

Report for the quarter ended
March 31, 2025

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Corporate Information

Board Of Directors

Lt. Gen Anwar Ali Hyder, HI(M) (Retd) - Chairman
Mr. Jahangir Piracha
Maj. Gen Muhammad Zafar Iqbal, HI (M) (Retd) *
Syed Bakhtiyar Kazmi
Mr. Khurshid Zafar
Mr. Manzoor Ahmed
Mr. Kamran Yousuf Mirza
Ms. Samina Rizwan
Ms. Vadiyya Khalil *
Raja Muhammad Abbas
Mr. Zia Ijaz - President & Chief Executive Officer

Board Audit Committee

Mr. Kamran Yousuf Mirza - Chairman
Mr. Jahangir Piracha
Syed Bakhtiyar Kazmi
Mr. Manzoor Ahmed

Auditors

A. F. Ferguson & Co.
Chartered Accountants

Legal Advisors

RIAA, Barker Gillette
Advocates & Corporate Counselors

Company Secretary

Syed Ali Safdar Naqvi

Registered Office

AWT Plaza, The Mall, P. O. Box No. 1084
Rawalpindi - 46000, Pakistan
Tel: (92 51) 8092624, UAN: (92 51) 111 000 787
Fax: (92 51) 2857448
Email: ir@askaribank.com.pk

Registrar & Share Transfer Office

CDC Share Registrar Services Limited (CDCSRSL)
Mezzanine Floor, South Tower, LSE Plaza
19-Khayaban-e-Aiwan-e-Iqbal, Lahore
Tel: Customer Support Services (Toll Free)
0800-CDCPL (23275)
Tel: (92 42) 36362061-66
Fax: (92 42) 36300072
Email: info@cdcsrsl.com
Website: www.cdcsrsl.com






Entity Ratings

Long Term: AA+
Short Term: A1+
By PACRA

Website

www.askaribank.com

Social Media

 [askaribankpakistan](#)
 [Askari_Bank](#)
 [askaribankpk](#)
 [askaribanklimited](#)
 [AskariBankOfficial](#)

* Subject to Fit & Proper Test clearance by the State Bank of Pakistan.

DIRECTORS' REVIEW

Dear Shareholders

The Directors present unaudited condensed interim unconsolidated financial statements for the first quarter ended March 31, 2025.

Economy:

Pakistan's economy continued to gain traction despite challenging global environment. As the fiscal year progresses towards the last quarter, inflation continues to recede, fiscal consolidation measures are leading to a primary surplus and a narrowed fiscal deficit, improvement in external sector are reflecting in current account surplus; contributed by exports growth and remittances, easing pressure of consistent rise in imports to support ongoing economic recovery. Current account posted a cumulative surplus of USD 1.86 billion during the nine months of fiscal '25 against a deficit of USD 1.65 billion for the same period of the previous fiscal year.

GDP growth is projected at 2.5 to 3.5 percent for the current fiscal year as the economic activity is picking up pace in both industrial and service sectors benefited by monetary easing, improved business conditions and macroeconomic stability. The implementation of IMF program continues to discipline the reforms agenda along with progress on structural reforms particularly energy sector, implementation of SOE governance framework, appropriate monetary policy response along with supportive environment for private sector-led growth, stronger external buffers and building resilience for sustained economic growth.

Financial Performance:

The financial results of the Bank for the first quarter ended March 31, 2025 are summarized as under:

	(Rupees in Million)	
	Three months ended March 31,	
	2025	2024
Net mark-up and non-fund income	25,418	16,627
Administrative and other expenses	(9,951)	(8,114)
Operating profit	15,467	8,513
Credit Loss Allowance and write offs - net	(256)	(1,174)
Profit before Taxation	15,211	7,339
Taxation	(8,088)	(3,624)
Profit after taxation	7,123	3,715
Basic earning per share - Rupees	4.91	2.56

Askari Bank delivered profit before tax of Rs.15.2 billion for the first quarter, a yoy growth of 107 percent. Profit after tax increased by 92 percent to Rs. 7.1 billion after taking into account a 4 percent increase in corporate tax rate. Earnings per share at Rs. 4.91 for the current quarter compares with Rs. 2.56 for corresponding period last year.

Net aggregate revenues increased by 53 percent to Rs. 25.4 billion mainly driven by a 70 percent increase in net mark-up income contributed by improvement in interest margin and volumetric growth

– average earning assets increased by 12 percent. Non-markup income declined by 5 percent, to Rs. 3.6 billion mainly due to reduction in trade commissions and foreign exchange income. Operating expenses increased by 23 percent yoy, mainly due to branch expansion and increased cost of human capital. However, the Bank remained vigilant in monitoring expenses and practices prudent management of cost to income ratio that improved from 48.8 percent to 39.2 percent for the current quarter.

Customer deposits closed at Rs.1.39 trillion at March 31, 2025, with CASA ratio of 88 percent. Advances declined by 21 percent mainly due to maturity of certain short-term facilities during the quarter. The Bank recognized credit loss allowance of Rs. 256 million compared to Rs. 1.2 billion for the corresponding quarter 2024. Infection ratio stood at 5.8 percent while the coverage ratio was 108 percent. The Bank is well capitalized with adequate buffers over regulatory requirements. At March 31, 2025, leverage ratio was recorded at 3.46 percent and capital adequacy ratio 21.74 percent.

The Bank's entity rating was reaffirmed at 'AA+' (Double A Plus) for the long-term by Pakistan Credit Rating Agency Limited (PACRA), with outlook assigned as 'Stable'. The Bank's strong brand and affiliation with Fauji Foundation are recognized as the key rating drivers, supported by Bank's experienced management team, prudent risk management policies, and deep-rooted relationship with clients. Lately, retention of profits in the Bank to bolster the capital structure is also a testimonial of support. The short-term rating was maintained at 'A1+' (A One Plus).

Askari Bank is committed to sustainable growth by strengthening its market position and enhancing its value proposition. The Bank is focused on expanding its market share in retail segment, particularly low-cost deposits and consumer products through optimization and strategic branch expansion. Enhancing customer experience remains a key priority driven by continued process improvements, digitization, automation and data analytics. Effective Risk management remains the key across all lines of businesses as environment remains challenging. With a strong focus on governance and compliance, the bank continues to invest in talent and technology enabling its teams to better serve the customers and drive sustainable long-term growth.

Acknowledgment:

On behalf of the Board, we would like to place on record our gratitude to our valued customers and shareholders for their continued patronage to the Askari brand; our profound thanks to the State Bank of Pakistan, Securities and Exchange Commission of Pakistan and other regulatory authorities for their guidance and assistance. We would also like to place on record our appreciation for the efforts of the Shariah Board for strengthening shariah compliance and governance framework for Askari Ikhlas Islamic Banking. Lastly, we record our appreciation to our staff for their hard work and dedication.

President & Chief Executive Officer

Chairman Board of Directors

April 29, 2025
Islamabad

نیٹ مجموعی آمدنی 53 فیصد بڑھ کر 25.4 بلین روپے ہو گئی جس کی بنیادی وجہ نیٹ مارک اپ آمدنی میں 70 فیصد کا اضافہ ہے۔ انٹرسٹ مارجن اور کمائی والے اثاثوں میں اوسطاً 12 فیصد اضافہ نیٹ مارک اپ آمدنی میں اضافے کا باعث بنا۔ تجارتی کمیشن اور زر مبادلہ کی آمدنی میں کمی کی وجہ سے نان مارک اپ آمدنی 5 فیصد کم ہو کر 3.6 بلین روپے ہو گئی۔ آپریٹنگ اخراجات میں برانچوں کی توسیع اور ہیومن کپٹل (انسانی سرمایہ) کی بڑھتی ہوئی لاگت کی وجہ سے سال بہ سال 23 فیصد اضافہ ہوا۔ تاہم، بینک کا لاگت سے آمدنی کا تناسب، موثر نگرانی اور بہتر کنٹرول کی بدولت، 48.8 فیصد سے بہتر ہو کر 39.2 فیصد ہو گیا۔

31 مارچ 2025 کو کسٹمر ڈپازٹس 88 فیصد CASA تناسب کے ساتھ 1.39 ٹریلین روپے رہے۔ سہ ماہی کے دوران بعض قلیل مدتی قرضوں کی تکمیل کے سبب ایڈوانسز میں 21 فیصد کمی واقع ہوئی۔ بینک نے 2024 کی اسی سہ ماہی کے 1.2 بلین روپے کے مقابلے میں 256 بلین روپے کا کریڈٹ لاس الاؤنس ریکارڈ کیا۔ انفیکشن کا تناسب 5.8 فیصد جبکہ کوریج کا تناسب 108 فیصد رہا۔ بینک ریگولیٹری تقاضوں پر کافی بفرز کے ساتھ اچھی طرح سے عمل پیرا ہے۔ 31 مارچ 2025 کو لیوریج کا تناسب 3.46 فیصد اور کپٹل ایڈیکوئیٹی ریشو 21.74 فیصد ریکارڈ کی گئی۔

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) کی جانب سے طویل مدت کے لیے بینک کی ریٹنگ ڈبل اے پلس (AA+) کی دوبارہ تصدیق کی گئی، جس کا آؤٹ لک ”مستحکم“ تفویض کیا گیا ہے۔ اس ریٹنگ کے حصول میں بینک کے مضبوط برانڈ اور فوجی فاؤنڈیشن کے ساتھ وابستگی اور اس کے ساتھ ساتھ بینک کی تجربہ کار انتظامی ٹیم، رسک مینجمنٹ کی محتاط پالیسیاں، اور کلائنٹس کے ساتھ گہرے تعلقات نے نہایت اہم کردار ادا کیا۔ حال ہی میں، سرمائے کے ڈھانچے کو تقویت دینے کے لیے بینک میں منافع کو برقرار رکھنا بھی مددگار ثابت ہوا ہے۔ مختصر مدت کی درجہ بندی اے ون پلس (A1+) پر برقرار رکھی گئی۔

عسکری بینک اپنی مارکیٹ پوزیشن کو مضبوط بنا کر اپنی ویلیو پروپوزیشن کو بڑھا کر پائیدار ترقی کے لیے پرعزم ہے۔ بینک خاص طور پر کم لاگت ڈپازٹس اور کنزیومر پروڈکٹس میں بہتری اور برانچ کی توسیع کے ذریعے ریٹیل طبقے میں اپنے مارکیٹ شیئر کو بڑھانے پر توجہ مرکوز کئے ہوئے ہے۔ پرویس میں مسلسل بہتری، ڈیجیٹائزیشن، آٹومیشن اور ڈیٹا اینالیٹکس کے ذریعے کسٹمرز کی سہولتوں کو بڑھانا ہماری اہم ترجیح ہے۔ موثر رسک مینجمنٹ کاروبار کے تمام خطوط میں کلیدی رہا ہے کیونکہ ماحول اب بھی چیلنجنگ ہے۔ بینک مضبوط گورننس اور کمپلائنس کے ساتھ ٹیلنٹ اور ٹیکنالوجی میں سرمایہ کاری جاری رکھے ہوئے ہے تاکہ اپنی ٹیموں کو صارفین کی بہتر خدمت کرنے اور پائیدار طویل مدتی ترقی کو آگے بڑھانے کے قابل بنائے۔

اعتراف:

بورڈ کی جانب سے، ہم عسکری برانڈ کی مسلسل سرپرستی پر اپنے قابل قدر صارفین اور شیئر ہولڈرز کا شکریہ ادا کرنا چاہتے ہیں۔ ہم اسٹیٹ بینک آف پاکستان، سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور دیگر ریگولیٹری اداروں کی طرف سے رہنمائی اور معاونت کے لیے تہہ دل سے شکر گزار ہیں۔ ہم عسکری اخلاص اسلامی بینکاری کے لیے شریعہ کمپلائنس اور گورننس فریم ورک کو مضبوط بنانے کے لیے شریعہ بورڈ کی کوششوں کا بھی اعتراف کرتے ہیں۔ آخر میں، ہم سخت محنت اور لگن کے حامل اپنے اسٹاف کی تہہ دل سے تعریف اور شکریہ ادا کرتے ہیں۔

دستخط

چیرمین، بورڈ آف ڈائریکٹرز

دستخط

صدر اور چیف ایگزیکٹو آفیسر

اسلام آباد: 29 اپریل 2025

ڈائریکٹرز کا جائزہ

عزیز حصص داران،

ڈائریکٹرز 31 مارچ 2025 کو اختتام پذیر پہلی سہ ماہی کے غیر آڈٹ شدہ عبوری غیر غم شدہ مالیاتی گوشوارے پیش کر رہے ہیں۔

معیت:

پاکستان کی معیت نے مشکل عالمی حالات کے باوجود ترقی کی رفتار جاری رکھی۔ جیسے جیسے مالی سال اپنے آخری سہ ماہی کی طرف بڑھ رہا ہے، مہنگائی میں کمی واقع ہو رہی ہے، مالیاتی استحکام کے اقدامات سے بنیادی سرپلس حاصل ہو رہا ہے اور مالیاتی خسارہ کم ہو رہا ہے، بیرونی شعبے میں بہتری کرنٹ اکاؤنٹ سرپلس کی صورت میں ظاہر ہو رہی ہے، جس میں برآمدات میں اضافے اور ترسیلات زر کا اہم کردار ہے، جو کہ جاری معاشی بحالی کے نتیجے میں درآمدات میں مسلسل اضافے کے دباؤ کو کم کر رہا ہے۔ کرنٹ اکاؤنٹ میں مالی سال 2025 کے 9 ماہ میں 1.86 بلین ڈالر کا مجموعی سرپلس حاصل ہوا جو پچھلے مالی سال کی اسی مدت میں 1.65 بلین ڈالر کے خسارے سے دو چار تھا۔

رواں مالی سال کے لیے جی ڈی پی کی شرح نمو 2.5 سے 3.5 فیصد رہنے کا تخمینہ لگایا گیا ہے کیونکہ مالیاتی نرمی، بہتر کاروباری حالات اور معاشی استحکام سے فائدہ اٹھاتے ہوئے انڈسٹریل اور سروسز کے شعبوں میں اقتصادی سرگرمیاں تیز ہو رہی ہیں۔ آئی ایم ایف پروگرام کا نفاذ ریفرمز ایجنڈے کو منظم کرنے میں معاون ہے، بالخصوص توانائی کے شعبے میں اسٹرکچرل ریفرمز، SOE گورننس فریم ورک کے نفاذ، مناسب مالیاتی پالیسی کے اثرات اور نجی شعبے کی ترقی کے لیے سازگار ماحول، بیرونی ذخائر کی مضبوطی اور پائیدار معاشی ترقی کے لیے استحکام پیدا کرنے جیسے اقدامات میں پیش رفت ہو رہی ہے۔

مالیاتی کارکردگی:

31 مارچ 2025 کو اختتام پذیر پہلی سہ ماہی کے لیے بینک کے مالیاتی نتائج کا خلاصہ درج ذیل ہے:

(روپے ملین میں)

31 مارچ کو ختم ہونے والی سہ ماہی		
2024	2025	
16,627	25,418	نیٹ مارک اپ اور نان فنڈ آمدنی
(8,114)	(9,951)	انتظامی اور دیگر اخراجات
8,513	15,467	آپریٹنگ منافع
(1,174)	(256)	کریڈٹ لاس الاؤنس اور رائٹ آف-نیٹ
7,339	15,211	قبل از ٹیکس منافع
(3,624)	(8,088)	ٹیکس
3,715	7,123	بعد از ٹیکس منافع
2.56	4.91	بنیادی آمدنی فی شیئر-روپے

عسکری بینک نے پہلی سہ ماہی میں 15.2 بلین روپے کا قبل از ٹیکس منافع حاصل کیا جو کہ پچھلے سال کے مقابلے میں 107 فیصد زیادہ ہے۔ کارپوریٹ ٹیکس کی شرح میں 4 فیصد اضافے کے باوجود، بعد از ٹیکس منافع 92 فیصد بڑھ کر 7.1 بلین روپے ہو گیا۔ موجودہ سہ ماہی کے لیے فی حصص آمدنی پچھلے سال کی اسی مدت کے 2.56 روپے کے مقابلے میں 4.91 روپے حاصل ہوئی۔

ASKARI BANK LIMITED

Unconsolidated Condensed Interim Statement of Financial Position

As at March 31, 2025

		(Un-audited)	(Audited)
		March 31,	December 31,
		2025	2024
	Note	(Rupees in '000)	
ASSETS			
Cash and balances with treasury banks	6	134,828,727	133,505,285
Balances with other banks	7	16,979,461	10,776,034
Lendings to financial institutions	8	25,905,155	4,567,619
Investments	9	1,651,380,710	1,509,745,761
Advances	10	551,128,689	695,758,143
Property and equipment	11	22,345,653	21,796,057
Right-of-use assets	12	12,683,224	12,161,484
Intangible assets	13	1,847,073	1,839,788
Assets held for sale	14	1,750,000	1,750,000
Deferred tax assets	15	917,845	-
Other assets	16	135,844,133	106,474,034
Total Assets		2,555,610,670	2,498,374,205
LIABILITIES			
Bills payable	17	20,116,510	66,704,448
Borrowings	18	938,466,548	869,212,410
Deposits and other accounts	19	1,387,651,644	1,363,735,115
Lease liabilities	20	14,694,150	14,136,598
Deferred tax liabilities	15	-	734,350
Subordinated debts	21	12,000,000	12,000,000
Other liabilities	22	59,974,434	50,222,725
Total Liabilities		2,432,903,286	2,376,745,646
NET ASSETS		122,707,384	121,628,559
REPRESENTED BY			
Share capital		14,492,992	14,492,992
Reserves		87,296,228	74,574,030
Surplus on revaluation of assets - net of tax	23	14,331,454	16,235,737
Unappropriated profit		6,586,710	16,325,800
		122,707,384	121,628,559

CONTINGENCIES AND COMMITMENTS

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The annexed notes 1 to 42 form an integral part of these unconsolidated condensed interim financial statements.

Chief Financial Officer

President & Chief Executive Officer

Director

Director

Chairman

ASKARI BANK LIMITED

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

For the three months period ended March 31, 2025

		Three months ended	
		March 31, 2025	March 31, 2024
	Note	(Rupees in '000)	
Mark-up / return / interest earned	26	75,848,551	100,441,391
Mark-up / return / interest expensed	27	54,020,904	87,577,415
Net mark-up / interest income		21,827,647	12,863,976
Non mark-up / interest income			
Fee and commission income	28	1,599,349	1,731,764
Dividend income		278,115	207,606
Foreign exchange income		704,373	1,451,648
Gain / (loss) on securities - net	29	832,088	275,192
Other income	30	176,906	96,511
Total non-markup / interest income		3,590,831	3,762,721
Total income		25,418,478	16,626,697
Non mark-up / interest expenses			
Operating expenses	31	9,794,930	7,978,399
Workers' Welfare Fund		155,000	135,000
Other charges	32	1,446	378
Total non-markup / interest expenses		9,951,376	8,113,777
Profit before credit loss allowance and taxation		15,467,102	8,512,920
Credit loss allowance and write offs - net	33	255,798	1,173,673
Profit before taxation		15,211,304	7,339,247
Taxation	34	8,088,588	3,624,189
Profit after taxation		7,122,716	3,715,058
Rupees			
Basic and diluted earnings per share	35	4.91	2.56

The annexed notes 1 to 42 form an integral part of these unconsolidated condensed interim financial statements.

Chief Financial Officer

President & Chief Executive Officer

Director

Director

Chairman

ASKARI BANK LIMITED

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

For the three months period ended March 31, 2025

	Three months ended	
	March 31, 2025	March 31, 2024
	(Rupees in '000)	
Profit after taxation	7,122,716	3,715,058
Other comprehensive income		
Items that may be reclassified to profit and loss account in subsequent periods:		
Effect of translation of net investment in Wholesale Bank Branch Bahrain	32,024	(68,756)
Movement in surplus on revaluation of debt investments designated as FVOCI - net of tax	(2,267,293)	(769,761)
	(2,235,269)	(838,517)
Items that will not be reclassified to profit and loss account in subsequent periods:		
Movement in (deficit) / surplus on revaluation of equity investments designated as FVOCI - net of tax	539,276	(329,182)
Total comprehensive income	<u>5,426,723</u>	<u>2,547,359</u>

The annexed notes 1 to 42 form an integral part of these unconsolidated condensed interim financial statements.

Chief Financial Officer

President & Chief Executive Officer

Director

Director

Chairman

Unconsolidated Condensed Interim Statement of Changes in Equity (Un-audited)

Unconsolidated Condensed Interim Statement of Changes in Equity (Un-audited)

Surplus / (deficit) on revaluation of

The annexed notes 1 to 42 form an integral part of these unconsolidated condensed interim financial statements.

