



DEFINED BY SERVICE DRIVEN BY EXCELLENCE

QUARTERLY REPORT (UN-AUDITED)
MARCH 31, 2025

CONTENTS

Company Information	02
Directors' Report to the Members.....	03
Unconsolidated Condensed Interim Financial Statements	05
Unconsolidated Condensed Interim Statement of Financial Position.....	06
Unconsolidated Condensed Interim Profit and Loss Account	07
Unconsolidated Condensed Interim Statement of Comprehensive Income	08
Unconsolidated Condensed Interim Statement of Changes in Equity.....	09
Unconsolidated Condensed Interim Cash Flow Statement	10
Notes to the Unconsolidated Condensed Interim Financial Statements	11
Consolidated Condensed Interim Financial Statements	42
Consolidated Condensed Interim Statement of Financial Position	43
Consolidated Condensed Interim Profit and Loss Account	44
Consolidated Condensed Interim Statement of Comprehensive Income.....	45
Consolidated Condensed Interim Statement of Changes in Equity	46
Consolidated Condensed Interim Cash Flow Statement.....	47
Notes to the Consolidated Condensed Interim Financial Statements	48
Directors' Report to the Members (Urdu)	83

COMPANY INFORMATION

Board of Directors

Sir Mohammed Anwar Pervez, OBE, H Pk
Chairman/Non-Executive Director

Mr. Rizwan Pervez
Non-Executive Director

Mr. Daniel Michael Howlett
Independent Director

Lord Zameer M. Choudrey, CBE, SI Pk
Non-Executive Director

Mr. Tariq Rashid
Independent Director

Mr. Muhammad Irfan A. Sheikh
Non-Executive Director

The Honourable Haider Zameer Choudrey
Non-Executive Director

Ms. Shazia Syed
Independent Director

Mr. Muhammad Jawaid Iqbal
President & CEO

COMMITTEES OF THE BOARD BOARD AUDIT COMMITTEE (BAC):

Ms. Shazia Syed	Chairperson	Mr. Tariq Rashid	Member
The Honourable Haider Zameer Choudrey	Member	Ms. Shazia Syed	Member
Mr. Rizwan Pervez	Member	Mr. Daniel Michael Howlett	Member
Mr. Tariq Rashid	Member	Mr. Muhammad Irfan A. Sheikh	Member
Mr. Aqeel Ahmed Nasir	Secretary	Mr. Muhammad Jawaid Iqbal	Member
		Mr. Munawar Raza Shah	Secretary

BOARD HUMAN RESOURCE & COMPENSATION COMMITTEE (HRCC):

Mr. Tariq Rashid	Chairman
Sir Mohammed Anwar Pervez, OBE, H Pk	Member
Lord Zameer M. Choudrey, CBE, SI Pk	Member
Ms. Shazia Syed	Member
Ms. Hafsa Abbasy	Secretary

Chief Financial Officer

Syed Manzoor Hussain Zaidi

Company Secretary & Chief Legal Counsel

Mr. Aqeel Ahmed Nasir

Registered Office:

13th Floor, UBL Building, Jinnah Avenue, Blue Area,
Islamabad.

BOARD RISK & COMPLIANCE COMMITTEE (BRCC):

Mr. Daniel Michael Howlett	Chairman
Lord Zameer M. Choudrey, CBE, SI Pk	Member
Mr. Muhammad Irfan A. Sheikh	Member
Mr. Muhammad Jawaid Iqbal	Member
Mr. Imran Sarwar	Secretary

UBL Head Office

I.I. Chundrigar Road, Karachi – 74000, Pakistan.

Share Registrar

THK Associates (Pvt.) Limited
Plot No. 32-C, Jami Commercial Street – 2
D.H.A. Phase VII,
Karachi – 75500.
Phone No.: 021-35310187
UAN: 021-111-000-322
Fax No.: 021-35310190
Email: sfc@thk.com.pk

BOARD IT COMMITTEE (BITC):

The Honourable Haider Zameer Choudrey	Chairman
Mr. Rizwan Pervez	Member
Mr. Daniel Michael Howlett	Member
Mr. Muhammad Irfan A. Sheikh	Member
Mr. Muhammad Jawaid Iqbal	Member
Mr. Sohail Aziz Secretary	

Auditors

M/s. EY Ford Rhodes
Chartered Accountants

BOARD NOMINATION COMMITTEE (BNC):

Sir Mohammed Anwar Pervez, OBE, H Pk	Chairman
Lord Zameer M. Choudrey, CBE, SI Pk	Member
The Honourable Haider Zameer Choudrey	Member
Mr. Aqeel Ahmed Nasir	Secretary

Legal Advisors

M/s. Mehmood Abdul Ghani & Co.
Advocates

BOARD INTERNATIONAL COMMITTEE (BIC):

Lord Zameer M. Choudrey, CBE, SI Pk	Chairman
Sir Mohammed Anwar Pervez, OBE, H Pk	Member
The Honourable Haider Zameer Choudrey	Member
Mr. Rizwan Pervez	Member

Contacts

UAN: 111-825-111
Contact Centre: 111-825-888
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Email: customer.services@ubl.com.pk

DIRECTORS' REPORT TO THE MEMBERS

On behalf of the Board of Directors, we are pleased to present the financial statements of United Bank Limited (UBL) for the three months ended March 31, 2025.

Performance Overview

On a standalone basis, UBL recorded Profit Before Tax (PBT) of Rs. 75.3 billion for the three months ended March 31, 2025, with a strong growth of 147% year on year. Profit After Tax (PAT) stood at Rs. 35.6 billion for Q1'25 as compared to Rs. 15.6 billion for Q1'24 with Earnings per share (EPS) of Rs. 28.92 compared to Rs. 12.73 for last year. On a consolidated basis, UBL reported PAT of Rs. 36.1 billion (Q1'24: Rs. 16.1 billion) with consolidated EPS of Rs. 29.34 (Q1'24: Rs. 13.05).

The Board of Directors declared an interim cash dividend of Rs. 11 per share in their meeting held in Islamabad on April 16, 2025 along with the results for the quarter ended March 31, 2025.

The Bank's gross revenues were Rs. 99.8 billion in Q1'25, a year on year growth of 112%. Net mark-up income was recorded at Rs. 84.2 billion which was primarily driven by expansion in UBL's current account deposits.

The Bank earned non-markup income of Rs. 15.6 billion in Q1'25 with a strong build up in core revenues. Fees and commission income of Rs. 6.5 billion was earned in Q1'25, a year on year growth of 23%. This was led by strong growth in card related fees, supported by solid trade income, corporate service fees and UBL's continued leadership position in the domestic home remittances space.

The Bank's operating expenses recorded a 40% increase over Q1'24 and stood at Rs. 24.6 billion in Q1'25. This was driven by staff costs increasing by 30% year on year to Rs. 9.7 billion, property related expenses rising 42% year on year to Rs. 3.4 billion and IT expenses increasing 27% year on year to Rs 2.5 billion. The Bank continues to invest in its branch network, digital products and IT infrastructure to augment growth.

UBL recorded a net provision reversal of Rs. 1.6 billion for Q1'25 against a net provision reversal of Rs. 1.7 billion in Q1'24 mainly resulting from recoveries in the international portfolio.

The bank seeks to maintain an efficient capital base that provides a foundation for future growth as well as maintaining adequate buffers over regulatory requirements. The consolidated CAR stood at 21.4% as of Mar'25 (Dec'24: 20.6%), with a buffer of 8.9% over the minimum regulatory requirement of 12.5%. The Common Equity Tier 1 (CET-1) ratio stood at 15.8% as of Mar'25 (Dec'24: 14.8%). The Total Tier 1 Capital ratio was 16.3% as of Mar'25 (Dec'24: 15.5%).

Amalgamation of Silk Bank Limited (SBL) with and into UBL

During the first Quarter, the State Bank of Pakistan (SBP) has approved the scheme of amalgamation of Silk Bank Limited (SBL) with and into UBL and accordingly the process of amalgamation has been completed. Details are given in note 1.1 to the unconsolidated condensed interim financial statements.

Proposed Share Subdivision and Capital Restructuring

In order to enhance the investors' accessibility and improve the market liquidity, the Board of Directors have recommended to the shareholders the subdivision of one (01) ordinary share of United Bank Limited (UBL), having face value of PKR 10/- each into two (02) ordinary shares of face value of PKR 5/- each, with no change in rights, privileges and entitlements of the shareholders of the Bank subject to completion of all requisite regulatory approvals.

The Board has decided to convene an Extraordinary General Meeting (EOGM) on May 15, 2025, for the consideration and approval of the subdivision of shares by the shareholders of UBL.

Credit Rating

VIS Credit Rating Company Limited (VIS) re-affirmed the entity ratings of UBL at “AAA / A-1+” (Triple A / A-One Plus) in June 2024. Moreover, UBL’s Additional Tier-1 (ADT-1) TFC has also been re-affirmed at ‘AA+’ (Double A plus). Outlook on the assigned ratings are ‘Stable’.

Future Outlook

UBL is driving forward with agility and resilience in 2025, strengthening its core franchise in both conventional and Islamic banking. The Bank is committed to expanding its customer base, deepening relationships, and growing its market share in low-cost deposits to maximize returns. With a focus on digital excellence, UBL is enhancing its platforms for a seamless and secure banking experience. People remain a priority, with investments in talent development and leadership.

A key milestone this year is the merger with Silk Bank, which will expand UBL’s presence in urban centers, strengthen its branch network, and grow its customer base across key regions. With a strong emphasis on customer service and innovation, UBL is well-positioned for sustained growth, stability, and resilience in 2025 and beyond.

Acknowledgements

On behalf of the Board of Directors, we would like to express our appreciation to UBL’s customers and shareholders for their continued trust in the UBL brand and to the UBL staff for their commitment and dedication. We would also like to extend our gratitude to the Government of Pakistan, the State Bank of Pakistan, the Securities and Exchange Commission of Pakistan and other regulatory bodies for their continuous guidance and support.



Muhammad Jawaid Iqbal
President & CEO



Daniel Michael Howlett
Director

Islamabad,
April 16, 2025



UNITED BANK LIMITED

**UNCONSOLIDATED CONDENSED
INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED
MARCH 31, 2025
(Un-audited)**

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2025

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

ASSETS

Cash and balances with treasury banks	6	305,012,859	309,745,911
Balances with other banks	7	94,621,730	59,968,246
Lendings to financial institutions	8	5,529,200	18,492,483
Investments	9	7,493,699,663	5,886,894,503
Advances	10	928,333,171	1,443,481,944
Property and equipment	11	96,143,508	85,246,731
Right-of-use assets	12	19,650,775	9,896,084
Intangible assets	13	57,685,304	2,481,475
Deferred tax assets	14	-	-
Other assets	15	367,031,756	246,924,757
		9,367,707,966	8,063,132,134

LIABILITIES

Bills payable	17	27,559,426	44,221,818
Borrowings	18	5,403,475,581	4,855,373,516
Deposits and other accounts	19	3,394,792,180	2,640,211,489
Lease liabilities	20	21,988,051	12,008,797
Subordinated debt	21	11,998,400	10,000,000
Deferred tax liabilities	14	11,658,567	38,959,061
Other liabilities	22	149,507,052	146,135,202
		9,020,979,257	7,746,909,883

NET ASSETS

346,728,709	316,222,251
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REPRESENTED BY:


Share capital		12,521,239	12,241,797
Reserves		129,419,366	114,734,831
Surplus on revaluation of assets	23	74,057,455	77,289,805
Unappropriated profit		130,730,649	111,955,818
		346,728,709	316,222,251

CONTINGENCIES AND COMMITMENTS

24


The annexed notes 1 to 44 form an integral part of these unconsolidated condensed interim financial statements.


Syed Manzoor Hussain Zaidi
Chief Financial Officer


Muhammad Jawaid Iqbal
President &
Chief Executive Officer


Shazia Syed
Director


Daniel Michael Howlett
Director


Sir Mohammed Anwar Pervez, OBE, HPk
Chairman


UNCONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)

FOR THE THREE MONTHS ENDED MARCH 31, 2025

		January - March 2025	January - March 2024
	Note	----- (Rupees in '000) -----	
Mark-up / return / interest earned	26	260,957,761	238,626,523
Mark-up / return / interest expensed	27	176,732,625	212,012,393
Net mark-up / interest income		<u>84,225,136</u>	<u>26,614,130</u>
Non mark-up / interest income			
Fee and commission income	28	6,467,543	5,269,354
Dividend income		862,726	473,165
Foreign exchange income		3,477,162	2,675,845
Loss from derivatives		(1,252,817)	(64,846)
Gain on securities - net	29	5,825,773	12,808,746
Capital loss on derecognition of financial assets measured at amortised cost		-	(947,561)
Other income	30	217,428	181,837
Total non mark-up / interest income		<u>15,597,815</u>	<u>20,396,540</u>
Total income		<u>99,822,951</u>	<u>47,010,670</u>
Non mark-up / interest expenses			
Operating expenses	31	24,619,103	17,609,729
Workers' Welfare Fund		1,477,645	668,478
Other charges	32	653	866
Total non mark-up / interest expenses		<u>26,097,401</u>	<u>18,279,073</u>
Profit before credit loss allowance		<u>73,725,550</u>	<u>28,731,597</u>
Credit loss allowance and write-offs - net	33	(1,608,817)	(1,719,712)
Profit before taxation		<u>75,334,367</u>	<u>30,451,309</u>
Taxation	34	39,738,749	14,862,852
Profit after taxation		<u><u>35,595,618</u></u>	<u><u>15,588,457</u></u>
		----- (Rupees) -----	
Earnings per share - basic and diluted	35	<u>28.92</u>	<u>12.73</u>

The annexed notes 1 to 44 form an integral part of these unconsolidated condensed interim financial statements.


Syed Manzoor Hussain Zaidi
Chief Financial Officer


Muhammad Jawaid Iqbal
President &
Chief Executive Officer


Shazia Syed
Director


Daniel Michael Howlett
Director



Sir Mohammed Anwar Pervez, OBE, HPK
Chairman


UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)


FOR THE THREE MONTHS ENDED MARCH 31, 2025

	January - March 2025	January - March 2024
	----- (Rupees in '000) -----	
Profit after taxation for the period	35,595,618	15,588,457
Other comprehensive income		
<i>Items that may be reclassified to profit and loss account in subsequent periods</i>		
Effect of translation of net investment in overseas branches	651,213	(1,314,014)
Movement in surplus / (deficit) on revaluation of debt investments through FVOCI - net of tax	(5,293,355)	(7,571,482)
	(4,642,142)	(8,885,496)
<i>Items that will not be reclassified to profit and loss account in subsequent periods</i>		
Movement in surplus on revaluation of equity investments through FVOCI - net of tax	2,265,756	11,354
Movement in surplus on revaluation of property and equipment - net of tax	-	5,481
Movement in surplus on revaluation of non-banking assets - net of tax	-	-
	2,265,756	16,835
Total comprehensive income for the period	<u>33,219,232</u>	<u>6,719,796</u>

The annexed notes 1 to 44 form an integral part of these unconsolidated condensed interim financial statements.


