247	75,920	2,022
Dividend income	-	-	-	298,750	-	-	105,000	115,692
Gain on sale of securities	-	-	-	709	-	4	-	-
Rent on property	-	-	975	-	-	-	975	-
Gain on sale of property and equipment - net	7,094	81	1,454	-	-	-	2,504	-
Expenses								
Mark-up / return / interest paid	2,073	4,942	220,076	362,011	5,655	10,081	228,504	555,799
Operating expenses								
Fee and remuneration	335,542	1,076,444	-	-	277,933	842,068	-	-
Software maintenance	-	-	-	28,580	-	-	-	67,709
Communication cost	-	-	-	166,372	-	-	-	151,780
Charge for defined benefit plan	-	-	-	240,475	-	-	-	167,824
Contribution to defined contribution plan	-	-	-	276,992	-	-	-	213,652
Training and subscription	-	-	-	-	-	-	-	416
Credit loss allowance / (reversal) of credit loss allowance against loans & advances	(26)	(3,371)	-	317	(2)	908	-	(6,023)
Reversal of credit loss allowance against off-balance sheet obligations	-	-	-	(11)	-	-	-	(71)
Other information								
Dividend paid	2,177	3,862	3,535	134,203	1,975,727	9,056	7,465	1,661,448
Insurance premium paid	-	-	1,560,569	-	-	-	1,094,934	-
Insurance claims settled	-	-	214,888	-	-	-	215,993	-

	(Un-audited) March 31, 2025	(Audited) December 31, 2024
43 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS	---------(Rupees in '000)---------	
Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	15,771,651	15,771,651
Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier 1 (CET 1) Capital	149,531,223	146,742,124
Eligible Additional Tier 1 (ADT 1) Capital	13,550,743	13,551,002
Total eligible tier 1 capital	163,081,966	160,293,126
Eligible tier 2 capital	38,322,539	44,256,145
Total eligible capital (tier 1 + tier 2)	201,404,505	204,549,271
Risk weighted assets (RWAs):		
Credit risk	875,093,465	859,896,850
Market risk	37,728,275	47,911,688
Operational risk	243,639,025	243,639,025
Total	1,156,460,765	1,151,447,563
Common equity tier 1 capital adequacy ratio	12.93%	12.74%
Tier 1 capital adequacy ratio	14.10%	13.92%
Total capital adequacy ratio	17.42%	17.76%

In line with Basel III capital adequacy guidelines, the following capital requirements are applicable to the Holding Company:

Common Equity Tier 1 Capital Adequacy ratio	6.00%	6.00%
Tier 1 Capital Adequacy Ratio	7.50%	7.50%
Total Capital Adequacy Ratio	11.50%	11.50%

For Capital adequacy calculation, the Holding Company has adopted Standardised Approach for credit and market risk related exposures and Alternate Standardised Approach (ASA) for operational risk.

Leverage Ratio (LR):		
Eligible tier-1 capital	163,081,966	160,293,126
Total exposures	3,889,751,051	4,077,780,148
Leverage ratio	4.19%	3.93%
Liquidity Coverage Ratio (LCR):		
Total high quality liquid assets	1,033,566,650	1,197,167,258
Total net cash outflow	562,075,763	626,056,805
Liquidity coverage ratio	184%	191%
Net Stable Funding Ratio (NSFR):		
Total available stable funding	1,687,172,725	1,690,754,449
Total required stable funding	1,289,553,561	1,340,991,900
Net stable funding ratio	131%	126%

43.1 The Holding Company has opted for transition arrangement to phase in ECL impact as permitted by SBP vide BPRD Circular No. 03 of 2022 dated July 05, 2022. Had the transitional arrangement not applied, CAR and Leverage ratio would have been 17.56% and 4.13% respectively.

44 AFGHANISTAN OPERATIONS

Bank Alfalah maintains a two-branch presence in Afghanistan. The Board and the management of the Bank continue to closely monitor the evolving situation in Afghanistan which has been hampered due to the country's frozen reserves and uncertainty regarding international recognition which prevent normal flows in and out of Afghanistan. The Holding Company has taken impairment against net assets where there is an indication that carrying amount may be higher than its recoverable amount. The Holding Company remains focused on maintaining its control standards i.e. both onshore and through Head Office

45 BANGLADESH OPERATIONS

During the year 2024, a non-binding indicative offer was received from Bank Asia Limited, Dhaka, Bangladesh ("Bank Asia") to acquire the Holding Company's Bangladesh Operations (assets and liabilities). In this regard, the Holding Company has been granted an in-principle approval by the State Bank of Pakistan to facilitate conduct of due diligence exercise by Bank Asia.

Further, non-binding offer was also received in year 2024 from Hatton National Bank of Sri Lanka ("HNB") to acquire the Holding Company's Bangladesh Operations (assets and liabilities). Subsequent to period end March 31, 2025 HNB has decided not to proceed with acquisition.

46 NON-ADJUSTING EVENT

The Board of Directors of the Holding Company in its meeting held on April 17, 2025 has declared an interim cash dividend of 25% i.e. Rs. 2.5 per share (March 31, 2024: Rs. 2.0 per share i.e. 20%). These consolidated condensed interim financial statements do not include the effect of this appropriation which will be accounted for subsequent to the period end.

47 DATE OF AUTHORISATION

These consolidated condensed interim financial statements were authorised for issue on April 17, 2025 by the Board of Directors of the Holding Company.

48 GENERAL

48.1 Comparative information has been re-classified, re-arranged, restated or additionally incorporated in these consolidated condensed interim financial statements, wherever necessary to facilitate comparison.

48.2 The effect of reclassification, rearrangement in the comparative information presented in these consolidated condensed interim financial statements is as follows:

Description of item	Nature	(Rupees in '000)	From	To
Agent commission	Expense	181,695	Commission on Benazir Income Support Programme (BISP)	Brokerage and commission
Verification cost	Expense	44,991	Commission on Benazir Income Support Programme (BISP)	CNIC verification
Optional issuer fee	Income	188,651	Foreign exchange income	Card related fees (debit and credit cards)
Conversion fee	Expense	83,117	Foreign exchange income	Card related fees (debit and credit cards)
Conversion fee	Expense	70,733	Foreign exchange income	Card acquiring business

48.3 The effect of restatement is mentioned in note 4.1 of these consolidated condensed interim financial statements.

President & Chief Executive Officer **Chief Financial Officer** **Director** **Director** **Director**

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