Chairman

ASKARI BANK LIMITED

Unconsolidated Condensed Interim Cash Flow Statement (Un-audited)
For the three months period ended March 31, 2025

		Three months ended	
		March 31, 2025	March 31, 2024
		(Rupees in '000)	
	Note		
Cash flow from operating activities			
Profit before taxation		15,211,304	7,339,247
Less: dividend income		(278,115)	(207,606)
		14,933,189	7,131,641
Adjustments:			
Depreciation		436,747	301,169
Amortization		55,818	52,588
Depreciation on ROU assets		549,368	572,269
Markup expense on lease liability against ROU assets		433,995	351,765
Gain on termination of lease contracts under IFRS - 16 Leases		(1,638)	2,348
Charge for defined benefit plan		166,302	137,826
Credit loss allowance and write offs - net	33	278,473	1,199,790
Gain on sale of property and equipment		(20,798)	226
		1,898,267	2,617,981
		16,831,456	9,749,622
(Increase) / decrease in operating assets			
Lendings to financial institutions		(21,332,083)	(1,492,351)
Securities classified as FVTPL		2,184,105	(5,285,142)
Advances		145,185,091	(64,848,780)
Other assets (excluding advance taxation)		(27,840,228)	(17,352,264)
		98,196,885	(88,978,537)
Increase / (decrease) in operating liabilities			
Bills payable		(46,587,938)	(2,243,171)
Borrowings from financial institutions		69,254,138	186,467,101
Deposits		23,916,529	8,214,622
Other liabilities		9,471,946	2,240,146
		56,054,675	194,678,698
Net cash flow generated from operations		171,083,016	115,449,783
Payment made to defined benefit plan		(18,652)	(137,826)
Income tax paid		(9,514,930)	(7,719,800)
Net cash flow generated from operating activities		161,549,434	107,592,157
Cash flow from investing activities			
Net investments in securities measured at FVOCI / AFS		(148,084,649)	(112,943,823)
Net investments in securities measured at amortized cost / HTM		39,876	(17,972,554)
Dividend received		260,624	145,748
Investments in property and equipment		(1,040,997)	(1,232,355)
Investments in intangible assets		(63,072)	(70,283)
Proceeds from sale of property and equipment		40,690	4,063
Effect of translation of net investment in Wholesale Bank Branch		32,024	(68,756)
Net cash flow used in investing activities		(148,815,505)	(132,137,960)
Cash flow from financing activities			
Payments against lease liabilities under IFRS 16		(988,614)	(539,997)
Dividend paid		(4,218,446)	(3,621,859)
Net cash flow used in financing activities		(5,207,060)	(4,161,856)
(Decrease) / increase in cash and cash equivalents		7,526,869	(28,707,659)
Cash and cash equivalents at beginning of the period		144,281,319	173,876,425
Cash and cash equivalents at end of the period		151,808,188	145,168,766

The annexed notes 1 to 42 form an integral part of these unconsolidated condensed interim financial statements.

Chief Financial Officer

President & Chief Executive Officer

Director

Director

Chairman

ASKARI BANK LIMITED

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited)

For the three months period ended March 31, 2025

1. STATUS AND NATURE OF BUSINESS

Askari Bank Limited (the Bank) was incorporated in Pakistan on October 9, 1991 as a Public Limited Company and is listed on the Pakistan Stock Exchange. The registered office of the Bank is situated at AWT Plaza, the Mall, Rawalpindi. The Bank is a scheduled commercial bank and is principally engaged in the business of banking as defined in the Banking Companies Ordinance, 1962. The Fauji Consortium: comprising of Fauji Foundation (FF) and Fauji Fertilizer Company Limited (FFCL) collectively own 71.91 (2024: 71.91) percent shares of the Bank. The ultimate parent of the Bank is Fauji Foundation. The Bank has 720 branches (2024: 720 branches); 719 in Pakistan and Azad Jammu and Kashmir including 198 (2024: 198) Islamic Banking branches and 68 (2024: 68) sub-branches and a Wholesale Bank Branch (WBB) in the Kingdom of Bahrain.

2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

2.1 BASIS OF PREPARATION

- 2.1.1** These unconsolidated condensed interim financial statements represent separate financial statements of Askari Bank Limited. The consolidated condensed interim financial statements of the Group are being issued separately.
- 2.1.2** The unconsolidated condensed interim financial statements are presented in Pak Rupees, which is the Bank's functional and presentation currency. The amounts are rounded off to the nearest thousand.
- 2.1.3** These unconsolidated condensed interim financial statements have been presented in accordance with the requirements of format prescribed by the State Bank of Pakistan's BPRD Circular No. 2 dated February 9, 2023, International Accounting Standard 34 'Interim Financial Reporting' and other accounting and financial reporting standards as applicable in Pakistan.
- 2.1.4** These separate unconsolidated condensed interim financial statements have been prepared under the historical cost convention except that certain classes of property, equipment and non-banking assets acquired in satisfaction of claims are stated at revalued amounts and certain investments have been marked to market and are carried at fair value. In addition, obligations in respect of staff retirement benefits and lease liabilities are carried at present value.

2.2 STATEMENT OF COMPLIANCE

- 2.2.1** These unconsolidated condensed interim financial statements have been prepared in accordance with the approved accounting and reporting standards as applicable in Pakistan. The approved accounting and reporting standards comprise of:
- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
 - Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as are notified under the Companies Act, 2017;

- Provisions of and directives issued under the Banking Companies Ordinance, 1962 and the Companies Act, 2017; and
- Directives issued by the State Bank of Pakistan (SBP) and the Securities and Exchange Commission of Pakistan (SECP).

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

2.2.2 The State Bank of Pakistan has deferred the applicability of IFAS 3 'Profit and Loss Sharing on Deposits', vide BPRD Circular No.04 dated February 25, 2015 and International Accounting Standard 40, Investment Property, vide BSD Circular Letter no. 10 dated August 26, 2002, for banking companies till further instructions. Further, the SECP, through S.R.O 411(1)/2008 dated April 28, 2008, has deferred the applicability of IFRS 7, Financial Instruments: Disclosures, to banks. Accordingly, the requirements of these standards have not been considered in the preparation of these unconsolidated condensed interim financial statements.

2.2.3 IFRS 10 Consolidated Financial Statements was made applicable from period beginning on or after January 01, 2015 vide S.R.O 633(I)/2014 dated July 10, 2014 by SECP. However, SECP has directed through S.R.O 56(I) /2016 dated January 28, 2016, that the requirements of consolidation under section 228 of Companies Act 2017 and IFRS-10 "Consolidated Financial Statements" is not applicable in case of investment by companies in mutual funds established under Trust structure. Accordingly, the requirements of this standard has not been considered in the preparation of these unconsolidated condensed interim financial statements.

2.2.4 Disclosures made in these unconsolidated condensed interim financial statements have been limited in accordance with the requirements of format prescribed by SBP vide BPRD Circular No. 2 dated February 09, 2023 and International Accounting Standard 34 'Interim Financial Reporting' and do not include all the information and disclosures required in the audited annual unconsolidated financial statements, and should be read in conjunction with the audited annual unconsolidated financial statements of the Bank for the financial year ended December 31, 2024.

3. MATERIAL ACCOUNTING POLICY INFORMATION

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

3.1 Standards, interpretations of and amendments to published approved accounting standards that are effective in the current period

The Bank had adopted IFRS 9 with effect from 01 January 2024 under the instructions of SBP and as part of the application instructions issued by the regulator, there are certain requirements of IFRS-9 which have been deferred till January 1, 2025 (detailed in note 4 below). During the year, there are certain other amendments to accounting and reporting standards that are mandatory for the Bank's accounting periods beginning on or after January 1, 2025. Except for IFRS 9, these are either considered not to be relevant or do not have any significant effect on the Bank's operations and are therefore not detailed in these unconsolidated condensed interim financial statements.

3.2 Standards, interpretations of and amendments to published approved accounting standards that are not yet effective

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

4 IFRS 9 - FINANCIAL INSTRUMENTS

As directed by the SBP vide its BPRD Circular No. 07 of 2023 dated April 13, 2023, IFRS 9: 'Financial Instruments' (the Standard) became applicable to the Bank with effect from January 1, 2024.

SBP vide its BPRD Circular Letter No. 16 of 2024 have made certain amendments and extended timelines of application instructions for certain areas where the banking industry had sought more time. The banks were allowed to continue measuring unquoted equity securities at the lower of cost or break-up value up to December 31, 2024. However, Bank were required to measure unquoted equity securities at fair value, as required in the IFRS 9 application instructions, with effect from January 1, 2025 and accordingly, the Bank has conducted fair valuation of unquoted equity securities as required under IFRS 9 in accordance with the Application Instructions using valuation techniques / valuation models. The inputs to these models are taken from observable markets where possible and where this is not possible, estimation is required in establishing fair values.

The Bank received an extension from SBP up to 31 December 2025 for application of Effective interest rate (EIR) in general for all financial assets and liabilities (excluding staff loans / subsidized loans) at amortized cost, net of expected credit loss allowances.

Further, SBP through BPRD Circular Letter No. 01 of 2025 dated 22 January 2025 has clarified the followings:

- Islamic Banking Institutions (IBIs) are allowed to follow Islamic Financial Accounting Standards (IFAS) 1 & 2 where applicable and continue the existing accounting methodology on other Islamic products until issuance of further instructions in this regard.
- The treatment of charity should be in line with the existing practices as defined in SBP instructions issued via IBD Circular No. 02 of 2008 and should not be recognized as income.

All Islamic products are governed by the product manual approved by the Shariah Board of the Bank. The related accounting and revenue recognition policies are outlined in annual audited financial statements for the year ended December 31, 2024. However, in case of Ijarah and Murabaha, the Bank has also complied with the requirements of IFAS 1 and IFAS 2. Revenue from Islamic products would have increased by Rs. 134,598 thousand, if IFRS 9 had been adopted in its entirety

5. FINANCIAL RISK MANAGEMENT

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

		(Un-audited) March 31, 2025	(Audited) December 31, 2024
6. CASH AND BALANCES WITH TREASURY BANKS		Rupees in '000	
<i>In hand:</i>			
Local currency		48,882,710	35,295,829
Foreign currencies		5,170,212	3,718,788
		<u>54,052,922</u>	<u>39,014,617</u>
<i>With the State Bank of Pakistan in:</i>			
Local currency current accounts		59,380,468	72,316,040
Foreign currency current account		6,725,574	7,421,460
Foreign currency deposit account		12,200,561	13,685,296
		<u>78,306,603</u>	<u>93,422,796</u>
<i>With National Bank of Pakistan in:</i>			
Local currency current accounts		2,442,765	1,028,257
Prize Bonds		26,437	39,615
Less: Credit loss allowance held against cash and balances with treasury banks		-	-
Cash and balances with treasury banks - net of credit loss allowance		<u>134,828,727</u>	<u>133,505,285</u>
7. BALANCES WITH OTHER BANKS			
<i>In Pakistan</i>			
In current accounts		125,131	112,378
<i>Outside Pakistan</i>			
In current accounts		1,224,990	1,908,941
In deposit accounts		15,631,195	8,756,105
		<u>16,856,185</u>	<u>10,665,046</u>
Less: Credit loss allowance held against balances with other banks		(1,855)	(1,390)
Balances with other banks - net of credit loss allowance		<u>16,979,461</u>	<u>10,776,034</u>
8. LENDINGS TO FINANCIAL INSTITUTIONS			
Call money lendings		-	1,500,000
Reverse repo agreements		18,653,710	-
Bai Muajjal receivable		-	3,068,218
Money Market Placements		7,254,022	-
Purchase under resale arrangement of equity securities		52,012	59,443
		<u>25,959,744</u>	<u>4,627,661</u>
Less: Credit loss allowance held against lending to financial institutions		(54,589)	(60,042)
Lendings to financial institutions - net of credit loss allowance		<u>25,905,155</u>	<u>4,567,619</u>

		March 31, 2025 (Un-audited)		December 31, 2024 (Audited)	
		Lending	Credit Loss Allowance Held	Lending	Credit Loss Allowance Held
8.1 Particulars of credit loss allowance		Rupees in '000			
Domestic					
Performing	Stage 1	25,907,732	2,577	4,568,218	599
Non-performing					
Loss	Stage 3	52,012	52,012	59,443	59,443
		<u>25,959,744</u>	<u>54,589</u>	<u>4,627,661</u>	<u>60,042</u>

9. INVESTMENTS

	March 31, 2025 (Un-audited)			December 31, 2024 (Audited)				
	Cost / amortized cost	Credit Loss allowance	Surplus / (deficit)	Carrying value	Cost / amortized cost	Credit Loss allowance	Surplus / (deficit)	Carrying value
	(Rupees in '000)							

9.1 Investments by type:

FVTPL

Fully paid ordinary shares	1,111,906	-	10,364	1,122,270	447,406	-	18,400	465,806
Units of mutual funds	1,781,063	-	973,207	2,754,270	1,781,063	-	1,158,946	2,940,009
Federal Government Securities	819,490	-	-	819,490	3,668,096	-	-	3,668,096
Non Government Debt Securities	4,603,808	-	(1,061,793)	3,542,015	4,603,807	-	(1,086,134)	3,517,673
	8,316,267	-	(78,222)	8,238,045	10,500,372	-	91,212	10,591,584

FVOCI

Federal Government Securities	1,571,139,309	(494,071)	1,979,956	1,572,625,194	1,422,059,838	(406,352)	6,686,981	1,428,340,467
Shares	4,500,739	-	5,070,053	9,570,792	4,952,578	-	4,317,609	9,270,187
Fully paid preference shares	27,314	-	(1,325)	25,989	27,314	-	(3,825)	23,489
Non Government Debt Securities	10,377,105	(377,767)	(41,419)	9,957,919	10,920,088	(380,124)	(26,243)	10,513,721
	1,586,044,467	(871,838)	7,007,265	1,592,179,894	1,437,959,818	(786,476)	10,974,522	1,448,147,864

Amortised cost

Federal Government Securities	49,959,525	(193,454)	-	49,766,071	49,999,401	(189,788)	-	49,809,613
Non Government Debt Securities	110,000	(110,000)	-	-	110,000	(110,000)	-	-
	50,069,525	(303,454)	-	49,766,071	50,109,401	(299,788)	-	49,809,613
Subsidiaries	1,196,700	-	-	1,196,700	1,196,700	-	-	1,196,700
Total investments	1,645,626,959	(1,175,292)	6,929,043	1,651,380,710	1,499,766,291	(1,086,264)	11,065,734	1,509,745,761

9.3 Credit loss allowance**9.3.1** Opening balance

Impact of adoption of IFRS 9

Exchange adjustments

Charge / (reversals) - net

Charge for the period / year

Reversal of ECL for the period / year

Transfer of provision to revaluation surplus / (deficit)

Net charge

Closing balance

	(Un-audited) March 31, 2025	(Audited) December 31, 2024
	(Rupees in '000)	
	1,086,264	3,352,687
	-	(833,466)
	1,086,264	2,519,221
	-	(1,372)
	89,028	-
	-	(533,128)
	-	(898,457)
	89,028	(1,431,585)
	1,175,292	1,086,264

9.3.2 Particulars of credit loss allowance against debt securities**Domestic**

Performing - Stage 1

Non-performing - Stage 3

Loss

Overseas

Performing - Stage 1

	March 31, 2025 (Un-audited)		December 31, 2024 (Audited)	
	Outstanding Amount	Credit loss allowance Held	Outstanding Amount	Credit loss allowance Held
	1,724,609	6,057	2,418,507	7,934
	481,710	481,710	482,190	482,190
	2,206,319	487,767	2,900,697	490,124
	12,594,485	687,525	9,841,923	596,140
	14,800,804	1,175,292	12,742,620	1,086,264

9.4 The market value of securities classified as amortized cost / Held to Maturity as at March 31, 2025 is Rs. 47,277,800 thousand (2024: Rs. 47,100,000 thousand).

10. ADVANCES

Loans, cash credits, running finances, etc.
Islamic financing and related assets
Bills discounted and purchased
Advances - gross
Credit allowance against advances
- Stage 1
- Stage 2
- Stage 3
Advances - net of credit loss allowance

Performing		Non Performing		Total	
(Un-audited) March 31, 2025	(Audited) December 31, 2024	(Un-audited) March 31, 2025	(Audited) December 31, 2024	(Un-audited) March 31, 2025	(Audited) December 31, 2024
(Rupees in '000)					
455,225,949	614,976,448	27,511,887	24,681,629	482,737,836	639,658,076
77,341,402	67,351,156	4,425,367	4,455,351	81,766,769	71,806,507
21,206,099	16,316,956	2,177,412	5,291,668	23,383,511	21,608,624
553,773,450	698,644,559	34,114,666	34,428,648	587,888,116	733,073,207
(1,187,180)	(1,140,828)	-	-	(1,187,180)	(1,140,828)
(2,997,724)	(3,893,372)	-	-	(2,997,724)	(3,893,372)
(4,184,904)	(5,034,200)	(32,574,523)	(32,280,864)	(32,574,523)	(32,280,864)
				(36,759,427)	(37,315,064)
549,588,546	693,610,359	1,540,143	2,147,784	551,128,689	695,758,143

(Un-audited) March 31, 2025	(Audited) December 31, 2024
(Rupees in '000)	
531,807,449	676,990,695
56,080,667	56,082,512
587,888,116	733,073,207

10.1 Particulars of advances (Gross)

In local currency
In foreign currencies

10.2 Advances placed under non-performing status are detailed below:

Category of classification (Stage 3)

Domestic
Other Assets Especially Mentioned
Substandard
Doubtful
Loss

March 31, 2025 (Un-audited)		December 31, 2024 (Audited)	
Non Performing Loans	Credit loss Allowance	Non Performing Loans	Credit loss Allowance
(Rupees in '000)			
120,958	65,842	141,213	85,324
2,537,202	1,903,802	3,149,887	2,060,417
918,110	549,998	2,217,365	1,564,045
30,538,396	30,054,881	28,920,183	28,571,078
34,114,666	32,574,523	34,428,648	32,280,864

10.3 Particulars of credit loss allowance against advances

Opening balance
Charge for the period
Reversal for the period
Closing balance

March 31, 2025 (Un-audited)			Total
Stage 3	Stage 2	Stage 1	
(Rupees in '000)			
32,280,864	3,893,372	1,140,828	37,315,064
1,231,525	264,129	292,497	1,788,151
(937,866)	(1,159,777)	(246,144)	(2,343,788)
293,659	(895,648)	46,352	(555,637)
32,574,523	2,997,724	1,187,180	36,759,427

Opening balance including (Impact of ECL recognised on adoption of IFRS-9)
Charge for the year
Reversal under IFRS 9 related to WBB
Reversal for the year
Amounts written off
Closing balance

December 31, 2024 (Audited)			Total
Stage 3	Stage 2	Stage 1	
(Rupees in '000)			
27,783,828	6,801,929	3,533,735	38,119,492
7,338,185	7,121,410	2,168,486	16,628,081
-	(21,538)	-	(21,538)
(2,470,141)	(10,008,429)	(4,561,393)	(17,039,963)
4,868,044	(2,908,557)	(2,392,907)	(433,420)
(371,008)	-	-	(371,008)
32,280,864	3,893,372	1,140,828	37,315,064

10.4 Advances - particulars of credit loss allowance

	March 31, 2025 (Un-audited)		
	Stage 1	Stage 2	Stage 3
Opening balance	1,140,828	3,893,372	32,280,864
New Advances	292,495	235,165	1,148,217
Advances repaid	(233,473)	(1,079,016)	(919,025)
Transfer to stage 1	2	123	(16)
Transfer to stage 2	(10,125)	28,842	(18,825)
Transfer to stage 3	(2,546)	(80,761)	83,308
Amounts written off / charged off	-	-	-
Changes in risk parameters	-	-	-
Closing balance	<u>1,187,180</u>	<u>2,997,724</u>	<u>32,574,523</u>

	December 31, 2024 (Audited)		
	Stage 1	Stage 2	Stage 3
Opening balance (including impact of ECL on adoption of IFRS 9)	3,533,735	6,801,929	27,783,828
New Advances	2,105,443	6,904,728	336,939
Advances repaid	(1,307,334)	(2,406,833)	(2,339,326)
Transfer to stage 1	63,043	(63,043)	-
Transfer to stage 2	(213,952)	216,681	(2,730)
Transfer to stage 3	(304,459)	(6,696,787)	7,001,246
Amounts written off / charged off	-	-	(371,008)
Changes in risk parameters	(2,735,649)	(863,304)	(128,086)
Closing balance	<u>1,140,828</u>	<u>3,893,372</u>	<u>32,280,864</u>

10.5 Advances - category of classification

		March 31, 2025 (Un-audited)		December 31, 2024 (Audited)	
		Loans Outstanding	Credit Loss Allowance Held	Loans Outstanding	Credit Loss Allowance Held
(Rupees in '000)					
Domestic					
Performing	Stage 1	447,328,300	1,103,406	638,486,393	1,140,828
Underperforming	Stage 2	96,708,501	2,995,761	57,255,844	3,889,224
Non-Performing	Stage 3				
Other assets specially mentioned		120,958	65,842	141,213	85,324
Substandard		2,537,202	1,903,802	3,149,887	2,060,417
Doubtful		918,110	549,998	2,217,365	1,564,045
Loss		30,538,396	30,054,881	28,920,183	28,571,078
		<u>34,114,666</u>	<u>32,574,523</u>	<u>34,428,648</u>	<u>32,280,864</u>
Sub Total		<u>578,151,467</u>	<u>36,673,690</u>	<u>730,170,885</u>	<u>37,310,916</u>
Overseas					
Performing	Stage 1	9,363,096	83,774	-	-
Underperforming	Stage 2	373,553	1,963	2,902,322	4,148
		<u>9,736,649</u>	<u>85,737</u>	<u>2,902,322</u>	<u>4,148</u>
Total		<u>587,888,116</u>	<u>36,759,427</u>	<u>733,073,207</u>	<u>37,315,064</u>

11. PROPERTY AND EQUIPMENT

	(Un-audited) March 31, 2025	(Audited) December 31, 2024
Capital work-in-progress - note 11.1	1,072,002	822,004
Property and equipment	21,273,651	20,974,053
	<u>22,345,653</u>	<u>21,796,057</u>

11.1 This represents advances to suppliers and contractors.

		(Un-audited)	
		Period ended March 31, 2025	Period ended March 31, 2024
11.2 Additions to property and equipment		(Rupees in '000)	
The following additions have been made to property and equipment during the period:			
Capital work-in-progress		284,665	139,038
Property and equipment			
Renovation of premises		38,981	125,178
Furniture, fixtures and office equipment		153,327	171,682
Machine and equipments		278,679	453,883
Computer equipments		285,345	330,315
Vehicles		-	12,259
		756,332	1,093,317
Total		1,040,997	1,232,355
11.3 Disposal of property and equipment			
The net book value of property and equipment disposed off during the period is as follows:			
Renovation of premises		1,382	117
Furniture, fixtures and office equipment		2,391	2,463
Machine and equipments		1,387	1,233
Computer equipments		421	475
Vehicles		14,311	-
Total		19,892	4,288
		(Un-audited)	(Audited)
		March 31, 2025	December 31, 2024
12. RIGHT-OF-USE ASSETS		(Rupees in '000)	
Net carrying amount at January 1,		12,161,484	8,312,812
Additions during the period / year		1,163,300	6,226,708
Depreciation for the period / year		(549,368)	(2,257,101)
Deletions and other adjustments		(92,192)	(120,935)
Net carrying amount at period / year end		12,683,224	12,161,484
		(Un-audited)	(Audited)
		March 31, 2025	December 31, 2024
13. INTANGIBLE ASSETS			
Computer software		1,449,437	1,412,153
Capital work in progress		397,636	427,635
		1,847,073	1,839,788

		(Un-audited)	
		Period ended	Period ended
		March 31,	March 31,
		2025	2024
		(Rupees in '000)	
13.1	Additions to intangible assets		
	The following additions have been made to intangible assets during the period:		
	Capital work-in-progress	24,018	62,391
	Computer Software	39,055	7,892
		<u>63,072</u>	<u>70,283</u>

14. The Bank has entered into a sale agreement to sell its land located at Haider Road, Rawalpindi. Accordingly the same has been classified to non-current asset held for sale. The carrying amount includes revaluation surplus of Rs. 980,987 thousand at which amount the asset was transferred from property and equipment.