Syed Manzoor Hussain Zaidi
 Chief Financial Officer


Muhammad Jawaid Iqbal
 President &
 Chief Executive Officer


Shazia Syed
 Director


Daniel Michael Howlett
 Director



Sir Mohammed Anwar Pervez, OBE, HPk
 Chairman

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE THREE MONTHS ENDED MARCH 31, 2025

	Share capital	Share Premium	Capital reserve exchange translation	Statutory reserve	Surplus / (Deficit) on revaluation			Unappropriated profit	Total
					Investments	Property and Equipment	Non-banking assets		
Note	(Rupees in '000)								
Balance as at January 01, 2024 (Audited)	12,241,797	-	60,922,855	46,878,123	780,037	38,211,793	-	89,138,112	248,172,717
Total comprehensive income for the three months ended March 31, 2024									
Profit after taxation for the three months ended March 31, 2024	-	-	-	-	-	-	-	15,588,457	15,588,457
Other comprehensive income - net of tax	-	-	(1,314,014)	-	(7,560,128)	5,481	-	-	(8,868,661)
Total comprehensive income for the three months ended March 31, 2024	-	-	(1,314,014)	-	(7,560,128)	5,481	-	15,588,457	6,719,796
Transfer from surplus on revaluation upon disposal to unappropriated profit - net of tax	-	-	-	-	-	-	-	-	-
Transfer of incremental depreciation from surplus on revaluation of property and equipment to unappropriated profit - net of tax	-	-	-	-	-	(24,777)	-	24,777	-
Transfer to statutory reserve	-	-	-	1,558,846	-	-	-	(1,558,846)	-
Transactions with owners, recorded directly in equity									
Final cash dividend - December 31, 2023 declared subsequent to the year end at Rs. 11.0 per share	-	-	-	-	-	-	-	(13,465,977)	(13,465,977)
Balance as at March 31, 2024 (Un-audited)	12,241,797	-	59,608,841	48,436,969	(6,780,091)	38,192,497	-	89,726,523	241,426,536
Total comprehensive income for the nine months ended December 31, 2024									
Profit after taxation for the nine months ended December 31, 2024	-	-	-	-	-	-	-	64,939,077	64,939,077
Other comprehensive income - net of tax	-	-	195,113	-	45,567,052	313,758	1,146	4,177,500	50,254,569
Total comprehensive income for the nine months ended December 31, 2024	-	-	195,113	-	45,567,052	313,758	1,146	69,116,577	115,193,646
Transfer from surplus on revaluation upon disposal to unappropriated profit - net of tax	-	-	-	-	-	-	-	-	-
Transfer of incremental depreciation from surplus on revaluation of property and equipment to unappropriated profit - net of tax	-	-	-	-	-	(52,806)	-	52,806	-
Transfer of net loss on disposal of FVOCI equity investments from surplus to unappropriated profit - net of tax	-	-	-	-	48,249	-	-	(48,249)	-
Transfer to statutory reserve	-	-	-	6,493,908	-	-	-	(6,493,908)	-
Transactions with owners, recorded directly in equity									
Interim cash dividend - March 31, 2024 declared at Rs. 11.0 per share	-	-	-	-	-	-	-	(13,465,977)	(13,465,977)
Interim cash dividend - June 30, 2024 declared at Rs. 11.0 per share	-	-	-	-	-	-	-	(13,465,977)	(13,465,977)
Interim cash dividend - September 30, 2024 declared at Rs. 11.0 per share	-	-	-	-	-	-	-	(13,465,977)	(13,465,977)
	-	-	-	-	-	-	-	(40,397,931)	(40,397,931)
Balance as at December 31, 2024 (Audited)	12,241,797	-	59,803,954	54,930,877	38,835,210	38,453,449	1,146	111,955,818	316,222,251
Total comprehensive income for the three months ended March 31, 2025									
Profit after taxation for the three months ended March 31, 2025	-	-	-	-	-	-	-	35,595,618	35,595,618
Other comprehensive income - net of tax	-	-	651,213	-	(3,027,599)	-	-	-	(2,376,386)
Total comprehensive income for the three months ended March 31, 2025	-	-	651,213	-	(3,027,599)	-	-	35,595,618	33,219,232
Transfer from surplus on revaluation upon disposal to unappropriated profit - net of tax	-	-	-	-	-	-	-	-	-
Transfer of incremental depreciation from surplus on revaluation of property and equipment to unappropriated profit - net of tax	-	-	-	-	-	(17,861)	-	17,861	-
Transfer of net loss on disposal of FVOCI equity investments from surplus to unappropriated profit - net of tax	-	-	-	-	(186,890)	-	-	186,890	-
Share issued under amalgamation	1.1	279,442	10,473,761	-	-	-	-	-	10,753,203
Transfer to statutory reserve	-	-	-	3,559,561	-	-	-	(3,559,561)	-
Transactions with owners, recorded directly in equity									
Final cash dividend - December 31, 2024 declared subsequent to the year end at Rs. 11.0 per share	-	-	-	-	-	-	-	(13,465,977)	(13,465,977)
Balance as at March 31, 2025 (Un-audited)	12,521,239	10,473,761	60,455,167	58,490,438	35,620,721	38,435,588	1,146	130,730,649	346,728,709

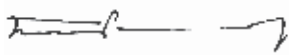
The annexed notes 1 to 44 form an integral part of these unconsolidated condensed interim financial statements.


Syed Manzoor Hussain Zaidi
Chief Financial Officer


Muhammad Jawaid Iqbal
President &
Chief Executive Officer


Shazia Syed
Director


Daniel Michael Howlett
Director



Sir Mohammed Anwar Pervaz, OBE, HPK
Chairman

UNCONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE THREE MONTHS ENDED MARCH 31, 2025

	January - March 2025	January - March 2024
----- (Rupees in '000) -----		
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	75,334,367	30,451,309
Less: Dividend income	862,726	473,165
	<u>74,471,641</u>	<u>29,978,144</u>
Adjustments:		
Depreciation on fixed assets	1,852,788	1,236,799
Depreciation on Islamic financing against leased assets (Ijarah)	22,577	21,961
Depreciation on right-of-use assets	781,052	569,028
Depreciation on non-banking assets acquired in satisfaction of claims	3,457	807
Amortisation	275,891	243,845
Workers' Welfare Fund - charge	1,477,645	668,478
Provision for retirement benefits	422,909	343,564
Provision for compensated absences	34,536	37,684
Credit loss allowance against loans and advances - net	(2,997,963)	(1,583,311)
Credit loss allowance against off - balance sheet obligations - net	818,225	(16,072)
Credit loss allowance for diminution in value of investments - net	623,424	(62,199)
Interest expense on lease liability against right-of-use assets	596,465	341,247
(Gain) / loss on sale of Ijarah assets - net	234	(806)
Gain on sale of fixed assets - net	(58,543)	(3,328)
Bad debts written-off directly	19,656	11,276
Unrealised gain on revaluation of investments classified as FVTPL	16,503	13,335
Credit loss allowance against other assets	20,397	(13,007)
Other credit loss allowance / write-offs	49,989	62,297
	<u>3,959,242</u>	<u>1,871,598</u>
	<u>78,430,883</u>	<u>31,849,742</u>
(Increase) / Decrease in operating assets		
Lendings to financial institutions	12,963,283	27,420,039
Securities classified as FVTPL	(114,668,176)	28,701,362
Advances	518,625,528	30,441,998
Other assets (excluding advance taxation)	(168,073,472)	(37,350,050)
	<u>248,847,163</u>	<u>49,213,349</u>
Increase / (decrease) in operating liabilities		
Bills payable	(16,662,392)	(4,322,515)
Borrowings	548,102,065	163,711,973
Deposits and other accounts	754,580,691	118,558,900
Other liabilities	(5,891,991)	11,748,768
	<u>1,280,128,373</u>	<u>289,697,126</u>
	<u>1,607,406,419</u>	<u>370,760,217</u>
Receipts on account of staff retirement benefits	(228,584)	3,109,504
Income taxes paid	(17,840,581)	(11,866,414)
Net cash flow generated from operating activities	<u>1,589,337,254</u>	<u>362,003,307</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Net investments in securities classified as FVOCI	(1,500,147,500)	(302,746,658)
Net investments in amortized cost securities	811,761	4,586,064
Net cash inflow on amalgamation	15,198,229	-
Dividend income received	352,349	360,101
Investment in property and equipments and intangible assets	(68,309,417)	(2,268,033)
Sale proceeds from disposal of property and equipments	138,675	12,136
Sale proceeds from disposal of Ijarah assets	26,878	-
Effect of translation of net investment in overseas branches	651,213	(1,314,014)
Net cash flow used in investing activities	<u>(1,551,277,812)</u>	<u>(301,370,404)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Payment of lease liability against right-of-use assets	(1,519,047)	(861,415)
Dividend paid	(6,619,963)	(6,623,508)
Net cash flow used in financing activities	<u>(8,139,010)</u>	<u>(7,484,923)</u>
Increase / (decrease) in cash and cash equivalents	<u>29,920,432</u>	<u>53,147,980</u>
Cash and cash equivalents at the beginning of the period	368,504,388	309,759,063
Effect of exchange rate changes on cash and cash equivalents	1,209,769	(1,728,095)
	<u>369,714,157</u>	<u>308,030,968</u>
Cash and cash equivalents at the end of the period	<u>399,634,589</u>	<u>361,178,948</u>

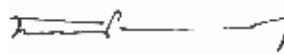
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Syed Manzoor Hussain Zaidi
Chief Financial Officer


Muhammad Jawaid Iqbal
President &
Chief Executive Officer


Shazia Syed
Director


Daniel Michael Howlett
Director


Sir Mohammed Anwar Pervez, OBE, HPK
Chairman

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE THREE MONTHS ENDED MARCH 31, 2025

1. STATUS AND NATURE OF BUSINESS

United Bank Limited (the Bank) is a banking company incorporated in Pakistan and is engaged in commercial banking and related services. The Bank's registered office and principal office are situated at UBL Building, Jinnah Avenue, Blue Area, Islamabad and at UBL Head Office, I. I. Chundrigar Road, Karachi respectively. The Bank operates 1,634 (December 31, 2024: 1,474) branches inside Pakistan including 548 (December 31, 2024: 496) Islamic Banking branches and 2 (December 31, 2024: 2) branches in Export Processing Zones. The Bank also operates 8 (December 31, 2024: 8) branches outside Pakistan. The Bank is a subsidiary of Bestway International Holdings Limited (BIHL) and BIHL is a wholly owned subsidiary of Bestway Group Limited (BGL) which is incorporated in the Guernsey.

The Bank's ordinary shares are listed on Pakistan Stock Exchange (PSX). Its Global Depository Receipts (GDRs) are on the list of the UK Listing Authority and the London Stock Exchange Professional Securities Market. These GDRs are also eligible for trading on the International Order Book System of the London Stock Exchange. Further, the GDRs constitute an offering in the United States only to qualified institutional buyers in reliance on Rule 144A under the US Securities Act of 1933 and an offering outside the United States in reliance on Regulation S.

1.1 BUSINESS COMBINATION

During the current quarter, the State Bank of Pakistan, vide its letter BPRD /ABLD/2025/1249 dated March 10, 2025, has approved the scheme of amalgamation of Silk Bank Limited with and into United Bank Limited, under Section 48 of the Banking Companies Ordinance, 1962 and passed Sanctioned order dated March 10, 2025. The scheme is effective from the start of business on March 11, 2025 (the effective date). The Board of Directors of United Bank Limited (UBL), in their meeting held on December 02, 2024, had approved and resolved to present the draft Scheme of Amalgamation of Silk Bank Limited (SBL) with and into UBL before the shareholders of UBL for their approval. The shareholders of UBL approved the Scheme of Amalgamation in the Extraordinary General Meeting (EOGM) held on December 30, 2024, as per the procedure provided in Section 48 of the Banking Companies Ordinance, 1962. As a result of amalgamation and based on swap ratio of 1 (one) new ordinary share of UBL having face value of Rs. 10 per share for every 325 ordinary shares of SBL, The Bank has issued 27,944,188 ordinary shares of UBL in aggregate in favour of the shareholders of SBL, as of Book closure date.

International Financial Reporting Standard (IFRS) 3, Business Combinations, requires that all identified assets (including intangible assets) and liabilities acquired in a business combination should be carried at their fair values in the acquirer's balance sheet and any intangible assets acquired in the business combination should be separately recognized and carried at their fair values. IFRS 3 allows the acquirer a maximum period of one year from the date of acquisition to finalize the determination of the fair values of the assets and liabilities and to determine the value of any intangibles separately identified. Any adjustment arising at the time of finalisation of this exercise will be incorporated with retrospective effect from the date of acquisition.

Details of the provisional fair value of the assets acquired and liabilities assumed of Silk Bank Limited as at the close of business on March 10, 2025 and purchase consideration are as follows:

	Rupees in '000
Fair value of assets acquired (provisional)	287,417,809
Fair value of liabilities assumed (provisional)	(331,885,484)
Net Liabilities assumed - based on provisional values	(44,467,675)
Purchase consideration (fair value of UBL shares issued)*	(10,753,203)
Provisional Net liabilities assumed including purchase consideration	<u>(55,220,878)</u>

*The fair value of the shares issued to the shareholders of the Silk Bank Limited is based on the published quoted price of the shares of the UBL Bank as at the date on which SBL shareholders were entitled to receive UBL shares at agreed swap ratio i.e. Book Closure Date of SBL.

The detail of net liabilities assumed are detailed below:

	(Un-audited)		
	Carrying values as at March 10, 2025	Fair value adjustments	Fair values as at March 10, 2025
Assets	-----Rupees in '000-----		
Cash and balances with treasury banks	13,453,182	-	13,453,182
Balances with other banks	1,745,047	-	1,745,047
Lendings to financial institutions	2,963,289	-	2,963,289
Investments	174,478,377	(2,519,061)	171,959,316
Advances	24,966,890	(2,081,042)	22,885,848
Property and equipment	2,448,533	-	2,448,533
Right-of-use assets	1,609,885	-	1,609,885
Intangible assets	241,684	-	241,684
Deferred tax assets	49,174,471	6,023,101	55,197,572
Other assets	14,021,506	891,947	14,913,453
	285,102,864	2,314,945	287,417,809
Liabilities			
Bills payable	2,137,951	-	2,137,951
Borrowings	159,953,222	-	159,953,222
Deposits and other accounts	158,937,279	-	158,937,279
Lease liabilities	2,109,397	-	2,109,397
Subordinated debt	1,998,400	-	1,998,400
Other liabilities	6,749,235	-	6,749,235
	331,885,484	-	331,885,484
Net liabilities	(46,782,620)	2,314,945	(44,467,675)

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE THREE MONTHS ENDED MARCH 31, 2025

2. BASIS OF PRESENTATION

These unconsolidated condensed interim financial statements have been prepared in conformity with the format of interim financial statements prescribed by the State Bank of Pakistan (SBP) vide BPRD Circular No. 2 dated February 09, 2023.

In accordance with the directives of the Federal Government regarding the shifting of the banking system to Islamic mode. The SBP has issued various circulars from time to time. Permissible forms of trade-related modes of financing includes purchase of goods by banks from customers and immediate resale to them at appropriate profit in price on deferred payment basis. The purchase and resale arising under these arrangements are not reflected in these unconsolidated financial statements as such, but are restricted to the amount of facility actually utilized and the appropriate portion of profit thereon.

Key financial figures of the Islamic Banking branches are disclosed in note 40 to these unconsolidated condensed interim financial statements.

2.1 STATEMENT OF COMPLIANCE

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

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan 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.

The SBP vide BSD Circular Letter No. 10, dated August 26, 2002 has deferred the applicability of International Accounting Standard 40, Investment Property for banking companies till further instructions. Moreover, SBP vide BPRD Circular No. 4, dated February 25, 2015 has deferred the applicability of Islamic Financial Accounting Standards (IFAS) 3, Profit and Loss Sharing on Deposits. Further, according to the notification of the SECP issued vide SRO 411(I)/2008 dated April 28, 2008, International Financial Reporting Standard (IFRS) 7, Financial Instruments: Disclosures has not been made applicable for banks. Accordingly, the requirements of these standards have not been considered in the preparation of these unconsolidated condensed interim financial statements.

The SECP vide its notification SRO 633 (I)/2014 dated July 10, 2014, adopted IFRS 10 effective from the periods starting from June 30, 2014. However, vide its notification SRO 56 (I)/2016 dated January 28, 2016, it has been notified that the requirements of IFRS 10 and section 228 of the Companies Act, 2017 will not be applicable with respect to the investment in mutual funds established under trust structure.

The disclosures made in these unconsolidated condensed interim financial statements have been limited based on a format prescribed by the SBP vide BPRD Circular Letter No. 2 dated February 09, 2023 and IAS 34, Interim Financial Reporting. They do not include all the information and disclosures required in preparation of audited annual financial statements, and should be read in conjunction with the audited unconsolidated financial statements of the Bank for the year ended December 31, 2024.

These unconsolidated condensed interim financial statements represent the separate condensed interim financial statements of the Bank. The consolidated condensed interim financial statements of the Bank and its subsidiary companies are presented separately.

2.2 Standards, interpretations and amendments to 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. These are not likely to have a material effect on the Bank's financial statements.

3. MATERIAL ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these unconsolidated condensed interim financial statements are consistent with those applied in the preparation of the unconsolidated financial statements of the Bank for the year ended December 31, 2024, except as disclosed in Notes 3.1.

3.1 Fair valuation of unlisted equity securities

With effect from January 01, 2025, unlisted equity investments are valued at their fair value, which represents the price at which the investment could be sold in an orderly transaction between market participants at the measurement date. Previously, these were measured at the lower of cost and break up value derived on the basis of their latest available audited financial statements.

The measurement of the fair value of unlisted equity investments involves the use of valuation techniques that incorporate assumptions that are not evidenced by the prices from observable market data. These may involve the analysis of an investee's financial position and results, risk profile and other judgemental factors. The chosen valuation techniques depend on the availability of market data and the profile of the investee and incorporates all the factors that market participants would consider in pricing a transaction and are aimed at maximizing the use of relevant observable inputs and limiting the use of unobservable data.