		(Un-audited)	(Audited)
		March 31,	December 31,
		2025	2024
		(Rupees in '000)	
15.	DEFERRED TAX ASSETS / (LIABILITIES)		
	(Taxable) / deductible temporary differences on		
	- Accelerated tax depreciation	(597,085)	(624,405)
	- Surplus on revaluation of investments	(3,643,778)	(5,706,752)
	- Credit loss allowance against advances	5,158,708	5,596,807
		<u>917,845</u>	<u>(734,350)</u>

16.	OTHER ASSETS		
	Income / mark-up accrued in local currency	89,024,933	65,672,589
	Income / mark-up accrued in foreign currencies	1,199,797	1,100,279
	Advances, deposits, advance rent and other prepayments	7,367,929	6,945,339
	Advance taxation (payments less provisions)	9,644,763	7,998,597
	Deferred cost on recognition of loan at fair value - note 16.1	4,802,118	4,931,905
	Non-banking assets acquired in satisfaction of claims	383,101	388,891
	Receivable against trading of securities	185,169	5,161
	Mark to market gain on forward foreign exchange contracts	129,845	-
	Stationary and stamps in hand	272,125	162,096
	Receivable from defined benefit plan	281,438	424,395
	Dividend receivable	20,279	2,788
	Margin against stand by letter of credit (SBLC)	883,811	1,056,666
	Acceptances	20,634,549	16,916,015
	Others	845,622	709,830
		<u>135,675,479</u>	<u>106,314,551</u>
	Less: Credit loss allowance - note 16.2	(433,576)	(442,747)
	Other assets - net of credit loss allowance	<u>135,241,903</u>	<u>105,871,804</u>
	Surplus on revaluation of non-banking assets acquired in satisfaction of claims	602,230	602,230
	Other assets - total	<u>135,844,133</u>	<u>106,474,034</u>

- 16.1 This represents deferred portion of fair value loss arisen on initial recognition of loan to PIA Holding Company Limited (PIAHCL). SBP through its circular BPRD/BRD/PIAHCL/733688-2024 dated August 01, 2024 has allowed staggering of such fair value impact over a period of 6 years at rates of 5%, 10%, 15%, 20%, 25%, and 25% from year 1 to year 6. Accordingly, the Bank has amortized 5% in the previous reporting period and will amortize 10% during the current year.

		(Un-audited)	(Audited)
		March 31,	December 31,
		2025	2024
		(Rupees in '000)	
16.2	Credit loss allowance held against other assets		
	Advances, deposits, advance rent and other prepayments	4,838	4,838
	Acceptances	273,079	285,239
	Others	155,659	152,671
		<u>433,576</u>	<u>442,747</u>

16.1.1 **Movement in credit loss allowance against other assets**

Opening balance	442,747	185,104
Impact of ECL recognized on adoption of IFRS 9	-	431,571
	442,747	616,675
Reversals for the period / year	(9,172)	(173,928)
Closing balance	433,576	442,747
17. BILLS PAYABLE		
In Pakistan	20,116,510	66,704,448

18. **BORROWINGS**

Secured

Borrowings from the State Bank of Pakistan under:

Export refinance scheme	12,916,979	15,106,530
Long term financing facility	5,786,359	6,714,408
Financing facility for storage of agricultural produce	71,000	72,000
Renewable energy financing facility	3,833,298	3,663,688
Refinance from SBP		
Credit guarantee scheme for women entrepreneurs	45,225	44,384
Temporary Economic Relief	6,672,915	7,029,796
Modernization of SME	291,407	275,855
Combating COVID-19	163,251	237,209
Rupee based discounting of bills / receivable	3,601,329	3,689,838
Working Capital Financing	79,683	27,000
	33,461,446	36,860,708

Repurchase agreement borrowings

State Bank of Pakistan	742,925,250	639,094,000
Financial institutions	1,995,000	64,095,350
	744,920,250	703,189,350

Refinance from Pakistan Mortgage Refinance Company

Unsecured

Call borrowings

Overdrawn nostro accounts

	155,796,606	124,908,650
	160,391	847
	938,466,548	869,212,410

19. **DEPOSITS AND OTHER
ACCOUNTS**

Customers

Current accounts
Savings deposits
Fixed deposits

353,968,778	29,107,311	383,076,089	357,659,654	28,984,351	386,644,005
782,528,030	54,928,352	837,456,382	753,078,502	72,565,181	825,643,683
127,294,618	31,926,815	159,221,433	101,964,430	29,497,256	131,461,686
1,263,791,426	115,962,478	1,379,753,904	1,212,702,586	131,046,788	1,343,749,374

Financial institutions

Current accounts
Savings deposits
Fixed deposits

592,763	46,819	639,582	1,057,931	236,526	1,294,457
2,057,862	75,296	2,133,158	10,272,784	-	10,272,784
5,125,000	-	5,125,000	8,418,500	-	8,418,500
7,775,625	122,115	7,897,740	19,749,215	236,526	19,985,741

20 **LEASE LIABILITIES**

Opening balance
Additions during the period / year
Lease payments including interest
Interest expense for the period / year
Termination and other adjustments
Closing balance

	(Un-audited) March 31, 2025	(Audited) December 31, 2024
	Rupees in '000	
	14,136,598	9,699,474
	1,163,300	6,226,708
	(988,614)	(3,309,401)
	433,995	1,544,722
	(51,129)	(24,905)
	14,694,150	14,136,598

20.1 **Contractual maturities of lease liabilities**

Not later than one year
Later than one year and upto five years
Over five years
Total at the end of the period / year

	1,129,690	1,090,562
	5,200,430	5,124,890
	8,364,030	7,921,146
	14,694,150	14,136,598

	(Un-audited)	(Audited)
	March 31, 2025	December 31, 2024
	(Rupees in '000)	
21. SUBORDINATED DEBTS		
Term Finance Certificates - VI (ADT-1)	6,000,000	6,000,000
Term Finance Certificates - VII	6,000,000	6,000,000
	<u>12,000,000</u>	<u>12,000,000</u>

- 21.1 The Bank has raised unsecured sub-ordinated loans through issuance of Term Finance Certificates to improve the Bank's capital adequacy. Liability to the TFC holders is subordinated to and rank inferior to all other indebtedness of the Bank including deposits and is not redeemable before maturity without prior approval of the SBP. The salient features of outstanding issues are as follows:

	Term Finance Certificates - VI (ADT-1)	Term Finance Certificates - VII
Outstanding amount - Rupees in '000	6,000,000	6,000,000
Issue amount	Rupees 6,000 million	Rupees 6,000 million
Issue date	July 03, 2018	March 17, 2020
Maturity Date	Perpetual	March 16, 2030
Rating	AA-	AA
Security	Unsecured	Unsecured
Listing	Listed	Listed
Profit payment frequency	Payable six monthly	Payable quarterly
Redemption	Perpetual	109-120th month: 100%
Profit Rate	Base Rate plus 1.50% Base Rate is the simple average of the ask rate of six month KIBOR prevailing on the base rate setting date.	Base Rate plus 1.20% Base Rate is the simple average of the ask rate of three month KIBOR prevailing on the base rate setting date
Call option	Exercisable after 60 months from the date of issue subject to approval by the SBP.	Exercisable after 60th month from the date of issue subject to approval by the SBP.
Lock-in-clause	Payment of profit will be subject to the condition that such payment will not result in breach of the Bank's regulatory Minimum Capital Requirement or Capital Adequacy Ratio set by SBP from time to time. Any inability to exercise lock-in clause or the non-cumulative features will subject these TFCs to mandatory conversion into common shares / write off at the discretion of SBP.	As per the lock-in requirement for Tier II Issues, neither profit nor principal will be payable (even at maturity) in respect of the TFC, if such payment will result in a shortfall or increase in an existing shortfall in the Bank's Leverage Ratio or Minimum Capital Requirement or Capital Adequacy Ratio. That is, any payment (profit and/or principal) in respect of the TFC would be made, subject to the Bank being in compliance with the requirement of Leverage Ratio or Minimum Capital Requirement or Capital Adequacy Ratio.
Loss absorption clause	The Instrument will be subject to loss absorption and / or any other requirements of SBP upon the occurrence of a Point of Non-Viability event as per Section A-5-3 of Annexure 5 of the Circular, which stipulates that SBP may, at its option, fully and permanently convert the TFCs into common shares of the issuer and / or have them immediately written off (either partially or in full). Number of shares to be issued to TFC holders at the time of conversion will be equal to the 'Outstanding Value of the TFCs' divided by market value per share of the Bank's common share on the date of trigger event as declared by SBP, subject to a specified cap.	As per Loss Absorbency Clause requirement for Tier II capital purpose, the instrument will be subject to loss absorbency and/or any other requirements under SBP's instructions on the subject. Upon the occurrence of a Point of Non-Viability event as defined under SBP BPRD Circular # 6 of 2013, SBP may at its option, fully and permanently convert the TFCs into common shares of the Bank and/or have them immediately written off (either partially or in full). Number of shares to be issued to TFC holders at the time of conversion will be equal to the 'Outstanding Face Value of the TFCs' divided by market value per share of the Bank's common share on the date of trigger of Point of Non-Viability (PONV) as declared by SBP subject to a cap of 245,042,630 shares.

	(Un-audited) March 31, 2025	(Audited) December 31, 2024
(Rupees in '000)		
22. OTHER LIABILITIES		
Mark-up / return / interest payable in local currency	15,366,329	12,250,985
Mark-up / return / interest payable in foreign currencies	549,335	1,498,234
Unearned commission and income on bills discounted	1,522,175	1,586,242
Accrued expenses	2,444,426	3,727,781
Advance payments	348,690	364,016
Acceptances	20,634,549	16,916,015
Dividend payable	359,385	229,933
Advance against sale of properties	530,559	513,955
Mark to market loss on forward foreign exchange contracts	-	664,470
Branch adjustment account	1,365,530	647,591
Provision for employees' compensated absences	802,041	797,348
Security deposit against lease / Ijarah financing	3,745,482	3,625,392
Levies and taxes payable	1,834,751	1,913,344
Workers' Welfare Fund	1,996,596	1,841,596
Switch settlement accounts	4,593,820	1,168,145
Deferred Grant on subsidised refinance loans	17,124	45,345
Credit loss allowance against off-balance sheet obligations - note 22.1	1,515,002	755,760
Others	2,348,640	1,676,574
	<u>59,974,434</u>	<u>50,222,725</u>
22.1 Credit loss allowance against off-balance sheet obligations		
Opening balance	755,760	160,558
Impact of ECL recognized on adoption of IFRS 9	-	1,112,808
	<u>755,760</u>	<u>1,273,366</u>
Exchange adjustment	-	-
Charge for the period / year	759,242	-
Reversal for the period / year	-	(517,606)
Net charge	<u>759,242</u>	<u>(517,606)</u>
Closing balance	<u>1,515,002</u>	<u>755,760</u>
23. SURPLUS ON REVALUATION OF ASSETS - NET OF TAX		
Surplus on revaluation of:		
- Securities measured at FVOCI - Debt	1,937,211	6,660,738
- Securities measured at FVOCI - Equity	5,070,054	4,313,784
- Property and equipment	10,365,737	10,365,737
- Non-banking assets acquired in satisfaction of claims	602,230	602,230
	<u>17,975,232</u>	<u>21,942,489</u>
Deferred tax on deficit / (surplus) on revaluation of:		
- Securities measured at FVOCI - Debt	(1,007,350)	(3,463,584)
- Securities measured at FVOCI - Equity	(2,636,428)	(2,243,168)
	<u>(3,643,778)</u>	<u>(5,706,752)</u>
	<u>14,331,454</u>	<u>16,235,737</u>

		(Un-audited) March 31, 2025	(Audited) December 31, 2024
24.	CONTINGENCIES AND COMMITMENTS		
		(Rupees in '000)	
	- Guarantees - note 24.1	283,561,608	308,928,884
	- Commitments - note 24.2	453,559,039	639,295,945
	- Other contingent liabilities - note 24.3	1,358,828	1,530,994
		<u>738,479,475</u>	<u>949,755,823</u>
24.1	Guarantees		
	Financial guarantees	11,225,089	12,443,697
	Performance guarantees	171,067,372	169,536,398
	Other guarantees	101,269,147	126,948,789
		<u>283,561,608</u>	<u>308,928,884</u>
24.2	Commitments		
	Documentary credits and short-term trade-related transactions		
	- letters of credit	144,478,779	206,461,012
	Commitments in respect of:		
	- forward foreign exchange contracts - note 24.2.1	277,339,913	200,561,147
	- forward government securities transactions - note 24.2.2	10,000,000	204,610,000
	- forward non-government securities transactions - note 24.2.3	878,280	530,538
	Commitments for acquisition of:		
	- property and equipment	277,799	325,308
	- intangible assets	223,343	229,312
	- Undrawn loan commitments	20,360,925	26,578,628
		<u>453,559,039</u>	<u>639,295,945</u>
24.2.1	Commitments in respect of forward foreign exchange contracts		
	Purchase	141,737,895	118,183,587
	Sale	135,602,018	82,377,560
		<u>277,339,913</u>	<u>200,561,147</u>
	The above commitments have maturities falling within one year.		
24.2.2	Commitments in respect of forward government securities transactions		
	Purchase	10,000,000	-
	Sale	-	204,610,000
		<u>10,000,000</u>	<u>204,610,000</u>
24.2.3	Commitments in respect of forward non government securities transactions		
	Purchase	76,655	36,455
	Sale	801,625	494,083
		<u>878,280</u>	<u>530,538</u>
25.2.4	Undrawn loan commitments		
	The Bank makes commitments to extend credit in the normal course of business but these being revocable commitments do not attract any significant penalty or the expense if the facility is unilaterally withdrawn, other than commitments in respect of syndicated long term financings amounting to Rs 20,360,925 thousand (2024: Rs 26,578,628 thousand).		
24.3	Other contingent liabilities		
	These represent certain claims by third parties against the Bank, which are being contested in the Courts of law. Based on legal advice and / or internal assessment, management is confident that the matters will be decided in Bank's favour and the possibility of any outcome against the Bank is remote and accordingly no provision has been made in these condensed interim unconsolidated financial statements.	475,017	474,328
	This represents stand by letters of credit issued by a correspondent bank on behalf of the Bank.	883,811	1,056,666
		<u>1,358,828</u>	<u>1,530,994</u>

25. **DERIVATIVE INSTRUMENTS**

The Bank at present does not offer derivative products such as Interest Rate Swaps, Cross Currency Swaps, Forward Rate Agreements or Foreign Exchange Options. The Bank's Treasury and Investment Banking Groups buy and sell derivative instruments such as Forward Exchange Contracts (FECs) and Equity Futures (EFs).

		(Un-audited)	
		Period ended March 31, 2025	Period ended March 31, 2024
26.	MARK-UP / RETURN / INTEREST EARNED	(Rupees in '000)	
	On:		
	Loans and advances	18,947,834	33,816,933
	Investments	55,851,266	65,772,362
	Lendings to financial institutions	150,736	353,933
	Balances with banks	187,840	271,492
	Securities purchased under resale agreements (Reverse Repo)	315,567	226,671
	Amortization under IFRS-9	395,308	-
		<u>75,848,551</u>	<u>100,441,391</u>
27.	MARK-UP / RETURN / INTEREST EXPENSED		
	On:		
	Deposits	25,273,123	45,664,095
	Borrowings	27,457,668	39,886,806
	Subordinated debts	399,877	682,347
	Cost of FX swaps against foreign currency deposits / borrowings	326,454	992,402
	Interest expense on lease liability against ROU assets	433,995	351,765
	Fair value loss on recognition of financial asset at fair value - note 16.1	129,787	-
		<u>54,020,904</u>	<u>87,577,415</u>
28.	FEE AND COMMISSION INCOME		
	Branch banking customer fees	262,207	224,799
	Consumer finance related fees	29,700	19,820
	Card related fees (debit and credit cards)	505,215	410,474
	Credit related fees	138,506	128,344
	Investment banking fees	20,735	75,884
	Commission on trade	270,942	376,932
	Commission on guarantees	322,679	390,851
	Commission on remittances including home remittances	15,743	62,431
	Commission on cash management	15,635	20,645
	Commission on bancassurance	7,273	7,381
	Others	10,714	14,203
		<u>1,599,349</u>	<u>1,731,764</u>
29.	GAIN / (LOSS) ON SECURITIES - NET		
	Realised - note 29.1	983,313	292,743
	Unrealised loss on securities measured at FVTPL	(151,225)	(17,551)
		<u>832,088</u>	<u>275,192</u>
29.1	Realised gain / (loss) on:		
	Federal Government Securities	960,932	150,843
	Shares	22,381	125,476
	Non Government Debt Securities	-	16,424
		<u>983,313</u>	<u>292,743</u>

		(Un-audited)	
		Period ended March 31, 2025	Period ended March 31, 2024
30.	OTHER INCOME	(Rupees in '000)	
	(Loss) / gain on sale of property and equipment	20,798	(226)
	Rent of lockers	13,882	13,447
	Recovery of expenses from customers	112,366	85,638
	Gain / (Loss) on termination of lease contracts under IFRS - 16 Leases	1,638	(2,348)
	Amortization of deferred liability under IFRS 9	28,222	-
		<u>176,906</u>	<u>96,511</u>
31.	OPERATING EXPENSES		
	Total compensation expenses - note 31.1	5,082,008	3,975,209
	Property expense		
	Rent and taxes	40,655	39,388
	Insurance	31,579	28,847
	Utilities cost	336,539	384,730
	Security cost	319,929	201,625
	Repair & maintenance	146,119	130,989
	Depreciation on right-of-use assets	549,368	572,269
	Depreciation	96,168	68,283
		<u>1,520,357</u>	<u>1,426,131</u>
	Information technology expenses		
	Software maintenance	264,962	262,986
	Hardware maintenance	45,752	56,157
	Depreciation	141,559	82,465
	Amortisation	55,818	52,588
	Network charges	98,142	86,064
		<u>606,233</u>	<u>540,260</u>
	Other operating expenses		
	Directors' fees, allowances	16,160	9,280
	Fees and allowances to shariah board	2,968	2,386
	Rates, taxes, insurance etc.	40,655	35,811
	Legal and professional charges	40,125	22,524
	Brokerage and commission	76,167	64,477
	NIFT clearing charges	33,392	25,851
	Repair and maintenance	255,610	208,310
	Communications	682,531	516,854
	Stationery and printing	249,341	167,412
	Marketing, advertisement and publicity	79,285	64,802
	Auditors' remuneration	15,155	17,396
	Travelling, conveyance and entertainment	128,742	129,999
	Depreciation	199,020	150,421
	Security service charges	183,201	190,435
	Training and development	16,656	9,262
	Deposit premium expense	246,481	175,580
	Outsourced service cost	200,130	138,413
	Other expenditure	120,713	107,586
		<u>2,586,332</u>	<u>2,036,799</u>
		<u>9,794,930</u>	<u>7,978,399</u>
31.1	Total compensation expense		
	Managerial remuneration	3,873,871	3,117,838
	Charge for defined benefit / contribution plan	282,857	235,949
	Other staff cost - note 31.1.1	529,972	621,422
	Amortisation under IFRS-9	395,308	-
		<u>5,082,008</u>	<u>3,975,209</u>
31.1.1	Other staff cost includes incentive to consumer sales staff, dearness allowance, cash handling allowance, staff group insurance, provision for severance etc.		