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE THREE MONTHS ENDED MARCH 31, 2025

Favourable and unfavourable changes in the value of investments are determined on the basis of changes in the value as a result of varying the levels of the unobservable parameters, quantification of which is judgmental.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

The significant judgments made by management in applying its accounting policies and the key sources of estimation uncertainty were the same as those applied to the unconsolidated financial statements of the Bank for the year ended December 31, 2024.

5. FINANCIAL RISK MANAGEMENT

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

6. CASH AND BALANCES WITH TREASURY BANKS

	Note	(Un-audited) March 31, 2025	(Audited) December 31, 2024
----- (Rupees in '000) -----			
In hand			
Local currency		65,057,173	53,188,216
Foreign currencies		8,453,641	8,126,798
		73,510,814	61,315,014
With State Bank of Pakistan in			
Local currency current accounts		50,924,908	108,175,484
Foreign currency current accounts		7,370,414	5,094,782
Foreign currency deposit accounts		11,344,207	8,205,041
		69,639,529	121,475,307
With other central banks in			
Foreign currency current accounts		120,549,575	88,215,425
Foreign currency deposit accounts		18,897,343	19,326,856
		139,446,918	107,542,281
With National Bank of Pakistan in			
Local currency current accounts		22,137,004	19,133,450
Foreign currency deposit accounts		-	-
		22,137,004	19,133,450
National prize bonds		447,445	479,356
		305,181,710	309,945,408
Less: Credit loss allowance held against cash and balances with treasury banks	6.1	(168,851)	(199,497)
Cash and balances with treasury banks - net of credit loss allowance		305,012,859	309,745,911

6.1 Cash and balances with treasury banks are all classified as Stage 1.

7. BALANCES WITH OTHER BANKS

In Pakistan			
In current accounts		283,668	-
In deposit accounts		135	7
		283,803	7
Outside Pakistan			
In current accounts		68,286,537	47,801,939
In deposit accounts		26,054,796	12,173,491
		94,341,333	59,975,430
		94,625,136	59,975,437
Less: Credit loss allowance held against balances with other banks	7.1	(3,406)	(7,191)
Balances with other banks - net of credit loss allowance		94,621,730	59,968,246

7.1 Balances with other banks are all classified as Stage 1.

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE THREE MONTHS ENDED MARCH 31, 2025

	Note	(Un-audited) March 31, 2025	(Audited) December 31, 2024
----- (Rupees in '000) -----			
8. LENDINGS TO FINANCIAL INSTITUTIONS			
Call lending		4,100,000	-
Repurchase agreement lendings (Reverse Repo)		1,429,200	2,492,483
Bai Muajjal receivable with Scheduled bank / financial institution		-	16,000,000
		5,529,200	18,492,483
Less: Credit loss allowance held against lending to financial institutions	8.1	-	-
Lending to financial institutions - net of credit loss allowance		5,529,200	18,492,483

8.1 Lendings to financial institutions are all classified as stage 1.

	March 31, 2025 (Un-audited)				December 31, 2024 (Audited)			
	Cost / Amortised cost	Credit loss allowance	Surplus / (Deficit)	Carrying Value	Cost / Amortised cost	Credit loss allowance	Surplus / (Deficit)	Carrying Value
----- (Rupees in '000) -----				----- (Rupees in '000) -----				
9.1 Investments by type								
FVTPL								
Federal Government Securities	136,769,452	-	(16,503)	136,752,949	22,066,195	-	35,068	22,101,263
Shares and units	-	-	-	-	-	-	-	-
Non-Government debt securities	1,864,920	-	-	1,864,920	1,864,933	-	-	1,864,933
	138,634,372	-	(16,503)	138,617,869	23,931,128	-	35,068	23,966,196
FVOCI								
Federal Government securities	6,793,349,831	(2,201,566)	64,506,232	6,855,654,497	5,330,379,611	(1,556,324)	75,878,404	5,404,701,691
Shares and units	14,457,248	(95,773)	12,200,380	26,561,855	15,141,147	-	7,869,404	23,010,551
Non-Government debt securities	643,894	(343,966)	-	299,928	462,335	(162,407)	-	299,928
Foreign securities	150,819,994	(14,835)	(2,367,076)	148,438,083	112,833,367	(15,298)	(2,841,124)	109,976,945
	6,959,270,967	(2,656,140)	74,339,536	7,030,954,363	5,458,816,460	(1,734,029)	80,906,684	5,537,989,115
Amortised cost								
Federal Government securities	275,981,871	-	-	275,981,871	277,953,188	-	-	277,953,188
Non-Government debt securities	20,603,787	(1,252,057)	-	19,351,730	20,604,187	(1,264,743)	-	19,339,444
Foreign securities	26,468,816	(14,986)	-	26,453,830	25,321,895	(15,335)	-	25,306,560
	323,054,474	(1,267,043)	-	321,787,431	323,879,270	(1,280,078)	-	322,599,192
Associates	1,297,485	(1,057,485)	-	240,000	1,297,485	(1,057,485)	-	240,000
Subsidiaries	2,100,000	-	-	2,100,000	2,100,000	-	-	2,100,000
Total Investments	7,424,357,298	(4,980,668)	74,323,033	7,493,699,663	5,810,024,343	(4,071,592)	80,941,752	5,886,894,503

	(Un-audited) March 31, 2025	(Audited) December 31, 2024
----- (Rupees in '000) -----		
9.1.1 Investments given as collateral		
Federal Government securities		
Market Treasury Bills	58,501,036	285,281,664
Pakistan Investment Bonds	5,128,454,646	4,331,366,718
Government of Pakistan Sukuks	-	-
Foreign securities	14,912,114	29,926,938
	5,201,867,796	4,646,575,320

The market value of securities given as collateral is Rs. 5,204,621 million (December 31, 2024: Rs. 4,691,781 million).

9.2 Credit loss allowance for diminution in value of investments		
Opening balance	4,071,592	26,013,551
Transfer under amalgamation	277,332	-
Exchange adjustments	8,320	(94,642)
Impact of reclassification on adoption of IFRS 9	-	(6,107,121)
Impact of ECL recognised on adoption of IFRS 9	-	7,501
Charge / (reversals)		
Charge for the period / year	667,283	108,170
Reversals for the period / year	(43,859)	(381,411)
	623,424	(273,241)
Derecognition of ECL on disposals	-	(15,474,456)
Amounts written off	-	-
Closing balance	4,980,668	4,071,592

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE THREE MONTHS ENDED MARCH 31, 2025

9.2.1 Particulars of credit loss allowance against debt securities

Category of classification		March 31, 2025 (Un-audited)		December 31, 2024 (Audited)	
		Outstanding amount	Credit loss allowance held	Outstanding amount	Credit loss allowance held
(Rupees in '000)					
Domestic					
Performing	Stage 1	7,213,616,721	589	5,644,745,195	589
Under performing	Stage 2	-	-	-	-
Non-performing					
Substandard		-	-	-	-
Doubtful	Stage 3	-	-	-	-
Loss		799,841	799,841	618,283	618,283
Overseas					
Performing	Stage 1	177,167,885	29,822	138,034,682	30,630
Under performing	Stage 2	14,918,118	2,997,158	8,087,551	2,364,605
Non-performing					
Substandard		-	-	-	-
Doubtful	Stage 3	-	-	-	-
Loss		-	-	-	-
Total		<u>7,406,502,565</u>	<u>3,827,410</u>	<u>5,791,485,711</u>	<u>3,014,107</u>

9.3 Summary of financial position and performance of associates and subsidiaries

March 31, 2025 (Un-audited)							
	Country of Incorporation	Holding	Assets	Liabilities	Revenue	Profit after tax	Total comprehensive income for the period
		%	(Rupees in '000)				
Associates							
UBL Insurers Limited	Pakistan	30.00%	13,544,471	10,485,768	571,770	196,293	195,663
Subsidiaries							
UBL Fund Managers Limited	Pakistan	98.87%	5,768,780	915,756	1,110,696	429,229	429,229
UBL Currency Exchange (Private) Limited	Pakistan	100.00%	2,523,291	528,654	248,602	31,907	29,655
March 31, 2024 (Un-audited)							
	Country of Incorporation	Holding	Assets	Liabilities	Revenue	Profit after tax	Total comprehensive income for the period
		%	(Rupees in '000)				
Associates							
UBL Insurers Limited	Pakistan	30.00%	11,761,095	9,464,960	478,551	190,428	189,854
Subsidiaries							
United National Bank Limited (UBL UK)	United Kingdom	55.00%	328,789,627	295,742,667	5,216,154	2,923,509	6,043,172
UBL Fund Managers Limited	Pakistan	98.87%	3,898,305	597,059	774,552	240,487	240,487
UBL Currency Exchange (Private) Limited	Pakistan	100.00%	1,078,109	75,662	-	14,658	14,483

9.4 The market value of securities classified as amortised cost as at March 31, 2025 amounted to Rs. 322,335.340 million (December 31, 2024: Rs. 322,113.848 million).

10. ADVANCES

Note	Performing		Non-performing		Total	
	(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)
	March 31, 2025	December 31, 2024	March 31, 2025	December 31, 2024	March 31, 2025	December 31, 2024
	(Rupees in '000)					
Loans, cash credits, running finances, etc.	740,792,772	1,250,821,132	153,924,414	108,082,351	894,717,186	1,358,903,483
Islamic financing and related assets	137,148,992	149,696,208	500,430	260,774	137,649,422	149,956,982
Bills discounted and purchased	59,449,694	48,618,071	7,627,383	7,648,825	67,077,077	56,266,896
Advances - gross	937,391,458	1,449,135,411	162,052,227	115,991,950	1,099,443,685	1,565,127,361
Expected credit loss allowance against advances	10.3					
-Stage 1	(6,236,140)	(6,009,588)	-	-	(6,236,140)	(6,009,588)
-Stage 2	(8,147,168)	(7,736,178)	-	-	(8,147,168)	(7,736,178)
-Stage 3	-	-	(156,727,206)	(107,899,651)	(156,727,206)	(107,899,651)
	(14,383,308)	(13,745,766)	(156,727,206)	(107,899,651)	(171,110,514)	(121,645,417)
Advances - net of expected credit loss allowance	923,008,150	1,435,389,645	5,325,021	8,092,299	928,333,171	1,443,481,944

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE THREE MONTHS ENDED MARCH 31, 2025

	(Un-audited) March 31, 2025	(Audited) December 31, 2024
	----- (Rupees in '000) -----	
10.1 Particulars of advances - gross		
In local currency	705,750,915	1,109,925,640
In foreign currencies	393,692,770	455,201,721
	<u>1,099,443,685</u>	<u>1,565,127,361</u>

10.2 Advances include Rs.162,052.227 million (December 31, 2024: Rs. 115,991.950 million) which have been placed under non-performing status as detailed below:

	(Un-audited) March 31, 2025		(Audited) December 31, 2024	
	Non-Performing Loans	Credit loss allowance	Non-Performing Loans	Credit loss allowance
	----- (Rupees in '000) -----			
Category of Classification in Stage 3				
Domestic				
Other Assets Especially Mentioned	56,463	29,924	80,088	47,504
Substandard	2,539,708	1,769,664	2,307,470	1,538,389
Doubtful	333,120	163,103	280,114	135,921
Loss	74,120,597	73,181,929	22,398,233	21,455,978
	<u>77,049,888</u>	<u>75,144,620</u>	<u>25,065,905</u>	<u>23,177,792</u>
Overseas				
Other Assets Especially Mentioned	-	-	-	-
Substandard	42,716	12,369	78,407	12,297
Doubtful	-	-	4,305,685	1,568,890
Loss	84,959,623	81,570,217	86,541,953	83,140,672
	<u>85,002,339</u>	<u>81,582,586</u>	<u>90,926,045</u>	<u>84,721,859</u>
Total	<u>162,052,227</u>	<u>156,727,206</u>	<u>115,991,950</u>	<u>107,899,651</u>

10.3 Particulars of credit loss allowance against advances

	March 31, 2025 (Un-audited)				December 31, 2024 (Audited)			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Note	----- (Rupees in '000) -----							
Opening balance	6,009,588	7,736,178	107,899,651	121,645,417	759,833	10,410,025	92,332,287	103,502,145
Transfer under amalgamation	615,120	627,726	52,042,882	53,285,728	-	-	-	-
Exchange adjustments	8,446	21,488	491,325	521,259	(3,975)	(137,270)	(943,454)	(1,084,699)
Impact of Adoption of IFRS 9	-	-	-	-	4,046,484	2,689,194	1,234,016	7,969,694
Charge / (reversals)								
Charge for the period / year	913,307	1,618,950	224,926	2,757,183	1,384,897	3,362,228	13,911,386	18,658,511
Reversals for the period / year	(1,371,779)	(1,745,846)	(2,637,521)	(5,755,146)	(639,774)	(3,111,947)	(3,653,142)	(7,404,863)
	<u>(458,472)</u>	<u>(126,896)</u>	<u>(2,412,595)</u>	<u>(2,997,963)</u>	<u>745,123</u>	<u>250,281</u>	<u>10,258,244</u>	<u>11,253,648</u>
Amounts charged off								
- agriculture financing	10.5	-	-	-	-	-	(69,501)	(69,501)
Other adjustments	-	-	-	-	-	597,848	54,112	651,960
Amounts written off	-	-	(1,343,927)	(1,343,927)	-	-	(577,830)	(577,830)
Transfers (out) / in - net	61,458	(111,328)	49,870	-	462,123	(6,073,900)	5,611,777	-
Closing balance	<u>6,236,140</u>	<u>8,147,168</u>	<u>156,727,206</u>	<u>171,110,514</u>	<u>6,009,588</u>	<u>7,736,178</u>	<u>107,899,651</u>	<u>121,645,417</u>

10.4 Advances - Particulars of credit loss allowance

	March 31, 2025 (Un-audited)				December 31, 2024 (Audited)			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Note	----- (Rupees in '000) -----							
Opening balance	6,009,588	7,736,178	107,899,651	121,645,417	759,833	10,410,025	92,332,287	103,502,145
Transfer under amalgamation	615,120	627,726	52,042,882	53,285,728	-	-	-	-
Impact of adoption of IFRS 9	-	-	-	-	4,046,484	2,689,194	1,234,016	7,969,694
New Advances	820,779	1,703,284	-	2,524,063	2,067,736	1,758,867	-	3,826,603
Advances derecognised or repaid	(1,371,779)	(1,745,846)	(2,637,521)	(5,755,146)	(376,907)	(1,687,780)	(3,180,881)	(5,245,568)
Transfer to stage 1	87,044	(85,643)	(1,401)	-	412,794	(412,794)	-	-
Transfer to stage 2	(14,179)	33,817	(19,638)	-	53,836	173,493	(227,329)	-
Transfer to stage 3	(11,407)	(59,502)	70,909	-	(4,507)	(5,834,599)	5,839,106	-
	<u>(489,542)</u>	<u>(153,890)</u>	<u>(2,587,651)</u>	<u>(3,231,083)</u>	<u>2,152,952</u>	<u>(6,002,813)</u>	<u>2,430,896</u>	<u>(1,418,965)</u>
Amounts charged off - agriculture financing	10.5	-	-	-	-	-	(69,501)	(69,501)
Amounts written off	-	-	(1,343,927)	(1,343,927)	-	-	(577,830)	(577,830)
Changes in risk parameters	92,528	(84,334)	224,926	233,120	(945,706)	179,194	13,439,125	12,672,613
Exchange adjustments	8,446	21,488	491,325	521,259	(3,975)	(137,270)	(943,454)	(1,084,699)
Other adjustments	-	-	-	-	-	597,848	54,112	651,960
Closing balance	<u>6,236,140</u>	<u>8,147,168</u>	<u>156,727,206</u>	<u>171,110,514</u>	<u>6,009,588</u>	<u>7,736,178</u>	<u>107,899,651</u>	<u>121,645,417</u>

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE THREE MONTHS ENDED MARCH 31, 2025

10.4.1 Advances - Category of classification

		March 31, 2025 (Un-audited)		December 31, 2024 (Audited)	
		Outstanding amount	Credit loss allowance held	Outstanding amount	Credit loss allowance held
----- (Rupees in '000) -----					
Domestic					
Performing	Stage 1	623,355,395	4,967,265	1,075,219,446	4,488,965
Under performing	Stage 2	44,700,997	4,342,864	53,914,657	4,104,778
Non-performing	Stage 3				
Substandard		2,596,171	1,799,588	2,387,558	1,585,893
Doubtful		333,120	163,103	280,114	135,921
Loss		74,120,597	73,181,929	22,398,233	21,455,978
		<u>77,049,888</u>	<u>75,144,620</u>	<u>25,065,905</u>	<u>23,177,792</u>
Sub Total		<u>745,106,280</u>	<u>84,454,749</u>	<u>1,154,200,008</u>	<u>31,771,535</u>
Overseas					
Performing	Stage 1	245,964,210	1,268,875	292,653,746	1,520,623
Under performing	Stage 2	23,370,856	3,804,304	27,347,562	3,631,400
Non-performing	Stage 3				
Substandard		42,716	12,369	78,407	12,297
Doubtful		-	-	4,305,685	1,568,890
Loss		84,959,623	81,570,217	86,541,953	83,140,672
		<u>85,002,339</u>	<u>81,582,586</u>	<u>90,926,045</u>	<u>84,721,859</u>
Sub Total		<u>354,337,405</u>	<u>86,655,765</u>	<u>410,927,353</u>	<u>89,873,882</u>
Total		<u>1,099,443,685</u>	<u>171,110,514</u>	<u>1,565,127,361</u>	<u>121,645,417</u>

10.4.2 The Bank has also availed FSV benefit of certain mortgaged properties held as collateral against non-performing advances of overseas branches in accordance with the applicable regulations in the respective countries where the branches operate. Had the benefit not been taken by the Bank, the specific provision against non-performing advances would have been higher by Rs. 641.92 million (December 31, 2024: Rs. 1,254.08 million) for the overseas branches.