32. This represents penalties imposed by the State Bank of Pakistan.

	(Un-audited)	
	Period ended March 31, 2025	Period ended March 31, 2024
33. CREDIT LOSS ALLOWANCE / PROVISIONS AND WRITE OFFS - NET	(Rupees in '000)	
(Reversal) of credit loss allowance / provision charge against investments	89,028	(301,549)
Credit loss allowance / provision charge against loans and advances	(555,637)	1,316,050
Credit loss allowance / (reversal of provision) against other assets	(9,172)	247,031
Reversal of credit loss allowance / provision against lendings to financial institutions	(5,453)	(348)
Credit loss allowance against off-balance sheet obligations	759,242	(61,382)
(Reversal) of credit loss allowance / provision charge against cash and bank balances	465	(12)
Recovery of written off / charged off bad debts	(22,675)	(26,117)
	<u>255,798</u>	<u>1,173,673</u>
34. TAXATION		
Current	7,677,809	3,835,902
Deferred	410,779	(211,713)
	<u>8,088,588</u>	<u>3,624,189</u>
34.1 Tax status and contingencies		

i) During the year ended December 31 2023, the Federal Government issued S.R.O 1588 (I)/2023 on 21 November 2023 under section 99D of the Income Tax Ordinance 2001, whereby the banking sector was specified the sector for the payment of additional tax on windfall income. Through said S.R.O, the Federal Government also specified the method to determine windfall income, tax rate to be applied on such windfall income and tax years under scope. The Bank has challenged the S.R.O through petition before the Honourable Islamabad High Court with regards to retrospective application of Section 99D of the Income Tax Ordinance, 2001 for tax years 2022 and 2023. The Honourable Islamabad High Court through its order dated 30 November 2023 has suspended the operation of S.R.O.1588 (I)/2023 and the said injunctive order continues to operate till date of next hearing for which no date has been fixed yet. Management based on the legal advisor opinion believes that the bank has reasonably good chance to succeed in this case and therefore has not recognized any provision in the financial statements. Additional tax on windfall income for tax years 2022 and 2023 is estimated to be Rs. 2,189 million.

ii) The Bank has filed tax returns for and up to tax year 2024. The assessments for and up to tax year 2024 were amended by the tax authorities creating accumulated additional tax demand, mainly in the matters of admissibility of recoveries against doubtful debts for Rs 1,497 million, provision for diminution in the value of investments for Rs 3,144.44 million, bad debts written off for Rs 242.892 million, provision for substandard advances for Rs 74.95 million, Provision against other assets/fixed assets for Rs 147.03 million, disallowance of employee benefit expenses Rs 484.96 million, disallowance of depreciation on lease assets Rs 1,618.09 and other disallowances of expenses/credits for Rs 1390.50 million. Bank's appeals against these orders are currently pending before Commissioner Appeals, Appellate Tribunal and Islamabad High Court. The management and tax advisor of the Bank are confident that these matters will be decided in favor of the Bank and consequently no provision has been made thereon. Tax payments by the Bank against certain matters are being carried forward as receivable, as management and tax advisor of the Bank are confident of their realization.

iii) Consequent upon the amalgamation with and into the Bank, the outstanding tax issues relating to Askari Leasing Limited (ALL) are as follows:

Tax returns of ALL have been filed for and up to tax year 2010. The returns for the tax years 2003 to 2010 were amended by the tax authorities mainly in the matter of admissibility of initial allowance claimed on leased vehicles. On appeals filed by ALL, partial relief was provided by the CIR(A) by allowing initial allowance on commercial vehicles. Re-assessment has not yet been carried out by the tax department. A tax demand is however not likely to arise after re-assessment.

For and up to the assessment years 2002–2003, reference applications filed by the tax authorities in the matter of computation of lease income are pending decisions by the High Court. However, the likelihood of an adverse decision is considered low due to a favorable decision of the High Court in a parallel case.

	(Un-audited)	(Audited)
	Period ended March 31, 2025	Period ended December 31, 2024
35. BASIC AND DILUTED EARNINGS PER SHARE		
Profit for the period - Rupees in '000	<u>7,122,716</u>	<u>3,715,058</u>
Weighted average number of Ordinary Shares - numbers	<u>1,449,299,207</u>	<u>1,449,299,207</u>
Basic earnings per share - Rupees	<u>4.91</u>	<u>2.56</u>

There is no dilutive effect on the basic earnings per share of the Bank, therefore dilutive earnings per share have not been presented separately.

36. FAIR VALUE MEASUREMENTS

The fair value of quoted securities other than those classified as Amortised Cost, is based on quoted market price. Quoted securities classified as Amortised Cost are carried at cost. The fair value of unquoted equity securities, other than investments in associates and subsidiaries, is determined using valuation techniques / valuation models. The inputs to these models are taken from observable markets where possible and where this is not possible, estimation is required in establishing fair values.

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

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

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

36.1 Fair value of financial assets

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 (Pakistan Stock Exchange) 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) available at MUFAP and Reuters page.
- Level 3: Fair value measurements using input for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

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

Federal Government Securities	The fair values of Federal Government Securities are determined on the basis of rates / prices sourced from Reuters.
Non Government Debt Securities	Non Government Debt Securities are valued on the basis of rates announced by Mutual Fund Association of Pakistan (MUFAP).
Foreign Government Debt Securities	Foreign Government Debt Securities are valued on the basis of rates taken from custodian of the securities which are usually drawn from Bloomberg.
Unit of Mutual Funds	Fair values of mutual funds are determined based on their net asset values as published at the close of reporting period.
Forward foreign exchange contracts and Forward Government securities transactions	The fair values of forward foreign exchange contracts and forward Government securities transactions are determined using forward pricing calculations.
Fixed Assets and Non Banking Assets Acquired in Satisfaction of Claims	Land and Non Banking assets acquired in satisfaction of claims are valued on a periodic basis using professional valuers. The valuation is based on their assessments of the market value of the assets.
Unquoted equity securities	Fair value is determined using valuation techniques / valuation models. The inputs to these models are taken from observable markets where possible and where this is not possible, estimation is required in establishing fair values.

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

	March 31, 2025 (Un-audited)				
	Carrying / Notional Value	Level 1	Level 2	Level 3	Total
(Rupees in '000)					
On balance sheet financial instruments					
Financial assets - measured at fair value					
Investments					
Federal Government Securities	1,572,625,194	9,286,167	1,563,339,027	-	1,572,625,194
Shares	10,080,775	10,080,775	-	-	10,080,775
Units of open end mutual funds	2,754,270	1,426,984	1,327,286	-	2,754,270
Fully paid preference shares	25,989	25,989	-	-	25,989
Non Government Debt Securities	13,499,934	-	13,499,934	-	13,499,934
	<u>1,598,986,162</u>	<u>20,819,915</u>	<u>1,578,166,247</u>	<u>-</u>	<u>1,598,986,162</u>

Financial assets - disclosed but not measured at fair value

Investments					
Federal Government Securities	50,585,561	2,620,793	47,964,768	-	50,585,561
Unlisted shares	612,287	-	612,287	-	612,287
Subsidiaries	1,196,700	-	-	-	-
Lendings to financial institutions	25,905,155	-	-	-	-
Cash and balances with treasury banks	134,828,727	-	-	-	-
Balances with other banks	16,979,461	-	-	-	-
Advances	551,128,689	-	-	-	-
Other assets	112,631,351	-	-	-	-
	<u>893,867,931</u>	<u>2,620,793</u>	<u>48,577,055</u>	<u>-</u>	<u>51,197,848</u>

Off-balance sheet financial instruments - measured at fair value

Forward purchase of foreign exchange	<u>141,737,895</u>	<u>-</u>	<u>71,588</u>	<u>-</u>	<u>71,588</u>
Forward sale of foreign exchange	<u>135,602,018</u>	<u>-</u>	<u>58,257</u>	<u>-</u>	<u>58,257</u>

	December 31, 2024 (Audited)				
	Carrying / Notional Value	Level 1	Level 2	Level 3	Total
(Rupees in '000)					

On balance sheet financial instruments

Financial assets - measured at fair value

Investments					
Federal Government Securities	1,432,008,563	6,979,571	1,425,028,992	-	1,432,008,563
Shares	9,385,993	9,385,993	-	-	9,385,993
Units of open end mutual funds	2,940,009	1,590,038	1,349,971	-	2,940,009
Fully paid preference shares	23,489	23,489	-	-	23,489
Non Government Debt Securities	14,031,394	-	14,031,394	-	14,031,394
	<u>1,458,389,448</u>	<u>17,979,091</u>	<u>1,440,410,357</u>	<u>-</u>	<u>1,458,389,448</u>

Financial assets - disclosed but not measured at fair value

Investments					
Federal Government Securities	49,809,613	2,611,283	47,198,330	-	49,809,613
Unlisted Shares	350,000	-	-	-	-
Cash and balances with treasury banks	133,505,285	-	-	-	-
Balances with other banks	10,776,034	-	-	-	-
Lendings to financial institutions	4,567,619	-	-	-	-
Advances	695,758,143	-	-	-	-
Other assets	85,102,624	-	-	-	-
	<u>979,869,318</u>	<u>2,611,283</u>	<u>47,198,330</u>	<u>-</u>	<u>49,809,613</u>

Off-balance sheet financial instruments - measured at fair value

Forward purchase of foreign exchange	<u>118,183,587</u>	<u>-</u>	<u>(1,602,237)</u>	<u>-</u>	<u>(1,602,237)</u>
Forward sale of foreign exchange	<u>82,377,560</u>	<u>-</u>	<u>937,767</u>	<u>-</u>	<u>937,767</u>

The Bank's policy is to recognize transfers into and out of the different fair value hierarchy levels at the date the event or change in circumstances that caused such transfer to takes place. There were no transfers between levels 1 and 2 during the year.

	(Un-audited)	(Audited)
	March 31, 2025	December 31, 2024
(Rupees in '000)		
	Level 2	Level 2
36.2 Fair value of non-financial assets		
Fixed assets		
Property and equipment (freehold and leasehold land)	13,238,392	13,238,392
Assets held for sale	1,750,000	1,750,000
Other assets		
Non-banking assets acquired in satisfaction of claims	985,331	991,121

37. Segment Information

37.1 Segment details with respect to Business Activities

The segment analysis with respect to business activity is as follows:

	March 31, 2025 (Un-audited)						
	Branch banking	Corporate banking	Treasury	Consumer banking	Islamic banking	Foreign operations	Head Office / others
	(Rupees in '000)						
Profit and loss							
Net mark-up / return / profit	(18,336,188)	10,377,464	26,613,732	1,051,301	2,407,618	266,029	(552,309)
Inter segment revenue - net	28,225,621	(8,312,669)	(19,952,814)	(593,277)	(101,342)	(73,227)	807,708
Non mark-up / return / interest income	693,088	946,993	1,482,532	134,365	189,201	2,819	141,833
Total income	10,582,521	3,011,788	8,143,450	592,389	2,495,477	195,621	397,232
Segment direct expenses	5,087,490	208,681	112,124	510,849	1,304,411	72,707	2,655,114
Inter segment expense allocation	(128,961)	(58,682)	116	2,630	-	-	184,897
Total expenses	4,958,529	149,999	112,240	513,479	1,304,411	72,707	2,840,011
Credit loss allowance	(122,833)	281,794	-	8,327	87,700	-	810
Profit before tax	5,746,825	2,579,995	8,031,210	70,583	1,103,366	122,914	(2,443,589)
	March 31, 2025 (Un-audited)						
	Branch banking	Corporate banking	Treasury	Consumer banking	Islamic banking	Foreign operations	Head Office / others
	(Rupees in '000)						
Statement of financial position							
Cash and bank balances	51,518,326	-	87,064,947	-	13,129,002	95,913	-
Investments	9	8,149,165	1,542,110,191	-	83,898,830	15,512,787	1,709,728
Lendings to financial institutions	-	-	18,651,133	-	-	7,254,022	-
Advances - performing - net of loss allowance	16,283,614	419,870,708	-	22,088,949	77,061,680	9,650,912	4,632,683
Advances - non-performing - net of loss allowance	242,378	907,103	-	44,242	346,420	-	-
Others	1,214,254	34,587,093	70,761,684	1,699,362	14,453,334	478,299	52,193,903
Total Assets	69,258,581	463,514,069	1,718,587,955	23,832,553	188,889,266	32,991,933	58,536,314
Borrowings	1,384,679	29,163,512	893,777,247	4,127,855	10,013,255	-	-
Subordinated debts	-	-	-	-	-	-	12,000,000
Deposits and other accounts	1,068,007,322	189,439,399	-	3,200	128,107,208	2,094,515	-
Lease liabilities	-	-	-	-	-	-	14,694,150
Net inter segment balances - net	(1,013,185,472)	212,243,304	816,139,133	18,479,361	32,854,358	27,063,551	(93,594,235)
Others	13,052,052	32,667,854	8,671,575	1,222,137	8,598,076	3,833,867	12,045,383
Total liabilities	69,258,581	463,514,069	1,718,587,955	23,832,553	179,572,897	32,991,933	(54,854,702)
Equity	-	-	-	-	9,316,369	-	113,391,015
Total Equity and liabilities	69,258,581	463,514,069	1,718,587,955	23,832,553	188,889,266	32,991,933	58,536,314
Contingencies and commitments	25,301,045	407,818,510	287,339,913	883,811	16,160,037	-	976,159
	March 31, 2024 (Un-audited)						
	Branch banking	Corporate banking	Treasury	Consumer banking	Islamic banking	Foreign operations	Head Office / others
	(Rupees in '000)						
Profit and loss							
Net mark-up / return / profit	(29,529,102)	13,610,159	23,523,158	1,228,319	4,381,460	485,879	(835,897)
Inter segment revenue - net	37,481,239	(13,039,365)	(24,612,379)	(937,130)	(2,701,923)	(296,992)	4,106,550
Non mark-up / return / interest income	618,559	1,187,071	1,562,700	123,302	230,836	1,816	38,437
Total income	8,570,696	1,757,865	473,479	414,491	1,910,373	190,703	3,309,090
Segment direct expenses	4,395,346	286,640	112,943	441,283	917,447	71,065	1,889,053
Inter segment expense allocation	210,346	259,916	2,295	7,855	-	-	(480,412)
Total expenses	4,605,692	546,556	115,238	449,138	917,447	71,065	1,408,641
Provisions	(23,345)	61,796	50,993	(57,711)	1,352,654	(362,112)	151,398
Profit before tax	3,988,349	1,149,513	307,248	23,064	(359,728)	481,750	1,749,051
	December 31, 2024 (Audited)						
	Branch banking	Corporate banking	Treasury	Consumer banking	Islamic banking	Foreign operations	Head Office / others
	(Rupees in '000)						
Statement of financial position							
Cash and bank balances	36,921,143	-	95,246,945	-	12,029,791	83,440	-
Investments	-	8,134,146	1,408,084,327	-	82,416,700	9,590,854	1,519,734
Advances - performing - net of provision	17,604,851	580,061,857	-	23,598,799	67,142,842	552,952	4,649,058
Advances - non-performing - net of provision	333,254	1,393,713	-	32,399	388,418	-	-
Others	1,464,361	38,653,942	46,866,118	1,764,432	10,232,932	216,903	44,822,676
Total Assets	56,323,609	628,243,658	1,550,197,390	25,395,630	176,778,302	10,444,150	50,991,468
Borrowings	1,518,088	31,799,065	826,098,845	4,252,855	5,543,557	-	-
Subordinated debts	-	-	-	-	-	-	12,000,000
Deposits and other accounts	988,117,223	239,485,532	-	3,200	135,125,206	1,003,954	-
Net inter segment balances - net	(980,501,293)	328,179,440	708,893,021	20,469,236	(5,153,532)	9,347,574	(81,234,446)
Others	47,189,591	28,779,621	15,205,524	670,339	16,292,345	92,622	23,568,081
Total liabilities	56,323,609	628,243,658	1,550,197,390	25,395,630	151,807,576	10,444,150	(45,666,365)
Equity	-	-	-	-	24,970,726	-	96,657,833
Total Equity and liabilities	56,323,609	628,243,658	1,550,197,390	25,395,630	176,778,302	10,444,150	50,991,468
Contingencies and commitments	6,946,750	508,539,842	405,171,147	1,056,666	27,012,469	-	1,028,949

RELATED PARTY TRANSACTIONS

Fauji Consortium comprising of Fauji Foundation and Fauji Fertilizer Company Limited (the Parent) holds 71.91% of the Bank's share capital at the period end. The Bank has related party relationships with entities under common directorship, its directors, key management personnel, entities over which the directors are able to exercise significant influence and employees' funds.

The Bank 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 and balances are as follows:

	As at March 31, 2025 (Un-audited)				As at December 31, 2024 (Audited)					
	Parent	Directors	Key management personnel & their relatives	Subsidiaries	Other related parties	Parent	Directors	Key management personnel & their relatives	Subsidiary	Other related parties
Rupees in '000										
Investments										
Opening balance	-	-	-	1,196,700	4,283,287	-	-	-	196,700	1,420,050
Investment made during the period / year	-	-	-	-	-	-	-	-	1,000,000	-
Investment redeemed / disposed off during the period / year	-	-	-	-	-	-	-	-	-	(500,000)
Revaluation adjustment	-	-	-	-	6,143	-	-	-	-	1,346,252
Transfer in / (out) - net	-	-	-	-	-	-	-	-	-	2,016,985
Closing balance	-	-	-	1,196,700	4,289,430	-	-	-	1,196,700	4,283,287
ECL / provision for diminution in value of investments										
-	-	-	-	-	-	-	-	-	-	898,458
Advances										
Opening balance	17,970,281	1,292	266,834	71,926	13,638,055	8,108,881	-	496,686	86,678	25,003,594
Addition during the period / year	121,453,650	8,345	17,792	-	10,516,667	1,196,156,040	25,076	169,998	837,248	258,248,620
Repaid during the period / year	(134,352,609)	(4,460)	(19,923)	(71,926)	(10,386,319)	(1,186,294,641)	(23,784)	(112,135)	(852,000)	(257,568,925)
Transfer in / (out) - net	-	(83)	(3,614)	-	(1,917,520)	-	-	(287,715)	-	(12,045,234)
Closing balance	5,071,322	5,094	261,089	-	11,850,883	17,970,281	1,292	266,834	71,928	13,638,055
ECL held against advances										
-	287	12	236	-	1,865,660	2,191	-	1,452	141	3,150,241
Other Assets										
Interest / mark-up receivable	265,845	35	42,806	-	241,566	66,417	-	49,135	-	151,802
Advance rent	428	-	-	-	-	999	-	-	-	-
Acceptances	-	-	-	-	327,895	3,837	-	-	-	424,116
Receivable from staff retirement fund	-	-	-	-	281,438	-	-	-	-	424,395
Others	-	-	-	133,116	-	106	-	-	92,412	-
Borrowings										
Opening balance	-	-	-	-	4,252,855	-	-	-	-	2,992,873
Borrowings during the period	-	-	-	-	-	-	-	-	-	2,000,000
Settled during the period	-	-	-	-	(125,000)	-	-	-	-	(740,018)
Closing balance	-	-	-	-	4,127,855	-	-	-	-	4,252,855
Deposits and other accounts										
Opening balance	18,698,701	43,251	234,398	884,611	25,168,932	39,101,224	63,502	299,420	350,869	49,059,956
Received during the period / year	222,483,227	102,065	256,829	13,023,041	165,862,152	1,251,319,810	545,392	1,008,533	23,085,691	1,375,477,575
Withdrawn during the period / year	(216,826,556)	(112,843)	(208,450)	(12,909,601)	(160,487,102)	(1,271,722,333)	(523,615)	(973,309)	(22,551,949)	(1,404,518,301)
Transfer in / (out) - net	-	6,898	(150,934)	-	35,020	-	(42,028)	(100,246)	-	5,149,701
Closing balance	24,355,372	39,371	131,843	998,052	30,579,001	18,698,701	43,251	234,398	884,611	25,168,932
Other Liabilities										
Interest / mark-up payable	1,293,579	87	693	6,243	370,938	821,174	-	4	-	802,755
Acceptances	-	-	-	-	327,895	-	-	-	-	-
Security deposits payable	-	-	-	-	649,523	-	-	-	-	597,202
Others	-	-	37,677	-	33,071	-	-	57,965	1,740	12,035
Guarantees and Commitments										
Guarantees and Commitments	1,899,289	-	-	-	7,690,289	3,983,736	-	-	-	6,182,135
Others										
Dividend paid	3,126,673	-	-	-	-	2,605,561	-	-	-	-
Commitment in respect of Government securities transactions	-	-	-	-	-	17,560,000	-	-	-	6,500,000
Securities held as custodian	29,900,000	9,000	23,600	518,500	11,997,080	27,810,000	-	9,600	500,000	17,905,460

39. CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

	(Un-audited) March 31, 2025	(Audited) December 31, 2024
	(Rupees in '000)	
Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	14,492,992	14,492,992
Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier 1 (CET 1) Capital	107,930,701	105,772,562
Eligible Additional Tier 1 (ADT 1) Capital	6,000,000	6,000,000
Total Eligible Tier 1 Capital	113,930,701	111,772,562
Eligible Tier 2 Capital	19,750,443	21,952,000
Total Eligible Capital (Tier 1 + Tier 2)	133,681,144	133,724,562
Risk Weighted Assets (RWAs):		
Credit Risk	432,186,924	419,874,894
Market Risk	57,371,879	79,618,578
Operational Risk	125,480,495	125,480,495
Total	615,039,297	624,973,967
Common Equity Tier 1 Capital Adequacy ratio	17.55%	16.92%
Tier 1 Capital Adequacy Ratio	18.52%	17.88%
Total Capital Adequacy Ratio	21.74%	21.40%
Leverage Ratio (LR):		
Eligible Tier-1 Capital	113,930,701	111,772,562
Total Exposures	3,290,401,219	3,118,234,947
Leverage Ratio	3.46%	3.58%
Liquidity Coverage Ratio (LCR):		
Total High Quality Liquid Assets	926,157,208	758,341,064
Total Net Cash Outflow	480,346,192	348,499,703
Liquidity Coverage Ratio	192.81%	217.60%
Net Stable Funding Ratio (NSFR):		
Total Available Stable Funding	1,293,738,253	1,412,569,464
Total Required Stable Funding	591,236,569	665,336,800
Net Stable Funding Ratio	218.82%	212.31%

40. Islamic Banking Business

The Bank is operating 198 Islamic banking branches including 4 sub-branches at March 31, 2025 as compared to 198 Islamic banking branches including 4 sub-branches at year ended December 31, 2024.

		(Un-audited)	(Audited)
		March 31, 2025	December 31, 2024
	Note	(Rupees in '000)	
ASSETS			
Cash and balances with treasury banks		12,225,923	11,820,698
Balances with other banks		903,079	209,093
Due from financial Institutions	40.1	-	4,567,619
Investments	40.2	87,505,692	82,416,700
Islamic financing and related assets - net	40.3	77,414,533	67,531,260
Property and Equipment		1,489,540	1,217,567
Right-of-use assets'		3,134,861	2,894,186
Other assets		11,168,040	11,271,226
Total assets		193,841,668	181,928,349
LIABILITIES			
Bills payable		2,883,152	8,005,916
Due to financial institutions		10,013,256	5,543,557
Deposits and other accounts	40.4	128,107,208	135,125,206
Due to head office		18,500,000	-
Lease liabilities		3,641,981	3,316,267
Other liabilities		5,685,816	4,966,677
		168,831,413	156,957,623
NET ASSETS		25,010,255	24,970,726
REPRESENTED BY			
Islamic Banking Fund		4,600,000	4,600,000
Deficit on revaluation of assets		36,431	1,100,268
Unappropriated profit	40.5	20,373,824	19,270,458
		25,010,255	24,970,726
CONTINGENCIES AND COMMITMENTS	40.6	17,281,531	27,012,469

The profit and loss account of the Bank's Islamic banking branches for the quarter ended March 31, 2025 is as follows

		(Un-audited) For the quarter ended March 31, 2025	March 31, 2024
	Note	(Rupees in '000)	
Profit / return earned	40.8	4,880,233	7,784,518
Profit / return expensed	40.9	2,573,957	6,104,981
Net Profit / return		2,306,276	1,679,537
Other income			
Fee and Commission Income		99,579	97,724
Dividend Income		-	4,824
Foreign Exchange Income		21,718	88,712
Gain on securities		28,714	9,208
Other Income		59,234	30,368
Total other income		209,245	230,836
Total Income		2,515,521	1,910,373
Other expenses			
Operating expenses		1,325,350	917,447
Other charges		22	-
Total other expenses		1,325,372	917,447
Profit before credit loss allowance		1,190,149	992,926
Credit loss allowance / provisions and write offs - net		86,783	1,352,654
Profit before taxation		1,103,366	(359,728)

40.1 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)			(Rupees in '000)		
Secured	-	-	-	-	-	-
Unsecured	-	-	-	1,500,000	-	1,500,000
Bai Muajjal Receivable from other Financial Institutions	-	-	-	3,068,218	-	3,068,218
Bai Muajjal Receivable from State Bank of Pakistan	-	-	-	-	-	-
	-	-	-	4,568,218	-	4,568,218
Less: Credit Loss Allowance						
Stage 1	-	-	-	599	-	599
Stage 2	-	-	-	-	-	-
Stage 3	-	-	-	-	-	-
	-	-	-	599	-	599
Due from financial institutions - net of credit loss allowance	-	-	-	4,567,619	-	4,567,619

40.2 Investments by segments:	March 31, 2025 (Un-audited)				December 31, 2024 (Audited)			
	Cost / amortized cost	Credit loss allowance	Surplus / (deficit)	Carrying value	Cost / amortized cost	Provision for diminution	Surplus / (deficit)	Carrying value
	(Rupees in '000)							
Debt Instruments								
Classified / Measured at amortised cost								
/ Held to maturity								
Non Government Debt Securities	110,000	(110,000)	-	-	110,000	(110,000)	-	-
Classified / Measured at Fair value through other comprehensive income								
/ Available for sale								
Federal Government Securities:	-	-	-	-	-	-	-	-
- Ijarah Sukuks	81,020,207	-	36,431	81,056,638	71,548,522	-	1,100,268	72,648,790
Non Government Debt Securities	3,605,826	(154,372)	-	3,451,454	4,105,826	(155,408)	-	3,950,418
	84,626,033	(154,372)	36,431	84,508,092	75,654,348	(155,408)	1,100,268	76,599,208
Classified / Measured at Fair Value through profit and loss								
/ Held for trading								
Non Government Debt Securities	2,066,000	-	-	2,066,000	2,066,000	-	(25,815)	2,040,185
Islamic Naya Pakistan Certificates	819,490	-	-	819,490	3,668,096	-	-	3,668,096
Units of Open end Mutual Fund	100,000	-	12,110	112,110	100,000	-	9,211	109,211
Total investments	87,721,523	(264,372)	48,541	87,505,692	81,598,444	(265,408)	1,083,664	82,416,700

40.2.1 Particulars of credit loss allowance / provision	March 31, 2025 (Un-audited)				December 31, 2024 (Audited)			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	(Rupees in '000)							
Federal Government Securities	-	-	-	-	-	-	-	-
Non Government Debt Securities	4,372	-	260,000	264,372	5,408	-	260,000	265,408
	4,372	-	260,000	264,372	5,408	-	260,000	265,408

	(Un-audited) March 31, 2025	(Audited) December 31, 2024
40.3 ISLAMIC FINANCING AND RELATED ASSETS	(Rupees in '000)	
Ijarah	3,769,491	4,086,226
Murabaha - note 40.3.1	5,053,852	6,412,849
Musharakah	14,251,642	11,380,383
Diminishing Musharakah	22,863,927	22,577,271
Salam	13,094,432	7,746,593
Istisna	7,403,974	5,985,000
Receivable against sale of Istisna / Salam Inventory	1,781,596	1,802,497
Service Ijarah	1,982,066	2,076,088
Wakalah	1,240,905	1,427,744
Other Islamic Modes (Qard)	1,473,544	1,497,385
Advances against Islamic assets - note 40.3.2	4,210,912	4,107,973
Inventory related to Islamic financing - note 40.3.3	4,640,428	2,706,498
Gross Islamic financing and related assets	81,766,769	71,806,507
Less: Credit loss allowance / provision against Islamic financings		
- Stage 1	192,639	152,428
- Stage 2	104,350	79,586
- Stage 3	4,055,247	4,043,233
	4,352,236	4,275,247
Islamic financing and related assets - net of Credit loss allowance / provision	77,414,533	67,531,260

40.3.1 Includes advance against Murabaha of Rs.139,053 thousand (December 31, 2024: Rs.384,018 thousand).

40.3.2 Advance against Islamic assets

	Ijarah	Musawamah	Diminishing Musharakah	Salam	Istisna	Total
	(Rupees in '000)					
March 31, 2024 (Un-audited)	390,056	-	3,820,856	-	-	4,210,912
December 31, 2024 (Audited)	208,120	-	3,899,853	-	-	4,107,973

40.3.3 Inventory related to Islamic financing

	Ijarah	Musawamah	Diminishing Musharakah	Salam	Istisna	Total
	(Rupees in '000)					
March 31, 2024 (Un-audited)	-	-	-	2,043,930	2,596,498	4,640,428
December 31, 2024 (Audited)	-	135,000	-	826,014	1,745,484	2,706,498

	(Un-audited)	(Audited)
	March 31,	December 31,
	2025	2024
	(Rupees in '000)	
40.4 DEPOSITS AND OTHER ACCOUNTS		
<i>Customers</i>		
Current deposits - non remunerative	51,342,760	48,810,735
Current deposits - remunerative	1,762,439	1,775,224
Savings deposits	43,660,158	45,673,585
Term deposits	25,332,003	21,401,487
Others	328,198	262,498
	<u>122,425,558</u>	<u>117,923,529</u>
<i>Financial Institutions</i>		
Current deposits - non remunerative	50,028	416,917
Current deposits - remunerative	45,361	504,369
Savings deposits	521,261	7,924,891
Term deposits	5,065,000	8,355,500
	<u>5,681,650</u>	<u>17,201,677</u>
	<u>128,107,208</u>	<u>135,125,206</u>
40.5 ISLAMIC BANKING BUSINESS UNAPPROPRIATED PROFIT		
Opening balance	19,270,458	13,878,806
Less: Impact of IFRS-9 - adoption	-	(1,595,805)
Add: Islamic banking profit for the period	1,103,366	6,987,457
Closing Balance	<u>20,373,824</u>	<u>19,270,458</u>
40.6 CONTINGENCIES AND COMMITMENTS		
-Guarantees	7,331,222	11,583,306
-Commitments	9,950,309	15,429,163
	<u>17,281,531</u>	<u>27,012,469</u>
40.7 CHARITY FUND		
Opening balance	29,496	46,063
Additions during the period		
- Received from customers on delayed payments	7,895	40,848
- Non Shariah Compliant Income	-	-
- Profit on charity account	6	48
- Others	183	1,026
	8,084	41,922
Payments / utilization during the period		
- Education	-	-
- Relief related activities	-	(30,000)
- Health	-	(28,489)
- Orphanage	-	-
	-	(58,489)
Closing balance	<u>37,580</u>	<u>29,496</u>

		(Un-audited)	
		For the quarter ended	
		March 31,	March 31,
		2025	2024
		(Rupees in '000)	
40.8	PROFIT / RETURN EARNED ON FINANCING, INVESTMENTS AND PLACEMENTS		
	Profit earned on:		
	Financing	2,144,530	5,381,988
	Investments	2,700,005	2,363,236
	Placements	35,698	39,294
		<u>4,880,233</u>	<u>7,784,518</u>

40.9 **PROFIT ON DEPOSITS AND OTHER DUES EXPENSED**

Deposits and other accounts	1,879,144	3,160,294
Due to financial institutions	289,111	170,022
Due to head office	293,627	2,701,923
Lease liability against right-of-use assets	112,075	72,742
	<u>2,573,957</u>	<u>6,104,981</u>

41 **RECLASSIFICATION OF COMPARATIVE FIGURES**

Where necessary, corresponding figures have been regrouped to conform to the presentation of current period amounts. Further, the regrouping does not have an impact on previously reported condensed interim unconsolidated statement of financial position or profit and loss account.

42 **DATE OF AUTHORIZATION**

These unconsolidated condensed interim financial statements were authorized for issue by the Board of Directors on April 29, 2025.

Chief Financial Officer	President & Chief Executive Officer	Director	Director	Chairman
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CONDENSED INTERIM
CONSOLIDATED
FINANCIAL STATEMENTS

FOR THE THREE MONTHS PERIOD ENDED
MARCH 31, 2025

(UN-AUDITED)

ASKARI BANK LIMITED

Consolidated Condensed Interim Statement of Financial Position

As at March 31, 2025

		(Un-audited)	(Audited)
		March 31,	December 31,
		2025	2024
	Note	(Rupees in '000)	
ASSETS			
Cash and balances with treasury banks	6	134,869,636	133,535,449
Balances with other banks	7	18,628,677	12,958,886
Lendings to financial institutions	8	25,905,155	4,567,619
Investments	9	1,651,016,209	1,509,368,801
Advances	10	551,135,688	695,692,118
Property and equipment	11	22,396,592	21,834,904
Right-of-use assets	12	12,731,321	12,196,186
Intangible assets	13	1,856,299	1,849,778
Assets held for sale	14	1,750,000	1,750,000
Deferred tax assets	15	918,230	-
Other assets	16	136,746,475	107,627,956
Total Assets		2,557,954,282	2,501,381,697
LIABILITIES			
Bills payable	17	20,116,510	66,704,448
Borrowings	18	938,466,548	869,212,410
Deposits and other accounts	19	1,386,653,593	1,362,850,504
Lease liabilities	20	14,745,734	14,174,653
Deferred tax liabilities	15	-	737,821
Subordinated debts	21	12,000,000	12,000,000
Other liabilities	22	62,490,226	53,291,573
Total Liabilities		2,434,472,611	2,378,971,409
NET ASSETS		123,481,671	122,410,288
REPRESENTED BY			
Share capital		14,492,992	14,492,992
Reserves		87,412,526	74,690,127
Surplus on revaluation of assets - net of tax	23	14,331,454	16,235,737
Unappropriated profit		6,785,509	16,522,092
Non-Controlling interest		459,190	469,340
		123,481,671	122,410,288

CONTINGENCIES AND COMMITMENTS

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

Chief Financial Officer

President & Chief Executive Officer

Director

Director

Chairman

ASKARI BANK LIMITED

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

For the three months period ended March 31, 2025

		Three months ended	
		March 31, 2025	March 31, 2024
		(Rupees in '000)	
	Note		
Mark-up / return / interest earned	26	75,935,646	100,494,678
Mark-up / return / interest expensed	27	54,012,365	87,577,415
Net mark-up / interest income		21,923,281	12,917,263
Non mark-up / interest income			
Fee and commission income	28	1,764,213	1,832,084
Dividend income		234,051	178,230
Foreign exchange income		707,506	1,451,648
Gain / (loss) on securities - net	29	828,675	273,546
Other income	30	173,959	113,929
Total non-markup / interest income		3,708,404	3,849,437
Total income		25,631,685	16,766,700
Non mark-up / interest expenses			
Operating expenses	31	9,943,690	8,074,944
Workers' Welfare Fund		156,478	135,000
Other charges	32	1,446	378
Total non-markup / interest expenses		10,101,614	8,210,322
Profit before credit loss allowance and taxation		15,530,071	8,556,378
Credit loss allowance and write offs - net	33	255,798	1,173,673
Profit before taxation		15,274,273	7,382,705
Taxation	34	8,118,021	3,643,172
Profit after taxation		7,156,252	3,739,533
Profit after taxation attributable to			
Non-controlling interest		31,521	24,659
Equity holders of the Bank		7,124,731	3,714,874
		7,156,252	3,739,533
		Rupees	
Basic and diluted earnings per share	35	4.94	2.58

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

Chief Financial Officer

President & Chief Executive Officer

Director

Director

Chairman

ASKARI BANK LIMITED

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

For the three months period ended March 31, 2025

	Three months ended	
	March 31, 2025	March 31, 2024
	(Rupees in '000)	
Profit after taxation	7,156,252	3,739,533
Other comprehensive income		
Items that may be reclassified to profit and loss account in subsequent periods:		
Effect of translation of net investment in Wholesale Bank Branch Bahrain	32,024	(68,756)
Movement in surplus on revaluation of debt investments designated as FVOCI - net of tax	(2,267,293)	(769,760)
	(2,235,269)	(838,516)
Items that will not be reclassified to profit and loss account in subsequent periods:		
Movement in (deficit) / surplus on revaluation of equity investments designated as FVOCI - net of tax	539,277	(329,182)
Remeasurement gain on defined benefit plan	1,357	-
	540,634	(329,182)
Total comprehensive income	5,460,260	2,571,835
Total comprehensive income attributable to		
Non-controlling interest	32,186	24,659
Equity holders of the Bank	5,428,074	2,547,176
	5,460,260	2,571,835

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

Chief Financial Officer

President & Chief Executive Officer

Director

Director

Chairman

ASKARI BANK LIMITED

Consolidated Condensed Interim Statement of Changes in Equity (Un-audited)

For the three months period ended March 31, 2025

	Surplus / (deficit) on revaluation of									
	Share capital	Exchange translation reserve	Merger reserve	Statutory reserve	General reserve	Investments	Property & equipment / Non banking assets	Un-appropriated profit / (loss)	Non-Controlling Interest	Total
(Rupees in '000)										
14,492,992	1,912,226	128,355	17,748,529	38,066,642	(4,615,726)	10,825,685	14,862,242	376,698	93,797,643	
-	-	-	-	-	-	-	3,714,874	24,659	3,739,533	
-	(68,756)	-	-	-	(1,098,942)	-	-	-	(1,167,698)	
-	(68,756)	-	-	-	(1,098,942)	-	3,714,874	24,659	2,571,835	
-	-	-	371,506	-	-	-	(371,506)	-	-	
-	-	-	-	-	10,787,536	-	(10,787,536)	-	-	
-	-	-	-	-	-	-	(3,623,248)	(28,224)	(3,651,472)	
14,492,992	1,843,470	128,355	18,120,035	48,854,178	(5,714,668)	10,825,685	3,794,826	373,133	92,718,006	
Total comprehensive income for the nine months ended December 31, 2024										
Profit after taxation for the nine months ended December 31, 2024										
-	-	-	-	-	-	-	17,422,820	94,202	17,517,022	
-	18,574	-	-	-	11,204,745	142,282	807,654	2,005	12,175,260	
-	18,574	-	-	-	11,204,745	142,282	18,230,474	96,207	29,692,282	
-	-	-	1,730,761	-	-	-	(1,730,761)	-	-	
-	-	-	-	-	3,994,754	-	(3,994,754)	-	-	
-	-	-	1,730,761	-	3,994,754	-	(5,725,515)	-	-	
Gain on disposal of equity instruments measured at FVOCI - net of tax										
-	-	-	-	-	(222,307)	-	222,307	-	-	
14,492,992	1,862,044	128,355	19,850,796	52,848,932	5,267,770	10,967,967	16,522,092	469,340	122,410,288	
Total comprehensive income for the three months ended March 31, 2025										
-	-	-	-	-	-	-	7,124,731	31,521	7,156,252	
-	32,024	-	-	-	(1,728,016)	-	692	665	(1,694,635)	
-	32,024	-	-	-	(1,728,016)	-	7,125,423	32,186	5,461,617	
-	-	-	712,473	-	-	-	(712,473)	-	-	
-	-	-	-	-	11,977,902	-	(11,977,902)	-	-	
-	-	-	-	-	(176,267)	-	176,267	-	-	
-	-	-	-	-	-	-	(4,347,898)	(42,336)	(4,390,234)	
14,492,992	1,894,068	128,355	20,563,269	64,826,834	3,363,487	10,967,967	6,785,509	459,190	123,481,671	

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

Chief Financial Officer

President & Chief Executive Officer

Director

Director

Chairman

ASKARI BANK LIMITED

Consolidated Condensed Interim Cash Flow Statement (Un-audited)
For the three months period ended March 31, 2025

		Three months ended	
		March 31, 2025	March 31, 2024
		(Rupees in '000)	
Note			
	Cash flow from operating activities		
	Profit before taxation	15,274,273	7,382,705
	Less: dividend income	(234,051)	(178,230)
		15,040,222	7,204,475
	Adjustments:		
	Depreciation	440,671	301,169
	Amortization	56,062	52,588
	Depreciation on ROU assets	549,368	572,269
	Markup expense on lease liability against ROU assets	435,482	351,765
	Gain on termination of lease contracts under IFRS - 16 Leases	(1,638)	2,348
	Charge for defined benefit plan	166,302	137,826
33	Credit loss allowance and write offs - net	278,473	1,199,790
	Gain on sale of property and equipment	(17,851)	226
		1,906,869	2,617,981
		16,947,091	9,822,456
	(Increase) / decrease in operating assets		
	Lendings to financial institutions	(21,332,083)	(1,492,351)
	Securities classified as FVTPL	1,565,755	(5,288,809)
	Advances	145,112,067	(65,012,314)
	Other assets (excluding advance taxation)	(27,601,375)	(17,103,172)
		97,744,364	(88,896,646)
	Increase / (decrease) in operating liabilities		
	Bills payable	(46,587,938)	(2,243,171)
	Borrowings from financial institutions	69,254,138	186,467,101
	Deposits	23,803,089	8,565,491
	Other liabilities	8,969,736	1,810,700
		55,439,025	194,600,121
	Net cash flow generated from operations	170,130,480	115,525,931
	Payment made to defined benefit plan	(24,108)	(137,826)
	Income tax paid	(9,511,157)	(7,733,682)
	Net cash flow generated from operating activities	160,595,215	107,654,423
	Cash flow from investing activities		
	Net investments in securites measured at FVOCI / AFS	(148,084,649)	(112,948,490)
	Net investments in securites measured at amortized cost / HTM	618,813	(17,972,554)
	Dividend received	216,560	116,372
	Investments in property and equipment	(1,056,923)	(1,232,355)
	Investments in intangible assets	(63,072)	(70,283)
	Proceeds from sale of property and equipment	37,743	4,063
	Effect of translation of net investment in Wholesale Bank Branch	32,024	(68,755)
	Net cash flow used in investing activities	(148,299,505)	(132,172,002)
	Cash flow from financing activities		
	Payments against lease liabilities under IFRS 16	(988,614)	(539,997)
	Dividend paid to NCI	(42,336)	(28,224)
	Dividend paid	(4,260,782)	(3,621,859)
	Net cash flow used in financing activities	(5,291,732)	(4,190,080)
	(Decrease) / increase in cash and cash equivalents	7,003,978	(28,707,659)
	Cash and cash equivalents at beginning of the period	146,494,335	173,876,425
	Cash and cash equivalents at end of the period	153,498,313	145,168,766

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

Chief Financial Officer

President & Chief Executive Officer

Director

Director

Chairman

ASKARI BANK LIMITED

Notes to the Consolidated Condensed Interim Financial Statements (Un-audited)

For the three months period ended March 31, 2025

1. STATUS AND NATURE OF BUSINESS

Askari Bank Limited (the Bank) was incorporated in Pakistan on October 9, 1991 as a Public Limited Company and is listed on the Pakistan Stock Exchange. The registered office of the Bank is situated at AWT Plaza, the Mall, Rawalpindi. The Bank is a scheduled commercial bank and is principally engaged in the business of banking as defined in the Banking Companies Ordinance, 1962. The Fauji Consortium: comprising of Fauji Foundation (FF) and Fauji Fertilizer Company Limited (FFCL) collectively own 71.91 (2024: 71.91) percent shares of the Bank. The ultimate parent of the Bank is Fauji Foundation. The Bank has 720 branches (2024: 720 branches); 719 in Pakistan and Azad Jammu and Kashmir including 198 (2024: 198) Islamic Banking branches and 68 (2024: 68) sub-branches and a Wholesale Bank Branch (WBB) in the Kingdom of Bahrain.