The FSV benefit availed is not available for the distribution of cash or stock dividend to shareholders.

10.5 These represent non-performing advances for agriculture finance which have been classified as loss, are fully provided and are in default for more than 3 years. These non-performing advances have been charged off by extinguishing them against the provision held in accordance with the SBP's Prudential Regulations for Agriculture Financing. This charge off does not, in any way, prejudice the Bank's right of recovery from these customers.

		(Un-audited) March 31, 2025	(Audited) December 31, 2024
		----- (Rupees in '000) -----	
11. PROPERTY AND EQUIPMENT	Note		
Capital work-in-progress	11.1	9,549,827	3,294,327
Property and equipment		<u>86,593,681</u>	<u>81,952,404</u>
		<u>96,143,508</u>	<u>85,246,731</u>
11.1 Capital work-in-progress			
Civil works		5,761,922	2,141,941
Equipment		1,906,248	897,707
Advances to suppliers		<u>1,881,657</u>	<u>254,679</u>
		<u>9,549,827</u>	<u>3,294,327</u>
(Un-audited)			
11.2 Additions to Property and equipment - net		January - March 2025	January - March 2024
----- (Rupees in '000) -----			
The following additions have been made to property and equipment during the period:			
Capital work-in-progress - net additions		6,255,500	580,291
Property and equipment			
Leasehold land		-	192,086
Leasehold improvements		1,473,215	-
Furniture and fixtures		449,307	160,366
Electrical, office and computer equipment		2,172,178	1,012,774
Vehicles		<u>9,200</u>	<u>214,627</u>
		<u>4,103,900</u>	<u>1,579,853</u>
Total		<u>10,359,400</u>	<u>2,160,144</u>

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE THREE MONTHS ENDED MARCH 31, 2025

(Un-audited)

January -
March 2025

January -
March 2024

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

11.3 Disposal of Property and equipment

The net book value of Property and equipment disposed off during the period is as follows:

Leasehold land	-	-
Leasehold Improvement	72,962	7,692
Furniture and fixtures	433	259
Electrical, office and computer equipment	6,737	857
Total	80,132	8,808

12. RIGHT-OF-USE ASSETS

	March 31, 2025 (Un-audited)			December 31, 2024 (Audited)		
	Buidlings	Others	Total	Buidlings	Others	Total
----- (Rupees in '000) -----						
At January 1,						
Cost	15,824,195	140,673	15,964,868	13,834,046	182,562	14,016,608
Accumulated Depreciation	(5,990,259)	(78,525)	(6,068,784)	(5,452,800)	(66,779)	(5,519,579)
Net Carrying amount at January 1,	9,833,936	62,148	9,896,084	8,381,246	115,783	8,497,029
Additions during the period / year	10,971,871	10,346	10,982,217	4,651,429	19,761	4,671,190
Deletions during the period / year	(446,999)	-	(446,999)	(837,213)	(11,130)	(848,343)
Depreciation charge for the year	(769,292)	(11,760)	(781,052)	(2,361,515)	(62,266)	(2,423,781)
Exchange rate adjustments	525	-	525	(11)	-	(11)
Net Carrying Amount	19,590,041	60,734	19,650,775	9,833,936	62,148	9,896,084

13. INTANGIBLE ASSETS

	Note	(Un-audited) March 31, 2025	(Audited) December 31, 2024
----- (Rupees in '000) -----			
Capital work-in-progress - Computer software		11,676	167,129
Intangible assets - Computer software		2,452,750	2,314,346
Assets through business combination	1.1	55,220,878	-
		57,685,304	2,481,475

13.1 Additions to intangible assets - net

The following additions have been made to intangible assets during the period:

Capital work-in-progress - net	-	103,446
Directly purchased - Intangible assets	178,238	4,443
	178,238	107,889

14. DEFERRED TAX (LIABILITIES) / ASSETS

Deductible temporary differences on

Credit loss allowance against advances and off balance sheet obligations	29,179,394	7,252,539
Workers' Welfare Fund	7,463,518	6,638,445
Credit loss allowance for diminution in value of investments	4,566	-
Credit loss allowance against other assets	1,086,697	-
Impairment in property and equipment	172,571	-
	37,906,746	13,890,984

Taxable temporary differences on

Surplus on revaluation of property and equipment / non-banking assets	(1,267,754)	(1,219,970)
Surplus on revaluation of investments	(42,160,915)	(45,227,466)
Post retirement employee benefits	(5,459,384)	(5,378,140)
Accelerated tax depreciation	(621,190)	(960,788)
Others	(56,070)	(63,681)
	(49,565,313)	(52,850,045)
	(11,658,567)	(38,959,061)

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE THREE MONTHS ENDED MARCH 31, 2025

		(Un-audited) March 31, 2025	(Audited) December 31, 2024
15. OTHER ASSETS	Note	----- (Rupees in '000) -----	
Income / mark-up accrued in local currency		264,171,609	161,322,103
Income / mark-up accrued in foreign currencies	15.1	5,838,629	3,617,197
Advance taxation - net of provision for taxation	15.2	13,944,592	1,913,753
Receivable from staff retirement fund		12,872,888	13,006,849
Branch adjustment account		365,531	-
Receivable from other banks against telegraphic transfers and demand drafts		2,384,565	2,097,214
Unrealised gain on forward foreign exchange contracts		1,694,142	1,102,125
Rebate receivable - net		9,664,629	9,500,919
Unrealised gain on derivative financial instruments	25	48,875	1,262,202
Suspense accounts		455,397	51,321
Stationery and stamps on hand		423,915	599,150
Non-banking assets acquired in satisfaction of claims		3,171,165	39,688
Advances, deposits, advance rent and other prepayments		20,126,715	13,146,683
Dividend receivable		510,377	-
Commission receivable - Bancassurance & Branchless Banking		664,324	719,773
Receivable against fraud & forgery and looted notes		484,503	463,765
Acceptances	22	30,723,161	38,205,805
Others		3,638,981	1,432,231
		<u>371,183,998</u>	<u>248,480,778</u>
Expected credit loss allowance / provision held against other assets	15.3	(4,154,629)	(1,558,408)
Other assets - net of expected credit loss allowance		367,029,369	246,922,370
Surplus / (Deficit) on revaluation of non-banking assets acquired in satisfaction of claims	23	2,387	2,387
		<u>367,031,756</u>	<u>246,924,757</u>

15.1 Unrealised mark-up held in suspense amounting to Rs.48,580.125 million (December 31, 2024: Rs. 46,732.081 million) against non-performing overseas advances has been netted off.

15.2 The Income Tax returns of the Bank have been filed up to the tax year 2024 (accounting year ended December 31, 2023) and were deemed to be assessed under section 120 of the Income Tax Ordinance, 2001 (Ordinance).

The income tax authorities have issued amended assessment orders for the tax years 2003 to 2024, and created additional tax demands (including disallowances of provisions made prior to Seventh Schedule) of Rs.18,634 million (2024: Rs.16,123 million). The Bank has filed appeals before the various appellate forums against these amendments. Where the appellate authorities have allowed relief on certain issues, the assessing authorities have filed appeals before higher appellate forums. Where the appellate authorities have not allowed relief the Bank has filed appeals before higher appellate forums. The management of the Bank is confident that the appeals will be decided in favor of the Bank.

The tax returns for Azad Kashmir (AK) and Gilgit Baltistan (GB) branches have been filed up to the tax year 2024 (accounting year ended December 31, 2023) under the provisions of section 120(1) read with section 114 of the Ordinance and in compliance with the terms of the agreement between banks and the Azad Kashmir Council in May 2005. The returns filed are considered as deemed assessment orders under the law.

The tax authorities have also carried out monitoring for Federal Excise Duty, Sales tax and withholding taxes covering period from year ended 2005 to 2019. Consequently various addbacks and demands were raised creating a total demand of Rs. 2,632 million (2024: Rs. 2,632 million). The Bank has filed appeals against all such demands and is confident that these would be decided in the favor of the Bank.

The tax returns for UAE and Qatar branches have been filed upto the year ended December 31, 2023 and Yemen branches have been filed upto the year ended December 31, 2019 under the provisions of the laws prevailing in the respective countries, and are deemed as assessed unless opened for reassessment.

Ex-Silk Bank Limited status

The Income Tax returns of the Bank have been filed up to the tax year 2024 (accounting year ended December 31, 2023) and were deemed to be assessed under section 120 of the Income Tax Ordinance, 2001 (Ordinance).

The income tax authorities have issued amended assessment orders up to tax year 2020. The Bank has filed appeals against these amendments. The appeals from assessment / tax year(s) 2000-2001 to 2002-2003, 2004 and 2015 to 2020 are pending before Appellate Tribunal Inland Revenue (ATIR) against certain disallowances amounting to Rs. 3,734 million (2024: Rs. 3,026 million). The appeals for tax years 2003 & 2006 are pending before Commissioner-Appeals (CIR-A) against the disallowances amounting to Rs.682 million (2024: Rs.682 million). The management of the Bank, in consultation with its tax advisor, is confident that the decisions in respect of these appeals will be decided in favor of the Bank.

The tax authorities have also carried out monitoring for withholding taxes covering tax years from 2006 to 2007 & 2013 to 2016 by creating a total demand of Rs. 155.243 million (2024: Rs. 155.243 million). The Bank has filed appeals against all such demands. However, Bank has already paid tax amount of Rs. 82.674 million against these demands.

The income tax returns of the Bank's for Azad Kashmir operations have been filed up to the tax year 2021. The tax authorities have issued amended assessment orders from the tax years 2016 to 2020. The Banks has filed appeals against these orders. The management of the Bank, in consultation with its tax advisor, is confident that the decisions in respect of these appeals would be in the Bank's favor.

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE THREE MONTHS ENDED MARCH 31, 2025

	(Un-audited) March 31, 2025	(Audited) December 31, 2024
	----- (Rupees in '000) -----	
15.3 Expected credit loss allowance held against other assets		
Advances and other receivables	1,114,650	1,094,643
Receivable against fraud & forgery and looted notes	484,503	463,765
Others	2,555,476	-
	<u>4,154,629</u>	<u>1,558,408</u>

15.3.1 Movement in expected credit loss allowance held against other assets

Opening balance	1,558,408	1,150,885
Exchange adjustments	2,940	(5,319)
Transfer under amalgamation	2,572,884	-
Charge / (reversals)		
Charge for the period / year	20,397	595,026
Reversals for the period / year	-	(118,774)
	20,397	476,252
Transfers out - net	-	(62,852)
Amounts written off	-	(558)
Closing balance	<u>4,154,629</u>	<u>1,558,408</u>

16. CONTINGENT ASSETS

There were no contingent assets as at March 31, 2025 (December 31, 2024: Nil).

	(Un-audited) March 31, 2025	(Audited) December 31, 2024
	----- (Rupees in '000) -----	
17. BILLS PAYABLE		
In Pakistan	24,576,375	42,994,426
Outside Pakistan	2,983,051	1,227,392
	<u>27,559,426</u>	<u>44,221,818</u>

18. BORROWINGS

Secured

Borrowings from the State Bank of Pakistan under:

Export refinance scheme	30,835,896	31,367,936
Refinance facility for modernization of SME	1,975,977	2,119,689
Long term financing facility	9,715,303	10,373,465
Renewable energy scheme	1,280,491	1,339,755
Temporary economic refinance facility	14,552,966	15,009,764
Refinance facility for combating COVID-19	107,054	110,693
Repurchase agreement borrowings	5,148,009,321	4,532,326,857
Financing facility for storage of agriculture products	17,188	20,625
Refinance for women entrepreneurs	40,281	45,295
	<u>5,206,534,477</u>	<u>4,592,714,079</u>
Repurchase agreement borrowings	55,625,979	157,965,709
	<u>5,262,160,456</u>	<u>4,750,679,788</u>

Unsecured

Call borrowings	141,241,404	103,908,861
Overdrawn nostro accounts	73,721	784,867
	<u>141,315,125</u>	<u>104,693,728</u>
	<u>5,403,475,581</u>	<u>4,855,373,516</u>

19. DEPOSITS AND OTHER ACCOUNTS

	March 31, 2025 (Un-audited)			December 31, 2024 (Audited)		
	In Local Currency	In Foreign Currencies	Total	In Local Currency	In Foreign Currencies	Total
	----- (Rupees in '000) -----					
Customers						
Current deposits	1,318,903,705	484,898,509	1,803,802,214	1,061,667,711	438,673,584	1,500,341,295
Savings deposits	957,351,850	59,757,384	1,017,109,234	745,150,912	48,987,572	794,138,484
Term deposits	172,070,072	113,745,603	285,815,675	74,795,514	90,103,254	164,898,768
Others	96,250,310	6,636,574	102,886,884	50,177,905	6,621,539	56,799,444
	<u>2,544,575,937</u>	<u>665,038,070</u>	<u>3,209,614,007</u>	<u>1,931,792,042</u>	<u>584,385,949</u>	<u>2,516,177,991</u>
Financial Institutions						
Current deposits	29,869,537	3,983,017	33,852,554	18,273,598	6,784,813	25,058,411
Saving deposits	143,060,891	79,719	143,140,610	95,621,869	93,460	95,715,329
Term deposits	3,013,493	5,171,516	8,185,009	131,850	3,127,908	3,259,758
	<u>175,943,921</u>	<u>9,234,252</u>	<u>185,178,173</u>	<u>114,027,317</u>	<u>10,006,181</u>	<u>124,033,498</u>
	<u>2,720,519,858</u>	<u>674,272,322</u>	<u>3,394,792,180</u>	<u>2,045,819,359</u>	<u>594,392,130</u>	<u>2,640,211,489</u>

19.1 This includes deposits eligible to be covered under insurance arrangements in accordance with DPC Circular No. 04 dated June 22, 2018 amounting to Rs. 1,813,547.898 million (December 31, 2024: Rs 1,637,394.911 million).

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE THREE MONTHS ENDED MARCH 31, 2025

20. LEASE LIABILITIES

	Note	(Un-audited) March 31, 2025	(Audited) December 31, 2024
		----- (Rupees in '000) -----	
Opening balance		12,008,797	10,339,867
Addition during the period / year		11,382,364	4,645,024
Lease payments including interest		(1,519,047)	(3,501,433)
Interest expense		596,465	1,469,697
Termination/modification		(480,325)	(944,022)
Exchange adjustments		(203)	(336)
Closing balance		21,988,051	12,008,797

20.1 Liabilities Outstanding

Not later than one year		284,156	331,744
Later than one year and upto five years		4,332,678	4,086,832
Over five years		17,371,217	7,590,221
Total		21,988,051	12,008,797

21. SUBORDINATED DEBT

Listed Term Finance Certificates - Additional Tier I	21.1	10,000,000	10,000,000
Unlisted Term Finance Certificates - Tier II	21.2	1,998,400	-
		11,998,400	10,000,000

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

Salient features of the Additional Tier 1 issue are as follows:

Issue Size	Rs. 10,000 million
Issue Date	January 29, 2019
Tenor	Perpetual (i.e. no fixed or final redemption date)
Rating	"AA+" (Double A Plus) by VIS Credit Rating Company Limited
Security	Unsecured
Mark-up rate	The TFCs shall carry mark-up at the rate of 3 Month KIBOR + 1.55%.
Mark-up payment frequency	Mark-up shall be payable quarterly in arrears, on a non-cumulative basis
Call option	The Bank may, at its sole discretion, call the TFCs, at any time after five years from the Issue Date subject to the prior approval of the SBP.
Lock-in clause	Mark-up on the TFCs shall only be paid from the current year's earnings and if the Bank is fully compliant with SBP's Minimum Capital Requirement (MCR), Capital Adequacy Ratio (CAR) and Liquidity Ratio (LR) requirements.
Loss absorberency clause	The TFCs shall, at the discretion of the SBP, be either permanently converted into ordinary shares or permanently written off (partially or in full) pursuant to the loss absorberency clause as stipulated in the "Instructions for Basel III Implementation in Pakistan" issued vide BPRD Circular No. 6 dated August 15, 2013.

- 21.2** The Bank has issued privately placed, unsecured and subordinated Term Finance Certificates (TFCs) as instruments of redeemable capital under section 66 of the Companies Act, 2017 and the Basel III guidelines issued by the SBP. The key features of the issue are as follows:

Salient features of the Tier II issue are as follows:

Issue Size	Rs. 2,000 million
Issue Date	August 10, 2017
Tenor	Up to 8 years from date of issue.
Rating	BBB+ (Triple B Plus) by VIS Credit Rating Company Limited (VIS) was announced on October 12, 2020, based on condensed interim financial statements of Ex-Silk Bank Limited as of June 30, 2020. Later on, the same rating was harmonized by VIS according to their revised methodology and assigned rating at 'B' (Single B) with a 'Rating Watch-Negative' status on June 16, 2023. Due to Amalgamation, the VIS has suspended the instrument rating and the same will be reviewed once all relevant information has been received by them.
Security	The instrument is unsecured and subordinated as to payment of principal and profit to all other indebtedness of the Bank, including deposits.
Mark-up rate	6 months KIBOR plus 1.85% per annum.
Mark-up payment frequency	Profit will be payable semi-annually in arrears on the outstanding principal amount and will be calculated on a 365 day year basis.
Redemption	0.14% of the issue amount during the first 7 years and remaining 99.86% in last two equal semi-annual installments of 49.93% each.
Call option	The Bank may call TFCs in part or in full, after 5 years from date of issue on any profit payment date, subject to SBP approval and with not less than 30 days prior notice to the Trustee and Investors. The call option once announced will be irrevocable.
Lock-in clause	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 in the Bank's Minimum Capital Requirement (MCR) or Capital Adequacy Ratio (CAR) or results in an increase in any existing shortfall in MCR or CAR.
Loss absorberency clause	The instrument will be subject to loss absorberency and / or any other requirements under SBP's Basel III Capital Rules. Upon the occurrence of a point of non-viability event as defined by SBP's Basel III Capital Rule, the 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 fair value per share of the Bank's common equity on the date of trigger of the non-viability event as declared by the SBP, subject to a cap of 3,810,431 shares.

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE THREE MONTHS ENDED MARCH 31, 2025

22. OTHER LIABILITIES	Note	(Un-audited) March 31, 2025	(Audited) December 31, 2024
		----- (Rupees in '000) -----	
Mark-up / return / interest payable in local currency		53,528,716	55,728,483
Mark-up / return / interest payable in foreign currencies		1,502,812	1,192,511
Accrued expenses		16,562,930	17,598,319
Branch adjustment account		-	153,603
Deferred income		2,696,172	2,532,247
Unearned commission and income on bills discounted		3,521,440	3,100,180
Credit loss allowance against off-balance sheet obligations	22.1	4,596,363	3,385,916
Unrealised loss on forward foreign exchange contracts		236,859	1,324,301
Unrealised loss on derivative financial instruments		45,207	5,708
Deferred liabilities	22.2	4,746,952	4,652,052
Workers' Welfare Fund payable		14,281,012	12,766,241
Liabilities against card settlement		655,910	74,372
Dividends payable		7,201,776	372,343
Unclaimed dividends		409,953	393,372
Acceptances	15	30,723,161	38,205,805
Charity fund balance		19,096	17,237
Levies and taxes payable		3,290,187	888,448
Others		5,488,506	3,744,064
		<u>149,507,052</u>	<u>146,135,202</u>
		(Un-audited) March 31, 2025	(Audited) December 31, 2024
		----- (Rupees in '000) -----	
22.1 Credit loss allowance against off-balance sheet obligations	Note	3,385,916	1,056,385
Opening balance		3,385,916	1,056,385
Transfer under amalgamation		382,153	-
Exchange adjustments		10,069	(11,779)
Impact of adoption of IFRS 9		-	1,037,902
Charge / (reversal)			
Charge for the period / year		828,905	1,308,168
Reversals for the period / year		(10,680)	(4,760)
		<u>818,225</u>	<u>1,303,408</u>
Closing balance		<u>4,596,363</u>	<u>3,385,916</u>
22.2 Deferred liabilities			
Provision for post-retirement medical benefits		2,991,740	2,921,465
Provision for compensated absences		555,306	554,514
End of service benefits			
-Overseas branches		718,087	675,476
-Outsourced services		481,819	500,597
		<u>4,746,952</u>	<u>4,652,052</u>
23. SURPLUS ON REVALUATION OF ASSETS		(Un-audited) March 31, 2025	(Audited) December 31, 2024
		----- (Rupees in '000) -----	
(Deficit) / surplus arising on revaluation of:			
- Securities measured at FVOCI - Debt	9.1	62,139,156	73,037,280
- Securities measured at FVOCI - Equity	9.1	12,200,380	7,869,404
- Property and Equipment		39,634,871	39,672,178
- Non-banking assets acquired in satisfaction of claims	15	2,387	2,387
		<u>113,976,794</u>	<u>120,581,249</u>
Deferred tax on (deficit) / surplus on revaluation of:			
- Securities measured at FVOCI - Debt		32,374,617	37,979,386
- Securities measured at FVOCI - Equity		6,344,198	4,092,088
- Property and Equipment		1,199,283	1,218,729
- Non-banking assets acquired in satisfaction of claims		1,241	1,241
		<u>39,919,339</u>	<u>43,291,444</u>
		<u>74,057,455</u>	<u>77,289,805</u>

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE THREE MONTHS ENDED MARCH 31, 2025

		(Un-audited) March 31, 2025	(Audited) December 31, 2024
	Note	----- (Rupees in '000) -----	
24. CONTINGENCIES AND COMMITMENTS			
Guarantees	24.1	396,830,951	352,581,311
Commitments	24.2	1,916,718,660	1,433,032,657
Other contingent liabilities	24.3	19,589,562	15,960,716
		<u>2,333,139,173</u>	<u>1,801,574,684</u>
24.1 Guarantees:			
Financial guarantees		132,875,437	124,354,428
Performance guarantees		246,735,591	221,439,705
Other guarantees		<u>17,219,923</u>	<u>6,787,178</u>
		<u>396,830,951</u>	<u>352,581,311</u>
24.2 Commitments:			
Documentary credits and short-term trade-related transactions			
- letters of credit		471,114,960	354,707,969
Commitments in respect of:			
- forward foreign exchange contracts	24.2.2	677,431,408	582,473,911
- forward Government securities transactions	24.2.3	216,153,605	319,286,690
- forward lending	24.2.4	542,158,127	168,187,869
- operating leases	24.2.5	165,563	172,438
		1,435,908,703	1,070,120,908
Commitments for acquisition of:			
- property and equipment		7,669,440	6,691,082
- intangible assets		<u>2,025,557</u>	<u>1,512,698</u>
		9,694,997	8,203,780
		<u>1,916,718,660</u>	<u>1,433,032,657</u>
24.2.1 Commitments to extend credit			
The Bank makes commitments to extend credit in the normal course of its business but these being revocable commitments do not attract any significant penalty or expense if the facility is unilaterally withdrawn.			
		(Un-audited) March 31, 2025	(Audited) December 31, 2024
		----- (Rupees in '000) -----	
24.2.2 Commitments in respect of forward foreign exchange contracts			
Purchase		357,561,152	302,218,129
Sale		<u>319,870,256</u>	<u>280,255,782</u>
		<u>677,431,408</u>	<u>582,473,911</u>
24.2.3 Commitments in respect of forward Government securities transactions			
Purchase		196,052,345	296,701,690
Sale		<u>20,101,260</u>	<u>22,585,000</u>
		<u>216,153,605</u>	<u>319,286,690</u>
24.2.4 Commitments in respect of forward lending			
Undrawn formal standby facilities, credit lines and other commitments to lend	24.2.4.1	121,925,963	73,281,452
Others		<u>420,232,164</u>	<u>94,906,417</u>
		<u>542,158,127</u>	<u>168,187,869</u>
24.2.4.1 These represent commitments that are irrevocable because they cannot be withdrawn at the discretion of the Bank without the risk of incurring significant penalty or expense.			
		(Un-audited) March 31, 2025	(Audited) December 31, 2024
	Note	----- (Rupees in '000) -----	
24.2.5 Commitments in respect of operating leases			
Not later than one year		160,668	167,593
Later than one year and not later than five years		4,895	4,845
Later than five years		<u>-</u>	<u>-</u>
		<u>165,563</u>	<u>172,438</u>
24.3 Other contingent liabilities			
24.3.1 Claims against the Bank not acknowledged as debts	24.3.2	<u>19,589,562</u>	<u>15,960,716</u>

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE THREE MONTHS ENDED MARCH 31, 2025

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

24.3.2 This includes, penalties amounting to Rs. 4.089 billion which were levied during 2016, by the FE Adjudication Court of the State Bank of Pakistan relating to alleged contraventions of the requirements of foreign exchange regulations with respect to issuance and certification of E-Forms by the Bank to certain customers (exporters) who failed to submit the export documents there against. Consequently, foreign exchange on account of export proceeds have not been repatriated. The Bank maintains that it fully discharged its liability, in accordance with the law and filed a Constitutional Petition in 2018 in the High Court of Sindh challenging the levy of the penalty. The High Court granted a stay on action being taken against the Bank, which stay order was in the field till February 2025, when the High Court of Sindh dismissed the Petition filed by the Bank and other Banks as well. The Bank has decided to challenge the said decision of the High Court before the Supreme Court of Pakistan by filing an Appeal, through the appropriate legal counsel. The management, based on the advice from legal counsel, is confident that the view of the Bank will prevail and the Bank will not be exposed to any loss on this account.

24.3.3 For contingencies relating to taxation, refer note 15.2.

25. Derivative Instruments

Product analysis

March 31, 2025 (Un-audited)									
FX options		Cross Currency Swaps		Forward purchase contracts of Government securities		Forward sale contracts of Government securities		Total	
Notional principal	Mark to Market	Notional principal	Mark to Market	Notional principal	Mark to Market Gain	Notional principal	Mark to Market Loss	Notional principal	Mark to Market Gain
(Rupees in '000)									
Hedging	-	-	-	-	-	-	-	-	-
Market making	-	-	-	-	196,052,345	4,251	20,101,260	(583)	216,153,605
	-	-	-	-	196,052,345	4,251	20,101,260	(583)	216,153,605
December 31, 2024 (Audited)									
FX options		Cross Currency Swaps		Forward purchase contracts of Government securities		Forward sale contracts of Government securities		Total	
Notional principal	Mark to Market	Notional principal	Mark to Market	Notional principal	Mark to Market Gain	Notional principal	Mark to Market loss	Notional principal	Mark to Market Gain
(Rupees in '000)									
Hedging	-	-	-	-	-	-	-	-	-
Market making	-	-	-	-	296,701,690	1,258,709	22,585,000	(2,215)	319,286,690
	-	-	-	-	296,701,690	1,258,709	22,585,000	(2,215)	319,286,690

Note (Un-audited)

January - March 2025 January - March 2024

26. MARK-UP / RETURN / INTEREST EARNED

On:

	(Rupees in '000)	
Loans and advances	27,854,244	25,273,650
Investments	229,357,151	210,931,687
Lendings to financial institutions	1,045,958	860,567
Balances with banks	2,700,408	1,560,619
	<u>260,957,761</u>	<u>238,626,523</u>

27. MARK-UP / RETURN / INTEREST EXPENSED

On:

Deposits	32,282,320	50,890,613
Borrowings	142,998,146	159,328,961
Subordinated debt	377,831	563,663
Cost of foreign currency swaps against foreign currency deposits / borrowings	477,863	887,909
Lease liability against right-of-use assets	596,465	341,247
	<u>176,732,625</u>	<u>212,012,393</u>

28. FEE AND COMMISSION INCOME

Branch banking customer fee	539,827	523,066
Consumer finance related fee	396,938	342,322
Card related fee (debit and credit cards)	1,693,711	844,481
Investment banking fee	39,965	133,431
Financial Institution rebate / commission	237,984	170,076
Corporate service charges / facility fee	760,192	480,644
Commission on trade	815,452	882,419
Commission on guarantees	358,871	384,034
Commission on cash management	307,351	270,655
Commission on remittances including home remittances - net	909,212	814,905
Commission on bancassurance	232,369	322,548
Rent on lockers	77,520	54,663
Others	98,151	46,110
	<u>6,467,543</u>	<u>5,269,354</u>

29. GAIN / (LOSS) ON SECURITIES - NET

Realised	29.1	5,842,276	12,822,081
Unrealised - Measured at FVTPL		(16,503)	(13,335)
		<u>5,825,773</u>	<u>12,808,746</u>

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE THREE MONTHS ENDED MARCH 31, 2025

	(Un-audited) January - March 2025	(Un-audited) January - March 2024
	----- (Rupees in '000) -----	
29.1 Realised gain / (loss) on:		
Federal Government securities	5,832,085	8,077,883
Shares	-	109,116
Foreign securities	-	4,568,741
Other securities	10,191	66,341
	<u>5,842,276</u>	<u>12,822,081</u>
30. OTHER INCOME		
Charges recovered	135,624	120,995
Rent on properties	33,000	25,869
Gain on sale of Property and equipment - net	58,543	3,328
(Loss) / gain on sale of Ijarah assets - net	(234)	806
(Loss) / gain on trading liabilities - net	(9,505)	30,839
	<u>217,428</u>	<u>181,837</u>
31. OPERATING EXPENSES		
Total compensation expense	9,736,412	7,485,170
Property expense		
Rent and taxes	500,965	315,848
Insurance	97,304	77,160
Utilities cost	821,525	595,612
Security (including guards)	563,173	397,930
Repair and maintenance (including janitorial charges)	187,135	108,522
Depreciation on owned fixed assets	428,884	313,393
Depreciation on right-of-use assets	781,052	569,028
Depreciation on non-banking assets acquired in satisfaction of claims	3,457	807
Others	35,876	29,900
	<u>3,419,371</u>	<u>2,408,200</u>
Information technology expenses		
Software maintenance	804,143	756,015
Hardware maintenance	254,902	203,920
Depreciation	566,315	407,478
Amortisation	275,891	243,845
Network charges	349,361	270,749
Consultancy charges	223,958	72,068
	<u>2,474,570</u>	<u>1,954,075</u>
Other operating expenses		
Legal and professional charges	191,233	113,667
Outsourced service costs	687,684	482,770
Commission paid to branchless banking agents	55,680	75,073
Commission paid to sales force	190,538	416,682
Travelling and conveyance	73,006	55,698
Clearing charges	132,287	76,047
Depreciation - others	857,589	515,928
Depreciation on Islamic financing against leased assets	22,577	21,961
Training and development	49,023	49,053
Postage and courier charges	126,166	116,049
Communication	151,925	64,819
Stationery and printing	612,594	475,920
Marketing, advertisement and publicity	870,296	247,696
Donations	102,200	11,691
Auditors' remuneration	33,991	29,355
Insurance	78,241	27,651
Deposit protection premium expense	654,958	550,729
Cash transportation and sorting charges	436,111	252,492
Entertainment	183,744	78,480
Office running expenses	92,947	66,690
Vehicle expenses	303,325	119,074
Banking service charges	2,010,469	1,378,908
Repairs and maintenance	554,813	321,409
Miscellaneous expenses	517,353	214,442
	<u>8,988,750</u>	<u>5,762,284</u>
	<u>24,619,103</u>	<u>17,609,729</u>

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE THREE MONTHS ENDED MARCH 31, 2025

		(Un-audited)	
		January - March 2025	January - March 2024
32. OTHER CHARGES	Note	----- (Rupees in '000) -----	
Penalties imposed by the SBP		653	866
Penalties imposed by other regulatory bodies of overseas branches		-	-
		<u>653</u>	<u>866</u>
33. CREDIT LOSS ALLOWANCE & WRITE OFFS - NET			
Credit loss allowance for diminution in value of investments	9.2	623,424	(62,199)
Credit loss allowance against loans and advances	10.3	(2,997,963)	(1,583,311)
Bad debts written off directly		19,656	11,276
Credit loss allowance against other assets - net	15.3.1	20,397	(13,007)
Credit loss allowance against off-balance sheet obligations - net	22.1	818,225	(16,072)
Recovery of written-off / charged off bad debts		(142,545)	(118,696)
Credit loss allowance against cash and balances with treasury banks		(30,646)	-
Other provisions and write-offs		80,635	62,297
		<u>(1,608,817)</u>	<u>(1,719,712)</u>
34. TAXATION			
Current		8,686,571	15,331,778
Prior years		-	-
Deferred		31,052,178	(468,926)
		<u>39,738,749</u>	<u>14,862,852</u>

		(Un-audited)	
		January - March 2025	January - March 2024
35. EARNINGS PER SHARE		----- (Rupees in '000) -----	
Profit after taxation for the period		<u>35,595,618</u>	<u>15,588,457</u>
		----- (Number of shares) -----	
Weighted average number of ordinary shares		<u>1,230,700,003</u>	<u>1,224,179,687</u>
		----- (Rupees) -----	
Earnings per share - basic and diluted		<u>28.92</u>	<u>12.73</u>

35.1. The Bank issued 27,944,213 shares in pursuant to Silk Bank Limited amalgamation with and into United Bank Limited.

There were no convertible dilutive potential ordinary shares outstanding as at March 31, 2025 and March 31, 2024.

36. FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value of quoted securities other than those classified as held to maturity, is based on quoted market price. Quoted securities classified as held to maturity are carried at cost. The fair value of unquoted equity securities, other than investments in associates and subsidiaries, is carried at fair value. The valuation is carried out using appropriate methodologies.

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

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

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

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

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

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

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE THREE MONTHS ENDED MARCH 31, 2025

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

Item	Valuation approach and input used
Federal Government securities	The fair value of Federal Government securities is determined using the prices / rates available on Mutual Funds Association of Pakistan (MUFAP) / Bloomberg.
Non-Government debt securities	The fair value of non-government debt securities is determined using the prices / rates from MUFAP.
Unquoted equity securities	The fair value of unlisted equity investments involves the use of valuation techniques that incorporate assumptions that are not evidenced by the prices from observable market data. These may involve the analysis of an investee's financial position and results, risk profile and other judgemental factors
Foreign debt securities	The fair value of foreign corporate and foreign government securities is determined using the rates from Bloomberg.
Mutual Fund units	The fair values of investments in mutual fund units are determined based on their net asset values as published at the close of each business day.
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.
Derivatives	The fair valuation techniques include forward pricing and swap models using present value calculations.
Fixed assets and non-banking assets acquired in satisfaction of claims	Land, buildings and non-banking assets acquired in satisfaction of claims are revalued on a periodic basis using professional valuers. The valuation is based on their assessment of the market value of the assets. The effect of changes in the unobservable inputs used in the valuations cannot be determined with certainty. Accordingly, a qualitative disclosure of sensitivity has not been presented in these unconsolidated condensed interim financial statements.

36.2 Fair value of financial assets

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

March 31, 2025 (Un-audited)					
Carrying value	Fair value				Total
	Level 1	Level 2	Level 3		
----- (Rupees in '000) -----					
On balance sheet financial instruments					
Financial assets measured at fair value					
Investments					
- Federal Government securities	6,992,407,446	-	6,992,407,446	-	6,992,407,446
- Shares and units	25,741,916	19,748,919	-	5,992,997	25,741,916
- Foreign securities	148,438,083		148,438,083	-	148,438,083
- Non-Government debt securities	2,164,848	-	2,164,848	-	2,164,848
	7,168,752,293	19,748,919	7,143,010,377	5,992,997	7,168,752,293
Financial assets - disclosed but not measured at fair value					
Investments					
- Federal Government Securities	275,981,871	-	277,089,617	-	277,089,617
- Foreign securities	26,453,221	-	25,654,018	-	25,654,018
- Non-Government debt securities	19,351,730	-	19,591,705	-	19,591,705
	321,786,822	-	322,335,340	-	322,335,340
	7,490,539,115	19,748,919	7,465,345,717	5,992,997	7,491,087,633
Off-balance sheet financial instruments measured at fair value					
Foreign exchange contracts - purchased and sold	677,431,408	-	1,457,283	-	1,457,283
FX options - purchased and sold	-	-	-	-	-
Forward Government Securities - purchased and sold	216,153,605	-	3,668	-	3,668

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE THREE MONTHS ENDED MARCH 31, 2025

	December 31, 2024 (Audited)				
	Carrying value	Fair 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	5,426,802,954	-	5,426,802,954	-	5,426,802,954
- Shares and units	21,404,561	21,404,561	-	-	21,404,561
- Foreign securities	109,976,945	-	109,976,945	-	109,976,945
- Non-Government debt securities	2,164,861	-	2,164,861	-	2,164,861
	5,560,349,321	21,404,561	5,538,944,760	-	5,560,349,321
Financial assets - disclosed but not measured at fair value					
Investments					
- Federal Government Securities	277,953,188	-	278,216,586	-	278,216,586
- Foreign securities	25,305,955	-	24,340,414	-	24,340,414
- Non-Government debt securities	19,339,444	-	19,556,848	-	19,556,848
	322,598,587	-	322,113,848	-	322,113,848
	5,882,947,908	21,404,561	5,861,058,608	-	5,882,463,169
Off-balance sheet financial instruments - measured at fair value					
Foreign exchange contracts - purchased and sold	582,473,911	-	(222,176)	-	(222,176)
FX options - purchased and sold	-	-	-	-	-
Forward Government Securities - purchased and sold	319,286,690		1,256,494	-	1,256,494

36.3 Fair Value of non-financial assets

	March 31, 2025 (Un-audited)				
	Carrying value	Fair value			
		Level 1	Level 2	Level 3	Total
		(Rupees in '000)			
Property and equipment	60,806,991	-	-	60,806,991	60,806,991
Non-banking assets acquired in satisfaction of claims	3,173,552	-	-	3,173,552	3,173,552
	63,980,543	-	-	63,980,543	63,980,543
	December 31, 2024 (Audited)				
	Carrying value	Fair value			
		Level 1	Level 2	Level 3	Total
		(Rupees in '000)			
Property and equipment	60,922,041	-	-	60,922,041	60,922,041
Non-banking assets acquired in satisfaction of claims	42,075	-	-	42,075	42,075
	60,964,116	-	-	60,964,116	60,964,116

36.4 Certain categories of fixed assets (land and buildings) and non-banking assets acquired in satisfactions of claims are carried at revalued amounts (level 3 measurement) determined by professional valuers based on their assessment of the market values.

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE THREE MONTHS ENDED MARCH 31, 2025

37. SEGMENT INFORMATION

37.1 Segment details with respect to business activities

For the three months ended March 31, 2025 (Un-audited)							
	Corporate / Commercial Banking	Treasury	Branch Banking	Islamic Banking	International branch operations	Others	Total
(Rupees in '000)							
Profit and Loss							
Net mark-up / return / profit	11,442,687	82,347,049	(20,965,371)	4,261,049	7,180,814	(41,092)	84,225,136
Inter segment (expense) / revenue - net	(8,825,750)	(36,777,562)	44,729,313	-	-	873,999	-
Non mark-up / return / interest income	2,279,194	7,683,444	3,896,125	271,460	1,378,298	89,294	15,597,815
Total Income	4,896,131	53,252,931	27,660,067	4,532,509	8,559,112	922,201	99,822,951
Segment direct expenses	486,436	165,933	13,859,946	4,249,511	2,126,482	5,209,093	26,097,401
Inter segment expense allocation	169,428	864,706	2,187,900	-	-	(3,222,034)	-
Total expenses	655,864	1,030,639	16,047,846	4,249,511	2,126,482	1,987,059	26,097,401
Credit loss allowance - net	659,430	48,602	(1,142,685)	(30,177)	2,278,467	(204,820)	1,608,817
Profit / (loss) before taxation	4,899,697	52,270,894	10,469,536	252,821	8,711,097	(1,269,678)	75,334,367
For the three months ended March 31, 2024 (Un-audited)							
	Corporate / Commercial Banking	Treasury	Branch Banking	Islamic Banking	International branch operations	Others	Total
(Rupees in '000)							
Profit and Loss							
Net mark-up / return / profit	13,006,841	36,874,875	(36,448,097)	9,198,945	4,512,690	(531,124)	26,614,130
Inter segment (expense) / revenue - net	(10,712,035)	(65,707,267)	72,686,950	-	-	3,732,352	-
Non mark-up / return / interest income	2,252,418	10,392,312	3,045,454	176,591	4,442,088	87,677	20,396,540
Total Income	4,547,224	(18,440,080)	39,284,307	9,375,536	8,954,778	3,288,905	47,010,670
Segment direct expenses	450,498	171,440	11,705,838	1,182,970	1,679,460	3,088,867	18,279,073
Inter segment expense allocation	110,814	28,501	2,441,195	-	118,421	(2,698,931)	-
Total expenses	561,312	199,941	14,147,033	1,182,970	1,797,881	389,936	18,279,073
Credit loss allowance - net	508,270	(21)	212,963	(9,406)	1,011,847	(3,941)	1,719,712
Profit / (loss) before taxation	4,494,182	(18,640,042)	25,350,237	8,183,160	8,168,744	2,895,028	30,451,309
As at March 31, 2025 (Un-audited)							
	Corporate / Commercial Banking	Treasury	Branch Banking	Islamic Banking	International branch operations	Others	Total
(Rupees in '000)							
Balance Sheet							
Cash & Bank balances	59,438	85,828,898	74,910,029	37,324,007	201,512,217	-	399,634,589
Investments	10,156,319	7,159,006,952	-	132,167,224	187,584,238	4,784,930	7,493,699,663
Net inter segment lending	-	-	1,770,481,428	216,760,033	-	143,992,076	2,131,233,537
Lendings to financial institutions	-	1,429,200	-	4,100,000	-	-	5,529,200
Advances - performing	463,717,505	2,177	57,599,546	134,247,145	265,535,730	1,906,047	923,008,150
Advances - non-performing net	1,567,732	-	241,902	63,220	3,411,582	40,585	5,325,021
Others	15,494,541	204,954,021	74,550,149	138,922,770	9,685,960	96,903,902	540,511,343
Total Assets	490,995,535	7,451,221,248	1,977,783,054	663,584,399	667,729,727	247,627,540	11,498,941,503

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE THREE MONTHS ENDED MARCH 31, 2025

As at March 31, 2025 (Un-audited)

	Corporate / Commercial Banking	Treasury	Branch Banking	Islamic Banking	International branch operations	Others	Total
(Rupees in '000)							
Borrowings	43,855,354	5,330,910,596	6,762,324	7,945,867	14,001,440	-	5,403,475,581
Subordinated debt	-	-	-	-	-	11,998,400	11,998,400
Deposits and other accounts	241,283,549	-	2,051,426,045	567,536,310	534,546,276	-	3,394,792,180
<i>Net inter segment borrowing</i>	179,678,588	1,951,554,949	-	-	-	-	2,131,233,537
Others	10,863,554	69,284,878	52,532,977	23,043,590	8,416,115	46,571,982	210,713,096
Total Liabilities	475,681,045	7,351,750,423	2,110,721,346	598,525,767	556,963,831	58,570,382	11,152,212,794
Equity	15,314,490	99,470,825	(132,938,292)	65,058,632	110,765,896	189,057,158	346,728,709
Total Equity & liabilities	490,995,535	7,451,221,248	1,977,783,054	663,584,399	667,729,727	247,627,540	11,498,941,503
Contingencies and Commitments	1,259,610,111	421,774,694	79,980,242	38,043,386	529,680,204	4,050,536	2,333,139,173

As at December 31, 2024 (Audited)

	Corporate / Commercial Banking	Treasury	Branch Banking	Islamic Banking	International branch operations	Others	Total
(Rupees in '000)							
Balance Sheet							
Cash & Bank balances	29,906	99,428,160	64,494,601	44,862,677	160,898,813	-	369,714,157
Investments	10,156,363	5,613,070,387	-	119,366,357	140,744,551	3,556,845	5,886,894,503
<i>Net inter segment lending</i>	-	-	1,513,980,697	216,760,034	-	63,438,769	1,794,179,500
Lendings to financial institutions	-	18,492,483	-	-	-	-	18,492,483
Advances - performing	912,361,408	2,238	57,221,149	147,626,192	316,182,001	1,996,657	1,435,389,645
Advances - non-performing net	1,328,491	-	298,848	260,774	6,204,186	-	8,092,299
Others	24,878,319	138,388,839	51,935,147	81,332,932	11,129,453	36,884,357	344,549,047
Total Assets	948,754,487	5,869,382,107	1,687,930,442	610,208,966	635,159,004	105,876,628	9,857,311,634
Borrowings	46,800,297	4,767,131,383	5,583,815	8,003,110	27,854,911	-	4,855,373,516
Subordinated debt	-	-	-	-	-	10,000,000	10,000,000
Deposits and other accounts	129,324,679	-	1,495,019,952	519,488,249	496,378,609	-	2,640,211,489
<i>Net inter segment borrowing</i>	753,056,630	1,032,301,065	-	-	8,821,805	-	1,794,179,500
Others	19,538,871	53,577,825	90,825,361	17,915,368	17,577,342	41,890,111	241,324,878
Total Liabilities	948,720,477	5,853,010,273	1,591,429,128	545,406,727	550,632,667	51,890,111	9,541,089,383
Equity	34,010	16,371,834	96,501,314	64,802,239	84,526,337	53,986,517	316,222,251
Total Equity & liabilities	948,754,487	5,869,382,107	1,687,930,442	610,208,966	635,159,004	105,876,628	9,857,311,634
Contingencies and Commitments	748,634,121	505,243,486	93,104,492	10,536,687	442,550,988	1,504,910	1,801,574,684

38. RELATED PARTY TRANSACTIONS

The Bank has related party transactions with its parent, directors, key management personnel, subsidiaries, associates and other related parties including employee benefit schemes of the Bank.

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 and balances with related parties, other than those which have been disclosed elsewhere in these unconsolidated condensed interim financial statements, are as follows:

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE THREE MONTHS ENDED MARCH 31, 2025

	As at March 31, 2025 (Un-audited)					
	Parent	Directors	Key management personnel	Subsidiaries	Associates	Other related parties
Statement of financial position	(Rupees in '000)					
Balances with other banks						
In current accounts	-	-	-	-	-	528,510
In deposit accounts	-	-	-	-	-	-
	-	-	-	-	-	528,510
Lendings to financial institutions						
Opening balance	-	-	-	-	-	-
Addition during the period	-	-	-	-	-	2,020,600
Repaid during the period	-	-	-	-	-	(2,020,600)
Transfers in / (out) - net	-	-	-	-	-	-
Closing balance	-	-	-	-	-	-
Investments						
Opening balance	-	-	-	2,100,000	1,657,486	3,635,440
Investment made during the period	-	-	-	-	-	-
Investment disposed off / redeemed during the period	-	-	-	-	-	-
Transfers in / (out) - net	-	-	-	-	-	-
Closing balance	-	-	-	2,100,000	1,657,486	3,635,440
Credit loss allowance for diminution in value of investments	-	-	-	-	1,417,485	-
Provision written off	-	-	-	-	-	-
Advances						
Opening balance	-	537	596,283	-	-	231,097,420
Addition during the period	-	4,540	141,275	-	-	2,550
Repaid during the period	-	(4,052)	(102,364)	-	-	(231,099,203)
Transfers in / (out) - net	-	-	(55,916)	-	-	-
Closing balance	-	1,025	579,278	-	-	767
Credit loss allowance held against advances	-	-	-	-	-	-
Property and equipment / Capital work in progress	-	-	-	-	-	6,128
Other Assets						
Income / mark-up accrued	-	-	-	-	-	786,286
Receivable from staff retirement fund	-	-	-	-	-	12,863,256
Prepaid insurance	-	-	-	-	297,813	-
Dividend Receivable	-	-	-	-	-	-
Other receivable	-	-	-	10,578	-	15,549
Credit loss allowance against other assets	-	-	-	-	-	-
Borrowings						
Opening balance	-	-	-	-	-	94,460,700
Borrowings during the period	-	-	-	-	1,963,632	410,709,763
Settled during the period	-	-	-	-	(1,963,632)	(497,982,048)
Closing balance	-	-	-	-	-	7,188,415
Deposits and other accounts						
Opening balance	3,205	7,263,037	152,070	335,500	596,425	40,635,672
Received during the period	317,252	13,008,144	896,704	53,115,402	20,298,656	647,389,042
Withdrawn during the period	(315,069)	(12,820,234)	(827,405)	(53,139,675)	(20,331,022)	(665,256,413)
Transfers in / (out) - net	-	-	(78,543)	-	-	(36)
Closing balance	5,388	7,450,947	142,826	311,227	564,059	22,768,265