The Honorable Sindh High Court vide its order dated March 13, 2023 approved the scheme of arrangement for amalgamation of Askari Securities Limited (ASL) inclusive of all properties, assets, rights, liabilities, trademarks, patents and obligations with and into Foundation Securities (Private) Limited (FSL), wholly owned by Fauji Foundation, as of the effective date of scheme i.e. July 01, 2021 against issuance of 27,140,000 ordinary shares of Rs. 10 each of FSL at par value (1.18 shares of FSL) against 1 share of ASL held by the Bank.

Earlier, the amalgamation was approved by the State Bank of Pakistan subject to the Bank holding atleast 51% equity stake in the post amalgamated FSL. Accordingly, subsequent to merger the Bank acquired 2,236,031 ordinary shares of Rs. 10 each of FSL to hold 51% equity stake in FSL.

The Group lost the control on 1 July 2021 and derecognized the assets and liabilities of ASL against the consideration received in the form of shares of FSL as per requirements of IFRS.

Foundation Securities (Private) Limited (FSL) was incorporated in Pakistan on January 18, 2005 under the repealed Companies Ordinance, 1984 as a private limited company. The Group holds 51% Ordinary Shares of FSL. The principal activity includes equity and commodity brokerage, equity research and corporate financial advisory services. The registered office of FSL is situated in Karachi.

Askari Currency Exchange (Private) Limited was incorporated in Pakistan on April 18, 2024 under the Companies Act 2017 (XIX of 2017) as a private limited Company. The company is principally engaged in currency exchange services.

2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE**2.1 BASIS OF PREPARATION**

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

2.1.2 These consolidated condensed interim financial statements have been presented in accordance with the requirements of format prescribed by the State Bank of Pakistan's BPRD Circular No. 2 dated February 9, 2023, International Accounting Standard 34 'Interim Financial Reporting' and other accounting and financial reporting standards as applicable in Pakistan.

- 2.1.3** These consolidated condensed interim financial statements have been prepared under the historical cost convention except that certain classes of property, equipment and non-banking assets acquired in satisfaction of claims are stated at revalued amounts and certain investments have been marked to market and are carried at fair value. In addition, obligations in respect of staff retirement benefits and lease liabilities are carried at present value.

2.2 STATEMENT OF COMPLIANCE

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

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

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

- 2.2.2** The State Bank of Pakistan has deferred the applicability of IFAS 3 'Profit and Loss Sharing on Deposits', vide BPRD Circular No.04 dated February 25, 2015 and International Accounting Standard 40, Investment Property, vide BSD Circular Letter no. 10 dated August 26, 2002, for banking companies till further instructions. Further, the SECP, through S.R.O 411(1)/2008 dated April 28, 2008, has deferred the applicability of IFRS 7, Financial Instruments: Disclosures, to banks. Accordingly, the requirements of these standards have not been considered in the preparation of these consolidated condensed interim financial statements.

- 2.2.3** IFRS 10 Consolidated Financial Statements was made applicable from period beginning on or after January 01, 2015 vide S.R.O 633(I)/2014 dated July 10, 2014 by SECP. However, SECP has directed through S.R.O 56(I) /2016 dated January 28, 2016, that the requirements of consolidation under section 228 of Companies Act 2017 and IFRS-10 "Consolidated Financial Statements" is not applicable in case of investment by companies in mutual funds established under Trust structure. Accordingly, the requirements of this standard has not been considered in the preparation of these consolidated condensed interim financial statements.

- 2.2.4** Disclosures made in these consolidated condensed interim financial statements have been limited in accordance with the requirements of format prescribed by SBP vide BPRD Circular No. 2 dated February 09, 2023 and International Accounting Standard 34 'Interim Financial Reporting' and do not include all the information and disclosures required in the audited annual consolidated financial statements, and should be read in conjunction with the audited annual consolidated financial statements of the Group for the financial year ended December 31, 2024.

3. MATERIAL ACCOUNTING POLICY INFORMATION

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

3.1 Standards, interpretations of and amendments to published approved accounting standards that are effective in the current period

The Group had adopted IFRS 9 with effect from 01 January 2024 under the instructions of SBP and as part of the application instructions issued by the regulator, there are certain requirements of IFRS 9 which have been deferred till January 1, 2025 (detailed in note 4 below). During the year, there are certain other amendments to accounting and reporting standards that are mandatory for the Group's accounting periods beginning on or after January 1, 2025. Except for IFRS 9, these are either considered not to be relevant or do not have any significant effect on the Group's operations and are therefore not detailed in these consolidated condensed interim financial statements.

3.2 Standards, interpretations of and amendments to published approved accounting standards that are not yet effective

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

4 IFRS 9 - FINANCIAL INSTRUMENTS

As directed by the SBP vide its BPRD Circular No. 07 of 2023 dated April 13, 2023, IFRS 9: 'Financial Instruments' (the Standard) became applicable to the Group with effect from January 1, 2024.

SBP vide its BPRD Circular Letter No. 16 of 2024 have made certain amendments and extended timelines of application instructions for certain areas where the banking industry had sought more time. The banks were allowed to continue measuring unquoted equity securities at the lower of cost or break-up value up to December 31, 2024. However, Banks were required to measure unquoted equity securities at fair value, as required in the IFRS 9 application instructions, with effect from January 1, 2025 and accordingly, the Group has conducted fair valuation of unquoted equity securities as required under IFRS 9 in accordance with the Application Instructions using valuation techniques / valuation models. The inputs to these models are taken from observable markets where possible and where this is not possible, estimation is required in establishing fair values.

The Group received an extension from SBP up to 31 December 2025 for application of Effective interest rate (EIR) in general for all financial assets and liabilities (excluding staff loans / subsidized loans) at amortized cost, net of expected credit loss allowances.

Further, SBP through BPRD Circular Letter No. 01 of 2025 dated 22 January 2025 has clarified the followings:

- Islamic Banking Institutions (IBIs) are allowed to follow Islamic Financial Accounting Standards (IFAS) 1 & 2 where applicable and continue the existing accounting methodology on other Islamic products until issuance of further instructions in this regard.

- The treatment of charity should be in line with the existing practices as defined in SBP instructions issued via IBD Circular No. 02 of 2008 and should not be recognized as income.

All Islamic products are governed by the product manual approved by the Shariah Board of the Group. The related accounting and revenue recognition policies are outlined in annual audited financial statements for the year ended December 31, 2024. However, in case of Ijarah and Murabaha, the Group has also complied with the requirements of IFAS 1 and IFAS 2. Revenue from Islamic products would have increased by Rs. 134,598 thousand, if IFRS 9 had been adopted in its entirety

5. FINANCIAL RISK MANAGEMENT

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

		(Un-audited) March 31, 2025	(Audited) December 31, 2024
6. CASH AND BALANCES WITH TREASURY BANKS			
		Rupees in '000	
<i>In hand:</i>			
Local currency		48,888,525	35,304,423
Foreign currencies		5,205,216	3,740,358
		<u>54,093,741</u>	<u>39,044,781</u>
<i>With the State Bank of Pakistan in:</i>			
Local currency current accounts		59,380,468	72,316,040
Foreign currency current account		6,725,574	7,421,460
Foreign currency deposit account		12,200,651	13,685,296
		<u>78,306,693</u>	<u>93,422,796</u>
<i>With National Bank of Pakistan in:</i>			
Local currency current accounts		2,442,765	1,028,257
Prize Bonds		26,437	39,615
Less: Credit loss allowance held against cash and balances with treasury banks		-	-
Cash and balances with treasury banks - net of credit loss allowance		<u><u>134,869,636</u></u>	<u><u>133,535,449</u></u>
7. BALANCES WITH OTHER BANKS			
<i>In Pakistan</i>			
In current accounts		336,568	318,151
In saving accounts		1,437,779	1,977,079
		<u>1,774,347</u>	<u>2,295,230</u>
<i>Outside Pakistan</i>			
In current accounts		1,224,990	1,908,941
In deposit accounts		15,631,195	8,756,105
		<u>16,856,185</u>	<u>10,665,046</u>
Less: Credit loss allowance held against balances with other banks		(1,855)	(1,390)
Balances with other banks - net of credit loss allowance		<u><u>18,628,677</u></u>	<u><u>12,958,886</u></u>
8. LENDINGS TO FINANCIAL INSTITUTIONS			
Call money lendings		-	1,500,000
Reverse repo agreements		18,653,710	-
Bai Muajjal receivable		-	3,068,218
Money Market Placements		7,254,022	-
Purchase under resale arrangement of equity securities		52,012	59,443
		<u>25,959,744</u>	<u>4,627,661</u>
Less: Credit loss allowance held against lending to financial institutions		(54,589)	(60,042)
Lendings to financial institutions - net of credit loss allowance		<u><u>25,905,155</u></u>	<u><u>4,567,619</u></u>

		March 31, 2025 (Un-audited)		December 31, 2024 (Audited)	
		Lending	Credit Loss Allowance Held	Lending	Credit Loss Allowance Held
8.1 Particulars of credit loss allowance		Rupees in '000			
Domestic					
Performing	Stage 1	25,907,732	2,577	4,568,218	599
Non-performing Loss	Stage 3	52,012	52,012	59,443	59,443
		<u><u>25,959,744</u></u>	<u><u>54,589</u></u>	<u><u>4,627,661</u></u>	<u><u>60,042</u></u>

9. INVESTMENTS	March 31, 2025 (Un-audited)	December 31, 2024 (Audited)
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9.1 Investments by type:

FVTPL

Fully paid ordinary shares	1,149,119	-	6,951	1,156,070	461,078	-	41,941	503,019
Units of mutual funds	1,826,479	-	973,207	2,799,686	1,826,479	-	1,158,946	2,985,425
Federal Government Securities	1,414,299	-	-	1,414,299	3,668,096	-	-	3,668,096
Non Government Debt Securities	4,603,808	-	(1,061,793)	3,542,015	4,603,807	-	(1,086,134)	3,517,673
	8,993,705	-	(81,635)	8,912,070	10,559,460	-	114,753	10,674,213

FVOCI

Federal Government Securities	1,571,139,309	(494,071)	1,979,956	1,572,625,194	1,422,059,838	(406,352)	6,686,981	1,428,340,467
Shares	4,500,739	-	5,070,053	9,570,792	4,952,578	-	4,317,609	9,270,187
Fully paid preference shares	27,314	-	(1,325)	25,989	27,314	-	(3,825)	23,489
Non Government Debt Securities	10,377,105	(377,767)	(41,419)	9,957,919	10,920,088	(380,124)	(26,243)	10,513,721
	1,586,044,467	(871,838)	7,007,265	1,592,179,894	1,437,959,818	(786,476)	10,974,522	1,448,147,864

Amortised cost

Federal Government Securities	50,117,699	(193,454)	-	49,924,245	50,736,512	(189,788)	-	50,546,724
Non Government Debt Securities	110,000	(110,000)	-	-	110,000	(110,000)	-	-
	50,227,699	(303,454)	-	49,924,245	50,846,512	(299,788)	-	50,546,724
Total investments	1,845,285,871	(1,175,292)	6,925,630	1,651,016,209	1,499,365,790	(1,086,264)	11,089,275	1,509,368,801

9.2 Investments given as collateral

The market value of investments given as collateral is:

Market Treasury Bills	-	2,353,915
Pakistan Investment Bonds	750,897,112	701,101,750
Shares	261,014	247,544
	<u>751,158,126</u>	<u>703,703,209</u>

	(Un-audited) March 31, 2025	(Audited) December 31, 2024
9.3 Credit loss allowance		
9.3.1 Opening balance	(Rupees in '000)	
Impact of adoption of IFRS 9	1,086,264	3,352,687
	-	(833,466)
	1,086,264	2,519,221
Exchange adjustments	-	(1,372)
Charge / (reversals) - net		
Charge for the period / year	89,028	-
Reversal of ECL for the period / year	-	(533,128)
Transfer of provision to revaluation surplus / (deficit)	-	(898,457)
Net charge	89,028	(1,431,585)
Closing balance	1,175,292	1,086,264

9.3.2 Particulars of credit loss allowance against debt securities

	March 31, 2025 (Un-audited)		December 31, 2024 (Audited)	
	Outstanding Amount	Credit loss allowance Held	Outstanding Amount	Credit loss allowance Held
Domestic				
Performing - Stage 1	1,724,609	6,057	2,418,507	7,934
Non-performing - Stage 3	481,710	481,710	482,190	482,190
Loss	2,206,319	487,767	2,900,697	490,124
Overseas				
Performing - Stage 1	12,594,485	687,525	9,841,923	596,140
	14,800,804	1,175,292	12,742,620	1,086,264

9.4 The market value of securities classified as amortized cost / Held to Maturity as at March 31, 2025 is Rs. 47,435,974 thousand (2024: Rs. 47,100,000 thousand).

10. ADVANCES

Loans, cash credits, running finances, etc.
Islamic financing and related assets
Bills discounted and purchased
Advances - gross
Credit allowance against advances
- Stage 1
- Stage 2
- Stage 3
Advances - net of credit loss allowance

Performing		Non Performing		Total
(Un-audited)	(Audited)	(Un-audited)	(Audited)	
March 31, 2025	December 31, 2024	March 31, 2025	December 31, 2024	December 31, 2024
(Rupees in '000)				
455,232,948	614,910,422	27,511,887	24,681,629	482,744,835
77,341,402	67,351,156	4,425,367	4,455,351	81,766,769
21,206,099	16,316,956	2,177,412	5,291,668	23,383,511
553,780,449	698,578,534	34,114,666	34,428,648	587,895,115
(1,187,180)	(1,140,828)	-	-	(1,187,180)
(2,997,724)	(3,893,372)	-	-	(2,997,724)
-	-	(32,574,523)	(32,280,864)	(32,574,523)
(4,184,904)	(5,034,200)	(32,574,523)	(32,280,864)	(37,315,064)
549,595,545	683,544,334	1,540,143	2,147,784	551,135,688
		(Un-audited)		(Audited)
		March 31, 2025		December 31, 2024
		(Rupees in '000)		
		532,770,908		676,924,670
		55,124,207		56,082,512
		587,895,115		733,007,182

10.1 Particulars of advances (Gross)

In local currency
In foreign currencies

10.2 Advances placed under non-performing status are detailed below:

Category of classification (Stage 3)

	March 31, 2025 (Un-audited)		December 31, 2024 (Audited)	
	Non Performing Loans	Credit loss Allowance	Non Performing Loans	Credit loss Allowance
(Rupees in '000)				
Domestic	120,958	65,842	141,213	85,324
Other Assets Especially Mentioned	2,537,202	1,903,802	3,149,887	2,060,417
Substandard	918,110	549,998	2,217,365	1,564,045
Doubtful	30,538,396	30,054,881	28,920,183	28,571,078
Loss	34,114,666	32,574,523	34,428,648	32,280,864

10.3 Particulars of credit loss allowance against advances

	March 31, 2025 (Un-audited)		December 31, 2024 (Audited)	
	Stage 3	Stage 2	Stage 1	Total
(Rupees in '000)				
Opening balance	32,280,864	3,893,372	1,140,828	37,315,064
Charge for the period	1,231,525	264,129	292,497	1,788,151
Reversal for the period	(937,866)	(1,159,777)	(246,144)	(2,343,788)
	293,659	(895,648)	46,352	(555,637)
Closing balance	32,574,523	2,997,724	1,187,180	36,759,427

Opening balance including (Impact of ECL recognised on adoption of IFRS-9)
Charge for the year
Reversal under IFRS 9 related to WBB
Reversal for the year
Amounts written off
Closing balance

December 31, 2024 (Audited)				
Stage 3	Stage 2	Stage 1		Total
(Rupees in '000)				
27,783,828	6,801,929	3,533,735		38,119,492
7,338,185	7,121,410	2,188,486		16,628,081
-	(21,538)	-		(21,538)
(2,470,141)	(10,008,429)	(4,581,393)		(17,039,963)
4,868,044	(2,908,557)	(2,392,907)		(433,420)
(371,008)	-	-		(371,008)
32,280,864	3,893,372	1,140,828		37,315,064

10.4 Advances - particulars of credit loss allowance

	March 31, 2025 (Un-audited)		
	Stage 1	Stage 2	Stage 3
Opening balance	1,140,828	3,893,372	32,280,864
New Advances	292,495	235,165	1,148,217
Advances repaid	(233,473)	(1,079,016)	(919,025)
Transfer to stage 1	2	123	(16)
Transfer to stage 2	(10,125)	28,842	(18,825)
Transfer to stage 3	(2,546)	(80,761)	83,308
Amounts written off / charged off	-	-	-
Changes in risk parameters	-	-	-
Closing balance	1,187,180	2,997,724	32,574,523

	December 31, 2024 (Audited)		
	Stage 1	Stage 2	Stage 3
Opening balance (including impact of ECL on adoption of IFRS 9)	3,533,735	6,801,929	27,783,828
New Advances	2,105,443	6,904,728	336,939
Advances repaid	(1,307,334)	(2,406,833)	(2,339,326)
Transfer to stage 1	63,043	(63,043)	-
Transfer to stage 2	(213,952)	216,681	(2,730)
Transfer to stage 3	(304,459)	(6,696,787)	7,001,246
Amounts written off / charged off	-	-	(371,008)
Changes in risk parameters	(2,735,649)	(863,304)	(128,086)
Closing balance	1,140,828	3,893,372	32,280,864

10.5 Advances - category of classification

		March 31, 2025 (Un-audited)		December 31, 2024 (Audited)	
		Loans Outstanding	Credit Loss Allowance Held	Loans Outstanding	Credit Loss Allowance Held
(Rupees in '000)					
Domestic					
Performing	Stage 1	447,335,299	1,103,406	638,420,368	1,140,828
Underperforming	Stage 2	96,708,501	2,995,761	57,255,844	3,889,224
Non-Performing	Stage 3				
Other assets specially mentioned		120,958	65,842	141,213	85,324
Substandard		2,537,202	1,903,802	3,149,887	2,060,417
Doubtful		918,110	549,998	2,217,365	1,564,045
Loss		30,538,396	30,054,881	28,920,183	28,571,078
		34,114,666	32,574,523	34,428,648	32,280,864
Sub Total		578,158,466	36,673,690	730,104,860	37,310,916
Overseas					
Performing	Stage 1	9,363,096	83,774	-	-
Underperforming	Stage 2	373,553	1,963	2,902,322	4,148
		9,736,649	85,737	2,902,322	4,148
Total		587,895,115	36,759,427	733,007,182	37,315,064

11. PROPERTY AND EQUIPMENT

	(Un-audited)	(Audited)
	March 31, 2025	December 31, 2024
(Rupees in '000)		
Capital work-in-progress - note 11.1	1,072,002	822,004
Property and equipment	21,324,590	21,012,900
	22,396,592	21,834,904

11.1 This represents advances to suppliers and contractors.

		(Un-audited)	
		Period ended March 31, 2025	Period ended March 31, 2024
11.2	Additions to property and equipment	(Rupees in '000)	
The following additions have been made to property and equipment during the period:			
Capital work-in-progress		284,665	139,038
Property and equipment			
Renovation of premises		38,981	125,178
Furniture, fixtures and office equipment		153,696	171,682
Machine and equipments		279,345	453,883
Computer equipments		300,236	330,315
Vehicles		-	12,259
		772,258	1,093,317
Total		1,056,923	1,232,355
11.3	Disposal of property and equipment		
The net book value of property and equipment disposed off during the period is as follows:			
Renovation of premises		1,382	117
Furniture, fixtures and office equipment		2,391	784
Machine and equipments		1,387	1,233
Computer equipments		421	475
Vehicles		14,311	-
Total		19,892	4,288
		(Un-audited)	(Audited)
		Quarter ended	Year ended
		March 31, 2025	December 31, 2024
12.	RIGHT-OF-USE ASSETS	(Rupees in '000)	
Net carrying amount at January 1,		12,196,186	8,312,812
Additions during the period / year		1,163,300	6,262,557
Depreciation for the period / year		(549,368)	(2,258,248)
Deletions and other adjustments		(78,797)	(120,935)
Net carrying amount at period / year end		12,731,321	12,196,186
		(Un-audited)	(Audited)
		March 31, 2025	December 31, 2024
13.	INTANGIBLE ASSETS		
Computer software		1,458,663	1,422,143
Capital work in progress		397,636	427,635
		1,856,299	1,849,778

		(Un-audited)	
		Period ended March 31, 2025	Period ended March 31, 2024
		(Rupees in '000)	
13.1	Additions to intangible assets		
	The following additions have been made to intangible assets during the period:		
	Capital work-in-progress	24,018	62,391
	Computer Software	39,055	7,892
		<u>63,072</u>	<u>70,283</u>
14.	The Bank has entered into a sale agreement to sell its land located at Haider Road, Rawalpindi. Accordingly the same has been classified to non-current asset held for sale. The carrying amount includes revaluation surplus of Rs. 980,987 thousand at which amount the asset was transferred from property and equipment.		
		(Un-audited)	(Audited)
		March 31, 2025	December 31, 2024
		(Rupees in '000)	
15.	DEFERRED TAX ASSETS / (LIABILITIES)		
	(Taxable) / deductible temporary differences on		
	- Accelerated tax depreciation	(597,085)	(624,405)
	- Surplus on revaluation of investments	(3,643,777)	(5,706,752)
	- Credit loss allowance against advances	5,158,708	5,596,807
	- Others	384	(3,471)
		<u>918,230</u>	<u>(737,821)</u>
16.	OTHER ASSETS		
	Income / mark-up accrued in local currency	89,064,557	65,693,368
	Income / mark-up accrued in foreign currencies	1,199,797	1,100,279
	Advances, deposits, advance rent and other prepayments	7,614,402	7,699,158
	Advance taxation (payments less provisions)	9,623,076	8,011,118
	Trade debts - unsecured - considered good	675,830	411,513
	Deferred cost on recognition of loan at fair value - note 16.1	4,802,118	4,931,905
	Non-banking assets acquired in satisfaction of claims	383,101	388,891
	Receivable against trading of securities	185,169	5,161
	Mark to market gain on forward foreign exchange contracts	129,845	-
	Stationary and stamps in hand	272,125	162,096
	Receivable from defined benefit plan	279,425	415,569
	Dividend receivable	20,279	2,788
	Margin against stand by letter of credit (SBLC)	883,811	1,056,666
	Acceptances	20,634,549	16,916,015
	Others	845,622	709,831
		<u>136,613,706</u>	<u>107,504,358</u>
	Less: Credit loss allowance - note 16.2	(469,461)	(478,632)
	Other assets - net of credit loss allowance	<u>136,144,245</u>	<u>107,025,726</u>
	Surplus on revaluation of non-banking assets acquired in satisfaction of claims	602,230	602,230
	Other assets - total	<u>136,746,475</u>	<u>107,627,956</u>
16.1	This represents deferred portion of fair value loss arisen on initial recognition of loan to PIA Holding Company Limited (PIAHCL). SBP through its circular BPRD/BRD/PIAHCL/733688-2024 dated August 01, 2024 has allowed staggering of such fair value impact over a period of 6 years at rates of 5%, 10%, 15%, 20%, 25%, and 25% from year 1 to year 6 and, accordingly, the Bank has amortized 5% in the previous reporting period and will amortize 10% during the current year.		
		(Un-audited)	(Audited)
		March 31, 2025	December 31, 2024
		(Rupees in '000)	
16.2	Credit loss allowance held against other assets		
	Advances, deposits, advance rent and other prepayments	4,838	4,838
	Acceptances	273,079	285,239
	Others	191,544	188,555
		<u>469,461</u>	<u>478,632</u>

19. **DEPOSITS AND OTHER ACCOUNTS**

Customers

Current accounts
Savings deposits
Fixed deposits

353,924,673	29,107,311	383,031,984	357,652,273	28,984,351	386,636,624
781,704,084	54,928,352	836,632,436	752,321,272	72,565,181	824,886,453
127,164,618	31,926,815	159,091,433	101,844,430	29,497,256	131,341,686
1,262,793,374	115,962,478	1,378,755,853	1,211,817,975	131,046,788	1,342,864,763

Financial institutions

Current accounts
Savings deposits
Fixed deposits

	592,763	46,819	639,582	1,057,931	236,526	1,294,457
	2,057,862	75,296	2,133,158	10,272,784	-	10,272,784
	5,125,000	-	5,125,000	8,418,500	-	8,418,500
	7,775,625	122,115	7,897,740	19,749,215	236,526	19,985,741
	1,270,568,999	116,084,593	1,386,653,593	1,231,567,190	131,283,314	1,362,850,504

20. **LEASE LIABILITIES**

Opening balance
Additions during the period / year
Lease payments including interest
Interest expense for the period / year
Termination and other adjustments
Closing balance

	(Un-audited) March 31, 2025	(Audited) December 31, 2024
	Rupees in '000	
	14,174,653	9,699,474
	1,163,300	6,262,557
	(988,614)	(3,309,401)
	435,482	1,544,722
	(39,087)	(22,699)
	14,745,734	14,174,653

20.1 **Contractual maturities of lease liabilities**

Not later than one year
Later than one year and upto five years
Over five years
Total at the end of the period / year

	1,133,937	1,090,562
	5,247,768	5,124,890
	8,364,030	7,959,201
	14,745,734	14,174,653

	(Un-audited)	(Audited)
	March 31,	December 31,
	2025	2024
	(Rupees in '000)	
21. SUBORDINATED DEBTS		
Term Finance Certificates - VI (ADT-1)	6,000,000	6,000,000
Term Finance Certificates - VII	6,000,000	6,000,000
	<u>12,000,000</u>	<u>12,000,000</u>

- 21.1 The Bank has raised unsecured sub-ordinated loans through issuance of Term Finance Certificates to improve the Bank's capital adequacy. Liability to the TFC holders is subordinated to and rank inferior to all other indebtedness of the Bank including deposits and is not redeemable before maturity without prior approval of the SBP. The salient features of outstanding issues are as follows:

	Term Finance Certificates - VI (ADT-1)	Term Finance Certificates - VII
Outstanding amount - Rupees in '000	6,000,000	6,000,000
Issue amount	Rupees 6,000 million	Rupees 6,000 million
Issue date	July 03, 2018	March 17, 2020
Maturity Date	Perpetual	March 16, 2030
Rating	AA-	AA
Security	Unsecured	Unsecured
Listing	Listed	Listed
Profit payment frequency	Payable six monthly	Payable quarterly
Redemption	Perpetual	109-120th month: 100%
Profit Rate	Base Rate plus 1.50%	Base Rate plus 1.20%
	Base Rate is the simple average of the ask rate of six month KIBOR prevailing on the base rate setting date.	Base Rate is the simple average of the ask rate of three month KIBOR prevailing on the base rate setting date
Call option	Exercisable after 60 months from the date of issue subject to approval by the SBP.	Exercisable after 60th month from the date of issue subject to approval by the SBP.
Lock-in-clause	Payment of profit will be subject to the condition that such payment will not result in breach of the Bank's regulatory Minimum Capital Requirement or Capital Adequacy Ratio set by SBP from time to time. Any inability to exercise lock-in clause or the non-cumulative features will subject these TFCs to mandatory conversion into common shares / write off at the discretion of SBP.	As per the lock-in requirement for Tier II Issues, neither profit nor principal will be payable (even at maturity) in respect of the TFC, if such payment will result in a shortfall or increase in an existing shortfall in the Bank's Leverage Ratio or Minimum Capital Requirement or Capital Adequacy Ratio. That is, any payment (profit and/or principal) in respect of the TFC would be made, subject to the Bank being in compliance with the requirement of Leverage Ratio or Minimum Capital Requirement or Capital Adequacy Ratio.
Loss absorption clause	The Instrument will be subject to loss absorption and / or any other requirements of SBP upon the occurrence of a Point of Non-Viability event as per Section A-5-3 of Annexure 5 of the Circular, which stipulates that SBP may, at its option, fully and permanently convert the TFCs into common shares of the issuer and / or have them immediately written off (either partially or in full). Number of shares to be issued to TFC holders at the time of conversion will be equal to the 'Outstanding Value of the TFCs' divided by market value per share of the Bank's common share on the date of trigger event as declared by SBP, subject to a specified cap.	As per Loss Absorbency Clause requirement for Tier II capital purpose, the instrument will be subject to loss absorbency and/or any other requirements under SBP's instructions on the subject. Upon the occurrence of a Point of Non-Viability event as defined under SBP BPRD Circular # 6 of 2013, SBP may at its option, fully and permanently convert the TFCs into common shares of the Bank and/or have them immediately written off (either partially or in full). Number of shares to be issued to TFC holders at the time of conversion will be equal to the 'Outstanding Face Value of the TFCs' divided by market value per share of the Bank's common share on the date of trigger of Point of Non-Viability (PONV) as declared by SBP subject to a cap of 245,042,630 shares.

	(Un-audited) March 31, 2025	(Audited) December 31, 2024
22. OTHER LIABILITIES	(Rupees in '000)	
Mark-up / return / interest payable in local currency	15,366,329	12,250,985
Mark-up / return / interest payable in foreign currencies	549,335	1,498,234
Unearned commission and income on bills discounted	1,522,175	1,586,242
Accrued expenses	2,511,056	3,774,114
Trade payables	2,395,966	2,867,062
Advance payments	348,690	364,016
Acceptances	20,634,549	16,916,015
Dividend payable	359,385	229,933
Advance against sale of properties	530,559	513,955
Mark to market loss on forward foreign exchange contracts	-	664,470
Branch adjustment account	1,365,530	647,591
Provision for employees' compensated absences	802,041	797,348
Security deposit against lease / ljarah financing	3,745,482	3,625,392
Levies and taxes payable	1,854,749	1,919,670
Workers' Welfare Fund	1,996,596	1,852,335
Switch settlement accounts	4,593,820	1,168,145
Deferred Grant on subsidised refinance loans	17,124	45,345
Credit loss allowance against off-balance sheet obligations - note 22.1	1,515,002	755,760
Others	2,381,837	1,814,961
	<u>62,490,226</u>	<u>53,291,573</u>
22.1 Credit loss allowance against off-balance sheet obligations		
Opening balance	755,760	160,558
Impact of ECL recognized on adoption of IFRS 9	-	1,112,808
	<u>755,760</u>	<u>1,273,366</u>
Exchange adjustment	-	-
Charge for the period / year	759,242	-
Reversal for the period / year	-	(517,606)
Net charge	<u>759,242</u>	<u>(517,606)</u>
Closing balance	<u>1,515,002</u>	<u>755,760</u>
23. SURPLUS ON REVALUATION OF ASSETS - NET OF TAX		
Surplus on revaluation of:		
- Securities measured at FVOCI - Debt	1,937,211	6,660,738
- Securities measured at FVOCI - Equity	5,070,053	4,313,784
- Property and equipment	10,365,737	10,365,737
- Non-banking assets acquired in satisfaction of claims	602,230	602,230
	<u>17,975,231</u>	<u>21,942,489</u>
Deferred tax on deficit / (surplus) on revaluation of:		
- Securities measured at FVOCI - Debt	(1,007,350)	(3,463,584)
- Securities measured at FVOCI - Equity	(2,636,427)	(2,243,168)
	<u>(3,643,777)</u>	<u>(5,706,752)</u>
	<u>14,331,454</u>	<u>16,235,737</u>

	(Un-audited) March 31, 2025	(Audited) December 31, 2024
(Rupees in '000)		
24. CONTINGENCIES AND COMMITMENTS		
- Guarantees - note 24.1	283,561,608	308,928,884
- Commitments - note 24.2	453,559,039	639,295,945
- Other contingent liabilities - note 24.3	1,358,828	1,530,994
	<u>738,479,475</u>	<u>949,755,823</u>
24.1 Guarantees		
Financial guarantees	11,225,089	12,443,697
Performance guarantees	171,067,372	169,536,398
Other guarantees	101,269,147	126,948,789
	<u>283,561,608</u>	<u>308,928,884</u>
24.2 Commitments		
Documentary credits and short-term trade-related transactions		
- letters of credit	144,478,779	206,461,012
Commitments in respect of:		
- forward foreign exchange contracts - note 24.2.1	277,339,913	200,561,147
- forward government securities transactions - note 24.2.2	10,000,000	204,610,000
- forward non-government securities transactions - note 24.2.3	878,280	530,538
Commitments for acquisition of:		
- property and equipment	277,799	325,308
- intangible assets	223,343	229,312
- Undrawn loan commitments	20,360,925	26,578,628
	<u>453,559,039</u>	<u>639,295,945</u>
24.2.1 Commitments in respect of forward foreign exchange contracts		
Purchase	141,737,895	118,183,587
Sale	135,602,018	82,377,560
	<u>277,339,913</u>	<u>200,561,147</u>
The above commitments have maturities falling within one year.		
24.2.2 Commitments in respect of forward government securities transactions		
Purchase	10,000,000	-
Sale	-	204,610,000
	<u>10,000,000</u>	<u>204,610,000</u>
24.2.3 Commitments in respect of forward non government securities transactions		
Purchase	76,655	36,455
Sale	801,625	494,083
	<u>878,280</u>	<u>530,538</u>
25.2.4 Undrawn loan commitments		
The Bank makes commitments to extend credit in the normal course of business but these being revocable commitments do not attract any significant penalty or the expense if the facility is unilaterally withdrawn, other than commitments in respect of syndicated long term financings amounting to Rs 20,360,925 thousand (2024: Rs 26,578,628 thousand).		
24.3 Other contingent liabilities		
These represent certain claims by third parties against the Bank, which are being contested in the Courts of law. Based on legal advice and / or internal assessment, management is confident that the matters will be decided in Bank's favour and the possibility of any outcome against the Bank is remote and accordingly no provision has been made in these condensed interim unconsolidated financial statements.	475,017	474,328
This represents stand by letters of credit issued by a correspondent bank on behalf of the Bank.	883,811	1,056,666
	<u>1,358,828</u>	<u>1,530,994</u>

25. **DERIVATIVE INSTRUMENTS**

The Bank at present does not offer derivative products such as Interest Rate Swaps, Cross Currency Swaps, Forward Rate Agreements or Foreign Exchange Options. The Bank's Treasury and Investment Banking Groups buy and sell derivative instruments such as Forward Exchange Contracts (FECs) and Equity Futures (EFs).

		(Un-audited)	
		Period ended March 31, 2025	Period ended March 31, 2024
		(Rupees in '000)	
26.	MARK-UP / RETURN / INTEREST EARNED		
	On:		
	Loans and advances	18,947,834	33,816,933
	Investments	55,880,898	65,772,362
	Lendings to financial institutions	150,736	353,933
	Balances with banks	245,303	324,779
	Securities purchased under resale agreements (Reverse Repo)	315,567	226,671
	Amortization under IFRS-9	395,308	-
		<u>75,935,646</u>	<u>100,494,678</u>
27.	MARK-UP / RETURN / INTEREST EXPENSED		
	On:		
	Deposits	25,263,097	45,664,095
	Borrowings	27,457,668	39,886,806
	Subordinated debts	399,877	682,347
	Cost of FX swaps against foreign currency deposits / borrowings	326,454	992,402
	Interest expense on lease liability against ROU assets	435,482	351,765
	Fair value loss on recognition of financial asset at fair value - note 16.1	129,787	-
		<u>54,012,365</u>	<u>87,577,415</u>
28.	FEE AND COMMISSION INCOME		
	Branch banking customer fees	262,207	224,799
	Consumer finance related fees	29,700	19,820
	Card related fees (debit and credit cards)	505,215	410,474
	Credit related fees	138,506	128,344
	Investment banking fees	20,735	75,884
	Commission on trade	270,942	376,932
	Commission on guarantees	322,679	390,851
	Commission on remittances including home remittances	15,743	83,076
	Commission on cash management	15,635	-
	Commission on bancassurance	7,273	7,381
	Others	175,578	114,523
		<u>1,764,213</u>	<u>1,832,084</u>
29.	GAIN / (LOSS) ON SECURITIES - NET		
	Realised - note 29.1	983,313	292,743
	Unrealised loss on securities measured at FVTPL	(154,638)	(19,197)
		<u>828,675</u>	<u>273,546</u>
29.1	Realised gain / (loss) on:		
	Federal Government Securities	960,932	150,843
	Shares	22,381	125,476
	Non Government Debt Securities	-	16,424
		<u>983,313</u>	<u>292,743</u>

		(Un-audited)	
		Period ended	Period ended
		March 31,	March 31,
		2025	2024
30.	OTHER INCOME	(Rupees in '000)	
	(Loss) / gain on sale of property and equipment	17,851	(226)
	Rent of lockers	13,882	13,447
	Recovery of expenses from customers	112,366	85,638
	Gain / (Loss) on termination of lease contracts under IFRS - 16 Leases	1,638	(2,348)
	Amortization of deferred liability under IFRS 9	28,222	-
	Others	-	17,418
		<u>173,959</u>	<u>113,929</u>
31.	OPERATING EXPENSES		
	Total compensation expenses - note 31.1	5,169,716	4,036,955
	Property expense		
	Rent and taxes	46,668	39,388
	Insurance	33,955	28,847
	Utilities cost	339,183	384,730
	Security cost	319,929	201,625
	Repair & maintenance	146,855	130,989
	Depreciation on right-of-use assets	549,368	572,269
	Depreciation	96,168	68,283
		<u>1,532,127</u>	<u>1,426,131</u>
	Information technology expenses		
	Software maintenance	264,962	262,986
	Hardware maintenance	62,490	56,157
	Depreciation	145,483	82,465
	Amortisation	56,062	52,588
	Network charges	98,142	86,064
		<u>627,139</u>	<u>540,260</u>
	Other operating expenses		
	Directors' fees, allowances	16,160	9,280
	Fees and allowances to shariah board	2,968	2,386
	Rates, taxes, insurance etc.	40,655	35,811
	Legal and professional charges	41,566	22,524
	Brokerage and commission	92,283	64,477
	NIFT clearing charges	33,392	25,851
	Repair and maintenance	255,610	208,310
	Communications	685,586	516,854
	Stationery and printing	250,391	167,412
	Marketing, advertisement and publicity	79,285	64,802
	Auditors' remuneration	15,612	17,396
	Travelling, conveyance and entertainment	130,570	129,999
	Depreciation	199,020	150,421
	Security service charges	183,201	190,435
	Training and development	16,656	9,262
	Deposit premium expense	246,481	175,580
	Outsourced service cost	200,352	138,413
	Other expenditure	124,921	142,385
		<u>2,614,708</u>	<u>2,071,598</u>
		<u>9,943,690</u>	<u>8,074,944</u>
31.1	Total compensation expense		
	Managerial remuneration	3,961,579	3,179,584
	Charge for defined benefit / contribution plan	282,857	235,949
	Other staff cost - note 31.1.1	529,972	621,422
	Amortisation under IFRS-9	395,308	-
		<u>5,169,716</u>	<u>4,036,955</u>
31.1.1	Other staff cost includes incentive to consumer sales staff, dearness allowance, cash handling allowance, staff group insurance, provision for severance etc.		

32. This represents penalties imposed by the State Bank of Pakistan.

		(Un-audited)	
		Period ended March 31, 2025	Period ended March 31, 2024
33.	CREDIT LOSS ALLOWANCE / PROVISIONS AND WRITE OFFS - NET	(Rupees in '000)	
	(Reversal) of credit loss allowance / provision charge against investments	89,028	(301,549)
	Credit loss allowance / provision charge against loans and advances	(555,637)	1,316,050
	Credit loss allowance / (reversal of provision) against other assets	(9,172)	247,031
	Reversal of credit loss allowance / provision against lendings to financial institutions	(5,453)	(348)
	Credit loss allowance against off-balance sheet obligations	759,242	(61,382)
	(Reversal) of credit loss allowance / provision charge against cash and bank balances	465	(12)
	Recovery of written off / charged off bad debts	(22,675)	(26,117)
		<u>255,798</u>	<u>1,173,673</u>
34.	TAXATION		
	Current	7,708,243	3,854,885
	Deferred	409,779	(211,713)
		<u>8,118,021</u>	<u>3,643,172</u>

34.1 **Tax status and contingencies**

i) During the year ended December 31 2023, the Federal Government issued S.R.O 1588 (I)/2023 on 21 November 2023 under section 99D of the Income Tax Ordinance 2001, whereby the banking sector was specified the sector for the payment of additional tax on windfall income. Through said S.R.O, the Federal Government also specified the method to determine windfall income, tax rate to be applied on such windfall income and tax years under scope. The Bank has challenged the S.R.O through petition before the Honourable Islamabad High Court with regards to retrospective application of Section 99D of the Income Tax Ordinance, 2001 for tax years 2022 and 2023. The Honourable Islamabad High Court through its order dated 30 November 2023 has suspended the operation of S.R.O.1588 (I)/2023 and the said injunctive order continues to operate till date of next hearing for which no date has been fixed yet. Management based on the legal advisor opinion believes that the bank has reasonably good chance to succeed in this case and therefore has not recognized any provision in the financial statements. Additional tax on windfall income for tax years 2022 and 2023 is estimated to be Rs. 2,189 million.

ii) The Bank has filed tax returns for and up to tax year 2024. The assessments for and up to tax year 2024 were amended by the tax authorities creating accumulated additional tax demand, mainly in the matters of admissibility of recoveries against doubtful debts for Rs 1,497 million, provision for diminution in the value of investments for Rs 3,144.44 million, bad debts written off for Rs 242.892 million, provision for substandard advances for Rs 74.95 million, Provision against other assets/fixed assets for Rs 147.03 million, disallowance of employee benefit expenses Rs 484.96 million, disallowance of depreciation on lease assets Rs 1,618.09 and other disallowances of expenses/credits for Rs 1390.50 million. Bank's appeals against these orders are currently pending before Commissioner Appeals, Appellate Tribunal and Islamabad High Court. The management and tax advisor of the Bank are confident that these matters will be decided in favor of the Bank and consequently no provision has been made thereon. Tax payments by the Bank against certain matters are being carried forward as receivable, as management and tax advisor of the Bank are confident of their realization.

iii) Consequent upon the amalgamation with and into the Bank, the outstanding tax issues relating to Askari Leasing Limited (ALL) are as follows:

Tax returns of ALL have been filed for and up to tax year 2010. The returns for the tax years 2003 to 2010 were amended by the tax authorities mainly in the matter of admissibility of initial allowance claimed on leased vehicles. On appeals filed by ALL, partial relief was provided by the CIR(A) by allowing initial allowance on commercial vehicles. Re-assessment has not yet been carried out by the tax department. A tax demand is however not likely to arise after re-assessment.