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE THREE MONTHS ENDED MARCH 31, 2025

	As at March 31, 2025 (Un-audited)					
	Parent	Directors	Key management personnel	Subsidiaries	Associates	Other related parties
	(Rupees in '000)					
Subordinated loans						50,000
Other Liabilities						
Interest / mark-up payable on deposits and borrowings	52	33,844	1,328	2,529	2,278	124,084
Dividend payable	-	94	-	-	-	-
Payable to staff retirement fund	-	-	-	-	-	-
Unearned income	-	-	-	-	-	-
Unrealised loss on forward foreign exchange contracts	-	-	-	-	-	5,332
Other payable	-	15,200	-	-	12,467	23,935
Contingencies and Commitments						
Letters of credit	-	-	-	-	-	92,469
Forward Govt. Securities Sale	-	-	-	-	-	22,600,000
Forward foreign exchange contracts purchase	-	-	-	973,572	-	99,800
	As at December 31, 2024 (Audited)					
	Parent	Directors	Key management personnel	Subsidiaries	Associates	Other related parties
	(Rupees in '000)					
Statement of financial position						
Balances with other banks						
In current accounts	-	-	-	-	-	391,556
In deposit accounts	-	-	-	-	-	-
	-	-	-	-	-	391,556
Landings to financial institutions						
Opening balance	-	-	-	-	-	804,102
Addition during the year	-	-	-	-	-	2,191,560
Repaid during the year	-	-	-	-	-	(2,995,662)
Transfers in / (out) - net	-	-	-	-	-	-
Closing balance	-	-	-	-	-	-
Investments						
Opening balance	-	-	-	3,955,223	1,657,486	5,287,396
Adoption Impact of IFRS 9	-	-	-	-	-	-
Investment made during the year	-	-	-	1,000,000	-	885,450
Investment disposed / written off during the year	-	-	-	(2,855,223)	-	(2,500,000)
Transfers in / (out) - net	-	-	-	-	-	(37,406)
Closing balance	-	-	-	2,100,000	1,657,486	3,635,440
Credit loss allowance for diminution in value of investments	-	-	-	-	1,417,485	-
Advances						
Opening balance	-	1,286	529,196	-	-	392
Addition during the year	-	7,566	365,352	-	-	231,103,164
Repaid during the year	-	(8,315)	(488,089)	-	-	(6,136)
Transfers in / (out) - net	-	-	189,824	-	-	-
Closing balance	-	537	596,283	-	-	231,097,420
Credit loss allowance held against advances	-	-	-	-	-	-
Property and equipment / CWIP	-	-	-	-	-	197,026

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE THREE MONTHS ENDED MARCH 31, 2025

As at December 31, 2024 (Audited)

	Parent	Directors	Key management personnel	Subsidiaries	Associates	Other related parties
	(Rupees in '000)					
Other Assets						
Interest mark-up accrued	-	-	133	-	-	5,094,682
Receivable from staff retirement fund	-	-	-	-	-	13,006,849
Prepaid insurance	-	-	-	-	144,558	-
Unrealised gain on forward foreign exchange contracts	-	-	-	-	-	134
Other receivable	-	-	-	1,658	-	12,478
Provision written off	-	-	-	-	-	-
Borrowings						
Opening balance	-	-	-	3,320	-	402,800
Borrowings during the year	-	-	-	-	500,000	243,259,002
Settled during the year	-	-	-	(3,320)	(500,000)	(149,201,102)
Closing balance	-	-	-	-	-	94,460,700
Deposits and other accounts						
Opening balance	14,362	5,149,234	114,762	1,055,328	566,903	14,917,301
Received during the year	71,539,502	44,412,648	2,145,718	97,445,145	84,366,733	1,393,847,209
Withdrawn during the year	(71,550,659)	(42,298,845)	(2,101,517)	(98,108,394)	(84,337,211)	(1,368,907,854)
Transfer in / (out) - net	-	-	(6,893)	(56,579)	-	779,016
Closing balance	3,205	7,263,037	152,070	335,500	596,425	40,635,672
Other Liabilities						
Interest / mark-up payable on deposits and borrowings	580	41,605	2,264	6,192	5,370	652,728
Dividend payable	-	70	4	-	-	-
Payable to staff retirement fund	-	-	-	-	-	-
Unrealised loss on forward foreign exchange contracts	-	-	-	-	-	3,219
Unearned income	-	-	-	-	-	-
Other payable	-	4,310	-	-	-	21,604
Contingencies and Commitments						
Letter of guarantee	-	-	-	-	-	21,463
Forward Government securities - sale	-	-	-	-	-	2,585,000

For the three months ended March 31, 2025 (Un-audited)

	Parent	Directors	Key management personnel	Subsidiaries	Associates	Other related parties
	(Rupees in '000)					
Profit and loss account						
Income						
Mark-up / return / interest earned	-	-	6,258	-	-	3,798
Commission / charges recovered	-	90	956	518	4,705	3,858
Dividend income	-	-	-	-	-	248,933
Net gain on sale of securities	-	-	-	-	-	-
Other income	-	-	-	1,057	-	22,520
Gain on sale of subsidiary	-	-	-	-	-	-
Gain on sale of property and equipment	-	-	-	-	713	-
Reversal of provision	-	-	-	-	-	-
Switch revenue	-	-	-	-	-	156,723
Management fee	-	-	-	27,927	-	-

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE THREE MONTHS ENDED MARCH 31, 2025

For the three months ended March 31, 2025 (Un-audited)

	Parent	Directors	Key management personnel	Subsidiaries	Associates	Other related parties
	(Rupees in '000)					
Expense						
Mark-up / return / interest paid	37	78,831	1,174	888	368,107	632,560
Remuneration paid	-	-	691,716	-	-	-
Post employment benefits	-	-	-	-	-	-
Directors' fees and allowances	-	14,230	-	-	-	-
Charge for defined contribution plans	-	-	9,410	-	-	196,647
Charge for defined benefit plans	-	-	2,878	-	-	226,262
Provision	-	-	-	-	-	-
Other expenses	-	-	4,025	-	-	113,666
Clearing charges	-	-	-	-	-	70,998
Membership, subscription, sponsorship and maintenance charges	-	-	747	-	-	13,486
Other Information						
Dividend paid	6,949,018	312,333	9,583	-	-	2,592,730
Insurance premium paid	-	-	-	-	369,975	-
Insurance claims settled	-	-	-	-	43,135	-

For the three months ended March 31, 2024 (Un-audited)

	Parent	Directors	Key management personnel	Subsidiaries	Associates	Other related parties
	(Rupees in '000)					
Profit and loss account						
Income						
Mark-up / return / interest earned	-	-	17,491	-	-	20,324
Commission / charges recovered	-	83	587	426	8,335	3,856
Dividend income	-	-	-	-	-	232,792
Net gain on sale of securities	-	-	-	-	-	-
Other income	-	-	-	536	-	18,360
Gain on sale of property and equipment	-	-	36	-	521	-
Reversal of provision	-	-	-	-	-	-
Switch revenue	-	-	-	-	-	100,142
Management fee	-	-	-	5,578	-	-
Expense						
Mark-up / return / interest paid	20	55,289	1,238	45,558	253,865	128,215
Remuneration paid	-	-	185,231	-	-	-
Post employment benefits	-	-	-	-	-	-
Directors' fees and allowances	-	28,720	-	-	-	-
Charge for defined contribution plans	-	-	7,056	-	-	140,611
Charge for defined benefit plans	-	-	2,693	-	-	202,953
Provision	-	-	-	-	-	30
Other expenses	-	-	-	-	-	173,319
Clearing charges	-	-	-	-	-	42,188
Membership, subscription, sponsorship and maintenance charges	-	-	771	-	-	14,002
Custody charges	-	-	-	-	-	-
Other Information						
Dividend paid	-	55,296	4,158	-	10,313	1,596,626
Insurance premium paid	-	-	-	-	303,086	-
Insurance claims settled	-	-	-	-	144,826	-

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE THREE MONTHS ENDED MARCH 31, 2025

39. CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

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

Minimum Capital Requirement (MCR):

Paid-up capital (net of losses)	12,521,239	12,241,797
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Capital Adequacy Ratio (CAR):

Eligible Common Equity Tier 1 (CET 1) Capital	269,129,449	231,378,975
Eligible Additional Tier 1 (ADT 1) Capital	9,934,770	9,934,770
Total Eligible Tier 1 Capital	279,064,219	241,313,745
Eligible Tier 2 Capital	88,253,907	79,934,771
Total Eligible Capital (Tier 1 + Tier 2)	367,318,126	321,248,516

Risk Weighted Assets (RWAs):

Credit Risk	1,159,687,439	982,317,606
Market Risk	238,375,513	268,034,475
Operational Risk	331,068,883	331,068,883
Total	1,729,131,835	1,581,420,964

Common Equity Tier 1 Capital Adequacy Ratio

15.56%	14.63%
--------	--------

Tier 1 Capital Adequacy Ratio

16.14%	15.26%
--------	--------

Total Capital Adequacy Ratio

21.24%	20.31%
--------	--------

The SBP through its BSD Circular No. 07 dated April 15, 2009 has prescribed the minimum paid-up capital (net of accumulated losses) for Banks to be raised to Rs.10,000 million by the year ending December 31, 2015. The paid-up capital of the Bank for the period ended March 31, 2025 stood at Rs.12,521.239 million (December 31, 2024: Rs.12,241.797 million) and is in compliance with SBP requirements. Banks are also required to maintain a minimum Capital Adequacy Ratio (CAR) of 10.0% plus capital conservation buffer of 2.5% of the risk weighted exposures of the Bank.

In order to dampen the effects of COVID-19, the State Bank of Pakistan under BPRD Circular Letter No. 12 of 2020 has given a regulatory relief and reduced the Capital Conservation Buffer (CCB) as prescribed vide BPRD Circular No. 6 of August 15, 2013, for the time being, from its existing level of 2.5% to 1.5%, till further instructions.

Further, under Basel III instructions, Banks are also required to maintain a Common Equity Tier 1 (CET 1) ratio and Tier 1 ratio of 6.0% and 7.5%, respectively, as at March 31, 2025. The Bank is fully compliant with prescribed ratios as the Bank's CAR is 21.24% whereas CET 1 and Tier 1 ratios stood at 15.56% and 16.14% respectively.

Furthermore, under the SBP's Framework for Domestic Systemically Important Banks (D-SIBs) introduced vide BPRD Circular No. 04 of 2018 dated April 13, 2018, UBL has been designated as a D-SIB under letter BSD-3/Bank/UBL/751777/2024 dated August 29, 2024. In line with this framework, the Bank is required to meet the Higher Loss Absorbency (HLA) capital charge of 1.0%, in the form of Additional CET 1 capital, on a standalone as well as consolidated level. The prescribed HLA under D-SIB shall remain effective till the next D-SIB designation announcement is made by State Bank of Pakistan.

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

Leverage Ratio (LR):

Eligible Tier-1 Capital	279,064,219	241,313,745
Total Exposures	9,269,864,169	7,852,713,980
Leverage Ratio	3.01%	3.07%

Liquidity Coverage Ratio (LCR):

Total High Quality Liquid Assets	2,183,372,131	1,809,400,194
Total Net Cash Outflow	1,139,548,988	721,237,268
Liquidity Coverage Ratio	191.60%	250.87%

Net Stable Funding Ratio (NSFR):

Total Available Stable Funding	2,517,497,980	2,163,819,529
Total Required Stable Funding	1,920,977,512	2,027,714,826
Net Stable Funding Ratio	131.05%	106.71%

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE THREE MONTHS ENDED MARCH 31, 2025

40. ISLAMIC BANKING BUSINESS

The Bank operates 548 (December 31, 2024: 496) Islamic Banking branches and 596 (December 31, 2024: 558) Islamic Banking windows.

STATEMENT OF FINANCIAL POSITION

ASSETS

		(Un-audited) March 31, 2025	(Audited) December 31, 2024
	Note	----- (Rupees in '000) -----	
Cash and balances with treasury banks		35,022,730	44,290,715
Balances with other banks		2,301,277	571,962
Due from financial institutions	40.1	4,100,000	-
Investments	40.2	132,167,224	119,366,357
Islamic financing and related assets - net	40.3	134,310,365	147,886,966
Property and equipment		8,397,150	6,029,227
Right-of-use assets		9,423,568	3,181,023
Intangible assets		-	-
Due from Head Office		330,499,379	284,069,490
Other assets		7,362,706	4,813,226
		663,584,399	610,208,966

LIABILITIES

Bills payable		7,701,036	8,607,107
Due to financial institutions		7,945,867	8,003,110
Deposits and other accounts	40.4	567,536,310	519,488,249
Due to Head Office		-	-
Lease Liability		10,098,204	3,788,556
Other liabilities		5,244,350	5,519,705
		598,525,767	545,406,727
		65,058,632	64,802,239

NET ASSETS

REPRESENTED BY

Islamic Banking Fund		2,181,000	2,181,000
Reserves		-	-
Surplus on revaluation of assets		575,630	572,058
Unappropriated profit	40.5	62,302,002	62,049,181
		65,058,632	64,802,239

CONTINGENCIES AND COMMITMENTS

PROFIT AND LOSS ACCOUNT

		(Un-audited) January - March 2025	January - March 2024
		----- (Rupees in '000) -----	
Profit / return earned	40.7	7,614,268	17,983,449
Profit / return expensed	40.8	3,353,219	8,784,504
Net profit / return		4,261,049	9,198,945
Other income			
Fee and commission income		255,629	120,204
Foreign exchange (loss) / income		(53,066)	12,433
Gain on securities - net		28,146	27,332
Other income		40,751	16,622
Total other income		271,460	176,591
Total Income		4,532,509	9,375,536
Other expenses			
Other operating expenses		4,249,511	1,182,970
Profit before credit loss allowance		282,998	8,192,566
Credit loss allowance and write offs - net		30,177	9,406
Profit before taxation		252,821	8,183,160
Taxation		136,523	4,009,748
Profit after taxation		116,298	4,173,412

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE THREE MONTHS ENDED MARCH 31, 2025

40.1 Due from Financial Institutions

	As at March 31, 2025 (Un-audited)			As at December 31, 2024 (Audited)		
	In Local Currency	In Foreign Currencies	Total	In Local Currency	In Foreign Currencies	Total
(Rupees in '000)						
Musharakah lending	4,100,000	-	4,100,000	-	-	-
Bai Muajjal	-	-	-	-	-	-
with other Financial Institutions	-	-	-	-	-	-
with State Bank of Pakistan	-	-	-	-	-	-
	4,100,000	-	4,100,000	-	-	-

40.2 Investments by segments

		As at March 31, 2025 (Un-audited)			
	Note	Cost / Amortised cost	Credit loss allowance	Surplus / (Deficit)	Carrying Value
<hr/> <div>(Rupees in '000)</div> <hr/>					
Debt Instruments					
Measured at amortised cost					
Federal Government Securities					
- Ijarah Sukuks	40.2.1	10,000,959	-	-	10,000,959
- Bai Muajjal with Govt. of Pakistan		49,684,709	-	-	49,684,709
Non Government debt securities		8,884,568	(151)	-	8,884,417
		68,570,236	(151)	-	68,570,085
Measured at FVOCI					
Federal Government securities					
- Ijarah Sukuks		54,109,607	-	575,630	54,685,237
- Islamic Naya Pakistan Certificate		1,330,969	-	-	1,330,969
Non Government debt securities		-	-	-	-
		55,440,576	-	575,630	56,016,206
Measured at FVTPL					
Federal Government securities					
- Ijarah Sukuks		7,261,148	-	19,785	7,280,933
		7,261,148	-	19,785	7,280,933
Instruments mandatorily classified / measured at FVTPL					
Non Government debt securities					
		300,000	-	-	300,000
Total investments		<u>131,571,960</u>	<u>(151)</u>	<u>595,415</u>	<u>132,167,224</u>

		As at December 31, 2024 (Audited)			
		Cost / Amortised cost	Credit loss allowance	Surplus / (Deficit)	Carrying Value
<hr/> <div>(Rupees in '000)</div> <hr/>					
Debt Instruments					
Measured at amortised cost					
Federal Government Securities					
- Ijarah Sukuks	40.2.1	10,001,109	-	-	10,001,109
- Bai Muajjal with Govt. of Pakistan		47,618,148	-	-	47,618,148
Non Government debt securities		8,900,193	(151)	-	8,900,042
		66,519,450	(151)	-	66,519,299
Measured at FVOCI					
Federal Government securities					
- Ijarah Sukuks		49,296,295	-	572,058	49,868,353
- Islamic Naya Pakistan Certificate		2,678,705	-	-	2,678,705
Non Government debt securities		-	-	-	-
		51,975,000	-	572,058	52,547,058
Instruments mandatorily classified / measured at FVTPL					
Non Government debt securities					
		300,000	-	-	300,000
		<u>118,794,450</u>	<u>(151)</u>	<u>572,058</u>	<u>119,366,357</u>