For and up to the assessment years 2002–2003, reference applications filed by the tax authorities in the matter of computation of lease income are pending decisions by the High Court. However, the likelihood of an adverse decision is considered low due to a favorable decision of the High Court in a parallel case.

		(Un-audited)	(Audited)
		Period ended March 31, 2025	Period ended December 31, 2024
35.	BASIC AND DILUTED EARNINGS PER SHARE		
	Profit for the period - Rupees in '000	<u>7,156,252</u>	<u>3,739,533</u>
	Weighted average number of Ordinary Shares - numbers	<u>1,449,299,207</u>	<u>1,449,299,207</u>
	Basic earnings per share - Rupees	<u>4.94</u>	<u>2.58</u>

There is no dilutive effect on the basic earnings per share of the Bank, therefore dilutive earnings per share have not been presented separately.

36. FAIR VALUE MEASUREMENTS

The fair value of quoted securities other than those classified as Amortised Cost, is based on quoted market price. Quoted securities classified as Amortised Cost are carried at cost. The fair value of unquoted equity securities, other than investments in associates and subsidiaries, is determined using valuation techniques / valuation models. The inputs to these models are taken from observable markets where possible and where this is not possible, estimation is required in establishing fair values.

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

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

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

36.1 Fair value of financial assets

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 (Pakistan Stock Exchange) 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) available at MUFAP and Reuters page.
- Level 3: Fair value measurements using input for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

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

Federal Government Securities	The fair values of Federal Government Securities are determined on the basis of rates / prices sourced from Reuters.
Non Government Debt Securities	Non Government Debt Securities are valued on the basis of rates announced by Mutual Fund Association of Pakistan (MUFAP).
Foreign Government Debt Securities	Foreign Government Debt Securities are valued on the basis of rates taken from custodian of the securities which are usually drawn from Bloomberg.
Unit of Mutual Funds	Fair values of mutual funds are determined based on their net asset values as published at the close of reporting period.
Forward foreign exchange contracts and Forward Government securities transactions	The fair values of forward foreign exchange contracts and forward Government securities transactions are determined using forward pricing calculations.
Fixed Assets and Non Banking Assets Acquired in Satisfaction of Claims	Land and Non Banking assets acquired in satisfaction of claims are valued on a periodic basis using professional valuers. The valuation is based on their assessments of the market value of the assets.
Unquoted equity securities	Fair value is determined using valuation techniques / valuation models. The inputs to these models are taken from observable markets where possible and where this is not possible, estimation is required in establishing fair values.

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

			March 31, 2025 (Un-audited)		
Carrying / Notional Value	Level 1	Level 2	Level 3	Total	
(Rupees in '000)					
On balance sheet financial instruments					
Financial assets - measured at fair value					
Investments					
Federal Government Securities	1,572,625,194	9,286,167	1,563,339,027	-	1,572,625,194
Shares	10,114,575	10,114,575	-	-	10,114,575
Units of open end mutual funds	2,799,686	1,426,984	1,372,702	-	2,799,686
Fully paid preference shares	25,989	25,989	-	-	25,989
Non Government Debt Securities	13,499,934	-	13,499,934	-	13,499,934
	1,599,065,378	20,853,715	1,578,211,663	-	1,599,065,378

Financial assets - disclosed but not measured at fair value

Investments					
Federal Government Securities	50,743,735	2,620,793	48,122,942	-	50,743,735
Unlisted shares	612,287	-	612,287	-	612,287
Subsidiaries	-	-	-	-	-
Lendings to financial institutions	25,905,155	-	-	-	-
Cash and balances with treasury banks	134,869,636	-	-	-	-
Balances with other banks	18,628,677	-	-	-	-
Advances	551,135,688	-	-	-	-
Other assets	113,310,920	-	-	-	-
	<u>895,206,098</u>	<u>2,620,793</u>	<u>48,735,229</u>	<u>-</u>	<u>51,356,022</u>

Off-balance sheet financial instruments - measured at fair value

Forward purchase of foreign exchange	<u>141,737,895</u>	<u>-</u>	<u>71,588</u>	<u>-</u>	<u>71,588</u>
Forward sale of foreign exchange	<u>135,602,018</u>	<u>-</u>	<u>58,257</u>	<u>-</u>	<u>58,257</u>

December 31, 2024 (Audited)				
Carrying / Notional Value	Level 1	Level 2	Level 3	Total
(Rupees in '000)				

On balance sheet financial instruments

Financial assets - measured at fair value

Investments					
Federal Government Securities	1,432,008,563	6,979,571	1,425,028,992	-	1,432,008,563
Shares	9,423,206	9,423,206	-	-	9,423,206
Units of open end mutual funds	2,985,425	1,590,038	1,395,387	-	2,985,425
Fully paid preference shares	23,489	23,489	-	-	23,489
Non Government Debt Securities	14,031,394	-	14,031,394	-	14,031,394
	<u>1,458,472,077</u>	<u>18,016,304</u>	<u>1,440,455,773</u>	<u>-</u>	<u>1,458,472,077</u>

Financial assets - disclosed but not measured at fair value

Investments					
Federal Government Securities	50,546,724	2,611,283	47,935,441	-	50,546,724
Unlisted Shares	350,000	-	-	-	-
Cash and balances with treasury banks	133,535,448	-	-	-	-
Balances with other banks	12,958,886	-	-	-	-
Lendings to financial institutions	4,567,619	-	-	-	-
Advances	695,692,118	-	-	-	-
Other assets	85,066,739	-	-	-	-
	<u>982,717,534</u>	<u>2,611,283</u>	<u>47,935,441</u>	<u>-</u>	<u>50,546,724</u>

Off-balance sheet financial instruments - measured at fair value

Forward purchase of foreign exchange	<u>118,183,587</u>	<u>-</u>	<u>(1,602,237)</u>	<u>-</u>	<u>(1,602,237)</u>
Forward sale of foreign exchange	<u>82,377,560</u>	<u>-</u>	<u>937,767</u>	<u>-</u>	<u>937,767</u>

The Group's policy is to recognize transfers into and out of the different fair value hierarchy levels at the date the event or change in circumstances that caused such transfer to takes place. There were no transfers between levels 1 and 2 during the year.

36.2 Fair value of non-financial assets

	(Un-audited) March 31, 2025	(Audited) December 31, 2024
	(Rupees in '000)	
	Level 2	Level 2
Fixed assets		
Property and equipment (freehold and leasehold land)	13,238,392	13,238,392
Assets held for sale	1,750,000	1,750,000
Other assets		
Non-banking assets acquired in satisfaction of claims	985,331	991,121

37. Segment Information

37.1 Segment details with respect to Business Activities

The segment analysis with respect to business activity is as follows:

	March 31, 2025 (Un-audited)						
	Branch banking	Corporate banking	Treasury	Consumer banking (Rupees in '000)	Islamic banking	Foreign operations	Head Office / others
Profit and loss							
Net mark-up / return / profit	(18,336,188)	10,377,464	26,613,732	1,051,301	2,407,618	266,029	(456,675)
Inter segment revenue - net	28,225,621	(8,312,669)	(19,952,814)	(593,277)	(101,342)	(73,227)	807,708
Non mark-up / return / interest income	693,088	946,993	1,482,532	134,365	189,201	2,819	259,406
Total income	10,582,521	3,011,788	8,143,450	592,389	2,495,477	195,621	610,439
Segment direct expenses	5,087,490	208,681	112,124	510,849	1,304,411	72,707	2,805,352
Inter segment expense allocation	(128,961)	(58,682)	116	2,630	-	-	184,897
Total expenses	4,958,529	149,999	112,240	513,479	1,304,411	72,707	2,990,249
Credit loss allowance	(122,833)	281,794	-	8,327	87,700	-	810
Profit before tax	5,746,825	2,579,995	8,031,210	70,583	1,103,366	122,914	(2,380,620)
	March 31, 2025 (Un-audited)						
	Branch banking	Corporate banking	Treasury	Consumer banking (Rupees in '000)	Islamic banking	Foreign operations	Head Office / others
Statement of financial position							
Cash and bank balances	51,518,326	-	88,755,072	-	13,129,002	95,913	-
Investments	9	8,149,165	1,542,110,191	-	83,898,830	15,512,787	1,345,227
Lendings to financial institutions	-	-	18,651,133	-	-	7,254,022	-
Advances - performing - net of loss allowance	16,283,614	419,870,708	-	22,088,949	77,061,680	9,650,912	4,639,682
Advances - non-performing - net of loss allowance	242,378	907,103	-	44,242	346,420	-	-
Others	1,214,254	34,587,093	70,761,684	1,699,362	14,453,334	478,299	53,204,891
Total Assets	69,258,581	463,514,069	1,720,278,080	23,832,553	188,889,266	32,991,933	59,189,800
Borrowings	1,384,679	29,163,512	893,777,247	4,127,855	10,013,255	-	-
Subordinated debts	-	-	-	-	-	-	12,000,000
Deposits and other accounts	1,067,009,271	189,439,399	-	3,200	128,107,208	2,094,515	-
Lease liabilities	-	-	-	-	-	-	14,694,150
Net inter segment balances - net	(1,012,187,421)	212,243,304	817,829,258	18,479,361	32,854,358	27,063,551	(96,282,411)
Others	13,052,052	32,667,854	8,671,575	1,222,137	8,598,076	3,833,867	14,612,759
Total liabilities	69,258,581	463,514,069	1,720,278,080	23,832,553	179,572,897	32,991,933	(54,975,502)
Equity	-	-	-	-	9,316,369	-	114,165,301
Total Equity and liabilities	69,258,581	463,514,069	1,720,278,080	23,832,553	188,889,266	32,991,933	59,189,800
Contingencies and commitments	25,301,045	407,818,510	287,339,913	883,811	16,160,037	-	976,159
	March 31, 2024 (Un-audited)						
	Branch banking	Corporate banking	Treasury	Consumer banking (Rupees in '000)	Islamic banking	Foreign operations	Head Office / others
Profit and loss							
Net mark-up / return / profit	(29,529,102)	13,610,159	23,523,158	1,228,319	4,381,460	485,879	(782,610)
Inter segment revenue - net	37,481,239	(13,039,365)	(24,612,379)	(937,130)	(2,701,923)	(296,992)	4,106,550
Non mark-up / return / interest income	618,559	1,187,071	1,562,700	123,302	230,836	1,816	125,153
Total income	8,570,696	1,757,865	473,479	414,491	1,910,373	190,703	3,449,093
Segment direct expenses	4,395,346	286,640	112,943	441,283	917,447	71,065	1,985,598
Inter segment expense allocation	210,346	259,916	2,295	7,855	-	-	(480,412)
Total expenses	4,605,692	546,556	115,238	449,138	917,447	71,065	1,505,186
Provisions	(23,345)	61,796	50,993	(57,711)	1,352,654	(362,112)	151,398
Profit before tax	3,988,349	1,149,513	307,248	23,064	(359,728)	481,750	1,792,509
	December 31, 2024 (Audited)						
	Branch banking	Corporate banking	Treasury	Consumer banking (Rupees in '000)	Islamic banking	Foreign operations	Head Office / others
Statement of financial position							
Cash and bank balances	39,134,158	-	95,246,945	-	12,029,791	83,441	-
Investments	-	8,134,146	1,408,084,327	-	82,416,700	9,590,854	1,142,774
Advances - performing - net of provision	17,604,851	579,995,832	-	23,598,799	67,142,842	552,952	4,649,058
Advances - non-performing - net of provision	333,254	1,393,713	-	32,399	388,418	-	-
Others	1,464,361	38,653,942	46,866,118	1,764,432	10,232,932	216,902	46,060,136
Total Assets	58,536,624	628,177,633	1,550,197,390	25,395,630	176,778,302	10,444,149	51,851,968
Borrowings	1,518,088	31,799,065	826,098,845	4,252,855	5,543,557	-	-
Subordinated debts	-	-	-	-	-	-	12,000,000
Deposits and other accounts	988,117,223	238,600,920	-	3,200	135,125,206	1,003,954	-
Net inter segment balances - net	(978,288,278)	328,998,027	708,893,021	20,469,236	(5,153,532)	9,347,574	(84,266,048)
Others	47,189,591	28,779,621	15,205,524	670,339	16,292,345	92,621	26,678,454
Total liabilities	58,536,624	628,177,633	1,550,197,390	25,395,630	151,807,576	10,444,149	(45,587,594)
Equity	-	-	-	-	24,970,726	-	97,439,562
Total Equity and liabilities	58,536,624	628,177,633	1,550,197,390	25,395,630	176,778,302	10,444,149	51,851,968
Contingencies and commitments	6,946,750	508,539,842	405,171,147	1,056,666	27,012,469	-	1,028,949

38. **RELATED PARTY TRANSACTIONS**

Fauji Consortium comprising of Fauji Foundation and Fauji Fertilizer Company Limited (the Parent) holds 71.91% of the Group's share capital at the period end. The Group has related party relationships with entities under common directorship, its directors, key management personnel, entities over which the directors are able to exercise significant influence and employees' funds.

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 and balances are as follows:

	As at March 31, 2025 (Un-audited)				As at December 31, 2024 (Audited)			
	Parent	Directors	Key management personnel	Other related parties	Parent	Directors	Key management personnel	Other related parties
	Rupees in '000							
Investments								
Opening balance	-	-	-	4,283,287	-	-	-	1,420,050
Investment made during the period / year	-	-	-	-	-	-	-	-
Investment redeemed / disposed off during the period / year	-	-	-	-	-	-	-	(500,000)
Revaluation adjustment	-	-	-	6,143	-	-	-	1,346,252
Transfer in / (out) - net	-	-	-	-	-	-	-	2,016,985
Closing balance	-	-	-	4,289,430	-	-	-	4,283,287
ECL / provision for diminution in value of investments								
	-	-	-	-	-	-	-	898,458
Advances								
Opening balance	17,970,281	1,292	266,834	13,638,055	8,108,881	-	496,686	25,003,594
Addition during the period / year	121,453,650	8,345	17,792	10,516,667	1,196,156,040	25,076	169,998	258,248,620
Repaid during the period / year	(134,352,609)	(4,460)	(19,923)	(10,386,319)	(1,186,294,641)	(23,784)	(112,135)	(257,568,925)
Transfer in / (out) - net	-	(83)	(3,614)	(1,917,520)	-	-	(287,715)	(12,045,234)
Closing balance	5,071,322	5,094	261,089	11,850,883	17,970,281	1,292	266,834	13,638,055
ECL held against advances								
	287	12	236	1,865,660	2,191	-	1,452	3,150,241
Other Assets								
Interest / mark-up receivable	265,845	35	42,806	241,566	66,417	-	49,135	151,802
Advance rent	428	-	-	-	999	-	-	-
Acceptances	-	-	-	327,895	3,837	-	-	424,116
Receivable from staff retirement fund	-	-	-	279,425	-	-	-	415,569
Others	-	-	-	-	106	-	-	-
Borrowings								
Opening balance	-	-	-	4,252,855	-	-	-	2,992,873
Borrowings during the period	-	-	-	-	-	-	-	2,000,000
Settled during the period	-	-	-	(125,000)	-	-	-	(740,018)
Closing balance	-	-	-	4,127,855	-	-	-	4,252,855
Deposits and other accounts								
Opening balance	18,698,701	43,251	234,398	25,168,932	39,101,224	63,502	299,420	49,059,956
Received during the period / year	222,483,227	102,065	256,829	165,862,152	1,251,319,810	545,392	1,008,533	1,375,477,575
Withdrawn during the period / year	(216,826,556)	(112,843)	(208,450)	(160,487,102)	(1,271,722,333)	(523,615)	(973,309)	(1,404,518,301)
Transfer in / (out) - net	-	6,898	(150,934)	35,020	-	(42,028)	(100,246)	5,149,701
Closing balance	24,355,372	39,371	131,843	30,579,001	18,698,701	43,251	234,398	25,168,932
Other Liabilities								
Interest / mark-up payable	1,293,579	87	693	370,938	821,174	-	4	802,755
Acceptances	-	-	-	327,895	-	-	-	-
Security deposits payable	-	-	-	649,523	-	-	-	597,202
Others	-	-	37,677	33,071	-	-	57,965	12,035
Guarantees and Commitments								
Guarantees and Commitments	1,899,289	-	-	7,690,289	3,983,736	-	-	6,182,135
Others								
Dividend paid	3,126,673	-	-	-	2,605,561	-	-	-
Commitment in respect of Government securities transactions	-	-	-	-	17,560,000	-	-	6,500,000
Securities held as custodian	29,900,000	9,000	23,600	11,997,080	27,810,000	-	9,600	17,905,460

	For the period ended March 31, 2025 (Un-Audited)				For the period ended March 31, 2024 (Un-Audited)			
	Parent	Directors	Key management personnel	Other related parties	Parent	Directors	Key management personnel	Other related parties
	----- Rupees in '000 -----							

Income

Mark-up / return / interest earned	277,159	145	14,372	183,130	171,097	-	5,392	1,124,127
Fee and commission received	681	-	-	11,240	578	-	-	10,545
Dividend income	-	-	-	99,133	-	-	-	19,474
Other Income	1,147	-	-	1,281	-	-	-	-

Expense

Mark-up / return / interest expensed	946,654	630	2,071	628,558	5,356,363	-	1,340	770,869
Charge to defined benefit plan	-	-	-	166,302	-	-	-	137,826
Contribution to defined contribution plan	-	-	-	116,555	-	-	-	98,123
Remuneration and allowances	-	-	210,237	2,968	-	-	423,373	2,386
Rent	819	-	-	-	747	-	-	-
Communications	-	-	-	60,473	-	-	-	56,139
Brokerage and Commission	-	-	-	22,530	-	-	-	28,726
Directors' Fee, Allowances	-	16,160	-	-	-	9,280	-	-
Others	1,356	-	-	-	-	-	-	-

In addition to above, rent free sub-branches are operating at FFC Sona Tower, FFBL Tower and Foundation University (along with Booths and ATMs).

The term 'key management personnel' has the same meaning as defined in IAS 24 - Related party disclosures.

39. CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

	(Un-audited) March 31, 2025	(Audited) December 31, 2024
	(Rupees in '000)	
Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	14,492,992	14,492,992
Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier 1 (CET 1) Capital	108,125,953	106,074,962
Eligible Additional Tier 1 (ADT 1) Capital	6,000,000	6,000,000
Total Eligible Tier 1 Capital	114,125,953	112,074,962
Eligible Tier 2 Capital	19,747,717	22,028,156
Total Eligible Capital (Tier 1 + Tier 2)	133,873,670	134,103,118
Risk Weighted Assets (RWAs):		
Credit Risk	433,372,740	418,533,799
Market Risk	57,353,466	79,795,184
Operational Risk	125,480,495	125,480,495
Total	616,206,700	623,809,478
Common Equity Tier 1 Capital Adequacy ratio	17.55%	17.00%
Tier 1 Capital Adequacy Ratio	18.52%	17.97%
Total Capital Adequacy Ratio	21.73%	21.50%
Leverage Ratio (LR):		
Eligible Tier-1 Capital	114,125,953	112,074,962
Total Exposures	3,291,460,664	3,119,410,960
Leverage Ratio	3.47%	3.59%
Liquidity Coverage Ratio (LCR):		
Total High Quality Liquid Assets	926,369,114	758,343,578
Total Net Cash Outflow	480,051,685	348,473,882
Liquidity Coverage Ratio	192.97%	217.62%
Net Stable Funding Ratio (NSFR):		
Total Available Stable Funding	1,294,794,650	1,413,383,785
Total Required Stable Funding	592,120,049	668,217,716
Net Stable Funding Ratio	218.67%	211.52%

40. RECLASSIFICATION OF COMPARATIVE FIGURES

Where necessary, corresponding figures have been regrouped to conform to the presentation of current period amounts. Further, the regrouping does not have an impact on previously reported condensed interim consolidated statement of financial position or profit and loss account.

41. DATE OF AUTHORIZATION

These consolidated condensed interim financial statements were authorized for issue by the Board of Directors on April 29, 2025.

Chief Financial Officer

President & Chief Executive Officer

Director

Director

Chairman



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