Particulars of credit loss allowance

	As at March 31, 2025 (Un-audited)				As at 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	(151)	-	-	(151)	(151)	-	-	(151)
	(151)	-	-	(151)	(151)	-	-	(151)

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE THREE MONTHS ENDED MARCH 31, 2025

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

40.2.1 Bai Muajjal with Government of Pakistan

Bai Muajjal Investment	69,340,000	69,340,000
Less: Deferred Income	(19,655,291)	(21,721,852)
Bai Muajjal Investment-net	49,684,709	47,618,148

40.3 Islamic financing and related assets

Ijarah	266,969	183,651
Murabaha	369,642	165,372
Musharakah	7,217,740	73,230,869
Diminishing Musharakah	84,280,617	45,705,613
Mera Pakistan Mera Ghar (MPMG)	4,753,202	4,839,643
Istisna	314,100	240,064
Diminishing Musharakah - Under SBP's Islamic Temporary Economic Refinance Facility	3,622,198	3,692,614
Ameen Musharakah Running Finance Under SBP's - Islamic Export Refinance scheme	8,710,000	8,710,000
Islamic Export Refinance scheme - Istisna	126,438	608,058
Advances against Islamic assets		
Advances against Ijarah	48,843	17,910
Advances for Diminishing Musharakah	22,566,166	8,689,619
Advances for Murabaha	152,797	-
Advances against Mera Pakistan Mera Ghar	4,335	4,335
Advances for Istisna	1,851,980	1,312,312
Advances against Istisna - Under SBP' Islamic Export Refinance scheme	913,000	256,000
Advances against Diminishing Musharakah ITERF	-	-
Inventory related to Islamic financing		
Istisna	549,996	111,700
Profit and other receivables against financings	1,901,400	2,189,222
Gross Islamic financing and related assets	137,649,423	149,956,982
Less: Credit Loss Allowance against Islamic financings		
- Stage 1	(1,934,538)	(1,668,457)
- Stage 2	(967,310)	(213,344)
- Stage 3	(437,210)	(188,215)
	(3,339,058)	(2,070,016)
Islamic financing and related assets - net of credit loss allowance	134,310,365	147,886,966

40.4 Deposits and other accounts

Customers

Current deposits	420,827,296	343,912,552
Saving deposits	130,700,337	123,254,188
Term deposits	6,444,890	5,223,078
	557,972,523	472,389,818

Financial Institutions

Current deposits	774,601	1,164,744
Saving deposits	8,649,186	45,900,687
Term deposits	140,000	33,000
	9,563,787	47,098,431
	567,536,310	519,488,249

40.4.1 Deposits eligible to be covered under insurance arrangements in accordance with DPC Circular No. 04 dated June 22, 2018 amounting to Rs. 464.864.406 million (December 31, 2024: Rs. 409,558.614 million).

40.5 Islamic Banking Business Unappropriated Profit

Opening Balance	62,049,181	31,398,864
Impact of adoption of IFRS 9	-	(1,570,146)
Profit for the period / year	252,821	32,220,463
	<hr/> 62,302,002	62,049,181
Taxation	(136,523)	(17,399,050)
Closing Balance	<hr/> 62,165,479	<hr/> 44,650,131

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE THREE MONTHS ENDED MARCH 31, 2025

	(Un-audited) March 31, 2025	(Audited) December 31, 2024
40.6 Contingencies and commitments		
	----- (Rupees in '000) -----	
- Guarantees	2,802,931	321,847
- Commitments	35,240,455	10,214,840
	<u>38,043,386</u>	<u>10,536,687</u>
	(Un-audited)	
	January - March 2025	January - March 2024
	----- (Rupees in '000) -----	
40.7 Profit / Return earned		
On:		
Financing	2,995,614	1,995,869
Investments	4,403,530	15,863,206
Placements	171,811	85,126
Rental Income from Ijarah	43,313	39,248
	<u>7,614,268</u>	<u>17,983,449</u>
40.8 Profit / Return expensed		
On:		
Deposits and other accounts	2,993,126	6,376,624
Due to Financial Institutions	72,807	2,345,896
Others	287,286	61,984
	<u>3,353,219</u>	<u>8,784,504</u>

40.9 Disclosures for profit and loss distribution and pool management

The Bank operates general and special pools for deposits and inter-bank funds accepted / acquired under Mudarabah, Wakalah and Musharakah modes.

Under the General deposits pools, the Bank accepts funds on Mudarabah basis from depositors (Rab-ul-Maal) where the Bank acts as Manager (Mudarib) and invests the funds in the Shariah Compliant modes of financing, investments and placements. When utilising investing funds, the Bank prioritizes the funds received from depositors over the funds generated from own sources after meeting the regulatory requirement relating to such deposits.

Specific pools are operated for funds acquired / accepted from the Corporate Customers, other banks and State Bank of Pakistan for liquidity management and Islamic Export Refinance to the Bank's customers respectively under the Musharakah/ Mudarabah / Wakalah modes.

General Pool(s)

For General Pools , the Bank allocates PKR financing to Corporate, SME and Consumer Finance customers in diversified sectors and avenues of the economy / business and Investments in Sovereign Guarantee Sukuk, Corporate Sukuk, Bai Muajjal with Government of Pakistan, are also done through General Pools. All remunerative deposits are tagged to these general pools and their funds generated from the depositors are invested on priority basis.

IERS Pool(s)

The IERS pool assets comprise of Sovereign Guarantee Sukuk, and financing to Corporate Customers and exporters as allowed under the applicable laws and regulations, and as such are exposed to lower credit risk. The Musharakah with SBP under IERS is tagged to the IERS pool.

Treasury Pool(s)

The Treasury pool assets generally comprise of Sovereign Guarantee Sukuk and financing under diminishing musharakah, Ijarah facility and the related liability of the Treasury pool comprise of Musharakah / Wakalah/ Mudarabah from financial institutions. These pools are created to meet the liquidity requirements of the Holding company.

Special Pool(s)

Separate pool(s) are created where the customers desire to invest in high yield assets. These pool(s) rates are higher than the general pool depending on the assets. In case of loss in special pool, the loss will be borne by the special pool members. The net return on the pool is arrived at after deduction of direct costs from the gross return earned on the pool. From the net return, profit is paid to the Mudarib in the ratio of the Mudarib's equity in the pool to the total pool. The balance represents the distributable profit.

Equity Pool(s)

All other assets including fixed assets, advance against financing, bai-salam financing and subsidized financing to Bank's employees are tagged to equity pool. To safeguard the interest of customers, all high risk investments are done through equity pool. The Holding company as Mudarib in the general pools is responsible for financing costs / assets such as land, building, furniture, fixtures, computers and IT system from its own sources / equity.

During the year, the Bank has given General Hiba to the depositors in General and specific pool, keeping in view the prescribed guidelines of Pool Management provided by the SBP. However, Hiba are given at the sole discretion of the Bank without any contractual commitment with the depositors.

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE THREE MONTHS ENDED MARCH 31, 2025

The Mudarib's share on Deposits for the period ended March 31, 2025 is Rs.2,166.19 million (46.47% of distributable profit of Mudarabah Pool) of this, an amount of Rs.458.59 million (21.17% of Mudarib share) was distributed back to depositors as Hiba. The rate of profit earned on average earning assets was 12.81% per annum and the rate of profit paid on average deposits was 7.77% per annum.

The risk characteristics of pools

The risk characteristic of each pool mainly depends on the assets and liability profile of the pool. As per the Bank's policy, relatively low risk / secured financing transactions and assets are allocated to the pool. The Bank maintains General Pools, Special Pools, FI Pools, IERS pool and Equity pool. All pools are exposed to general credit risk, asset ownership risk and Profit rate risk of underlying assets involved.

The Parameters used for allocation of profit, expenses and provisions to the Pool

- The profit of each deposit pool is calculated on all The remunerative assets booked by utilising The funds from the pool.
- Profit of pool is calculated after deduction of expenses directly incurred in earning the income of such pool, the directly related costs comprise of depreciation on ijarah assets, takaful premium, Amortization of Premium on investment etc.
- No expense of general or administrative nature is charged to the pools.
- No provisions against any non-performing asset of the pool is passed on to the pool except on the actual loss / write-off of such non-performing asset.
- The profit of the pool is shared between equity and Rab-ul-Maal of the pool on the basis of Musharakah at gross level (before charging of mudarib fee) as per the investment ratio of the equity.
- The profit of the pool is shared among the members of the pool on pre-defined mechanism based on the weightages announced before the profit calculation period after charging of mudarib fee.

The Bank managed following pools during the period.

For the three months ended March 31, 2025 (Un-audited)

For the three months ended March 31, 2023 (Un-audited)									
	No of Pools	Nature of Pool	Profit rate and weightages announcement period	Average profit rate earned	Profit Sharing ratio	Mudarib fee / Musharakah share / Wakalah Fee	Average profit rate / return distributed	Percentage of Mudarib share transferred through Hiba	Amount of Mudarib share transferred through Hiba
				%	%	Rupees in '000	%	%	Rupees in '000
Special Pools	30	Mudarbaha	Monthly	10.92%	27.48%	201,127	8.36%	26.66%	53,623
IERS Pools	3	Musharkah	Monthly	13.32%	38.44%	57,019	8.70%	0.00%	-
General Pools	3	Mudarbaha	Monthly	12.68%	50.00%	1,965,067	7.61%	20.61%	404,969
Treasury Pools	0	Musharkah	Monthly	0.00%	0.00%	-	0.00%	0.00%	-

For the three months ended March 31, 2024 (Un-audited)

For the three months ended March 31, 2024 (Un-audited)									
No of Pools	Nature of Pool	Profit rate and weightages announcement period	Average profit rate earned	Profit Sharing ratio	Mudarib fee / Musharakah share / Wakalah Fee	Average profit rate / return distributed	Percentage of Mudarib share transferred through Hiba	Amount of Mudarib share transferred through Hiba	
			%	%	Rupees in '000	%	%	Rupees in '000	
ADMA Pools	3	Mudarbaha	Monthly	12.23%	35.00%	45,141	8.30%	8.32%	3,756
Special Pools	30	Mudarbaha	Monthly	21.25%	14.78%	602,343	19.71%	53.21%	320,513
IERS Pools	6	Musharkah	Monthly	18.57%	57.36%	247,838	18.00%	0.00%	-
FCY Pools	6	Mudarbaha	Monthly	2.13%	50.00%	2,297	1.06%	0.00%	-
General Pools	3	Mudarbaha	Monthly	21.13%	49.98%	1,868,421	14.13%	33.81%	631,801
Treasury Pools	121	Musharkah	Monthly	22.53%	31.54%	756,418	21.12%	0.00%	-

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE THREE MONTHS ENDED MARCH 31, 2025

	(Un-audited) March 31, 2025	(Audited) December 31, 2024
	-----Rupees in '000-----	
40.10 Deployment of Mudarabah based deposits by class of business		
Chemical and pharmaceuticals	8,146,478	11,119,892
Agriculture	-	64,330,828
Textile	35,426,637	6,937,944
Sugar	12,908,278	-
Financial	4,900,000	800,000
Plastic	223,429	197,855
Individuals	29,542,704	26,446,650
Production and transmission of energy	18,366,492	18,216,021
Government of Pakistan Securities	122,982,656	110,166,197
Others	41,419,973	31,107,952
	<u>273,916,647</u>	<u>269,323,339</u>

41. YEMEN OPERATIONS

Despite risky situation and continued operational losses the Bank has been striving to honor liabilities. However, on account of several factors, including but not limited to fragile political and economic situation in Yemen, bankruptcy of CBY Sana'a, existence of two Central Banks (i.e. CBY Sana'a and CBY Aden), has resulted in illiquid market, which does not appears to be reversed in near future.

It is no longer possible for the Bank to continue its operations in Yemen due to reasons not attributable to the Bank and caused by circumstances entirely beyond the Bank's control. Therefore, Bank has completely exited from Yemen. The Bank is cognizant of the associated risks arising out of its exit from Yemen.

42. NON-ADJUSTING EVENT AFTER THE BALANCE SHEET DATE

The Board of Directors in its meeting held on April 16, 2025 has declared an interim cash dividend in respect of quarter ended March 31, 2025 of Rs. 11.0 per share (March 31, 2024: Rs. 11.0 per share). These unconsolidated condensed interim financial statements for the three months ended March 31, 2025 do not include the effect of these appropriations which will be accounted for subsequent to the period end.


43. GENERAL


43.1 Comparative information has been reclassified, rearranged or additionally incorporated in these consolidated condensed interim financial statements for the purposes of better presentation.

43.2 Figures have been rounded off to the nearest thousand rupees unless otherwise stated.

44. DATE OF AUTHORISATION


These unconsolidated condensed interim financial statements were authorised for issue on April 16, 2025, by the Board of Directors of the Bank.


Syed Manzoor Hussain Zaidi
Chief Financial Officer


Muhammad Jawaid Iqbal
President &
Chief Executive Officer


Shazia Syed
Director


Daniel Michael Howlett
Director


Sir Mohammed Anwar Pervaz, OBE, HPK
Chairman



UNITED BANK LIMITED

**CONSOLIDATED CONDENSED
INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED
MARCH 31, 2025
(Un-audited)**


CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2025

	Note	(Un-audited) March 31, 2025	(Audited) December 31, 2024
		----- (Rupees in '000) -----	
Cash and balances with treasury banks	6	305,973,763	310,836,376
Balances with other banks	7	94,920,363	59,968,246
Lendings to financial institutions	8	5,529,200	18,492,483
Investments	9	7,496,936,010	5,889,765,841
Advances	10	928,333,171	1,443,481,944
Property and equipment	11	96,480,672	85,591,999
Right-of-use assets	12	19,943,664	10,231,121
Intangible assets	13	57,992,276	2,792,016
Deferred tax assets	14	-	-
Other assets	15	368,146,780	247,937,251
		9,374,255,899	8,069,097,277
LIABILITIES			
Bills payable	17	27,559,426	44,221,818
Borrowings	18	5,403,475,581	4,855,373,516
Deposits and other accounts	19	3,394,480,947	2,639,875,985
Lease liabilities	20	22,343,441	12,381,018
Subordinated debt	21	11,998,400	10,000,000
Deferred tax liabilities	14	12,023,434	39,311,263
Other liabilities	22	150,572,986	147,125,664
		9,022,454,215	7,748,289,264
NET ASSETS			
		351,801,684	320,808,013
REPRESENTED BY:			
Share capital		12,521,239	12,241,797
Reserves		129,419,366	114,734,831
Surplus on revaluation of assets	23	74,048,279	77,309,424
Unappropriated profit		135,758,040	116,472,051
Total equity attributable to the equity holders of the Bank		351,746,924	320,758,103
Non-controlling interest		54,760	49,910
		351,801,684	320,808,013
CONTINGENCIES AND COMMITMENTS			
	24		

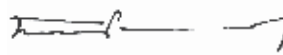
The annexed notes 1 to 44 form an integral part of these consolidated condensed interim financial statements.


Syed Manzoor Hussain Zaidi
 Chief Financial Officer


Muhammad Jawaid Iqbal
 President &
 Chief Executive Officer


Shazia Syed
 Director


Daniel Michael Howlett
 Director


Sir Mohammed Anwar Pervaz, OBE, HPK
 Chairman


CONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)

FOR THE THREE MONTHS ENDED MARCH 31, 2025

		January - March 2025	January - March 2024
	Note	(Rupees in '000)	(Rupees in '000)
Mark-up / return / interest earned	26	260,968,025	243,023,585
Mark-up / return / interest expensed	27	176,745,006	214,922,381
Net mark-up / interest income		84,223,019	28,101,204
Non mark-up / interest income			
Fee and commission income	28	7,505,961	5,937,228
Dividend income		862,726	473,165
Foreign exchange income		3,669,940	2,718,981
Loss from derivatives		(1,252,817)	(64,846)
Gain on securities - net	29	5,825,773	12,828,808
Capital loss on derecognition of financial assets measured at amortised cost		-	(947,561)
Other income	30	210,247	330,474
Total non mark-up / interest income		16,821,830	21,276,249
Total income		101,044,849	49,377,453
Non mark-up / interest expenses			
Operating expenses	31	25,206,289	19,190,077
Workers' Welfare Fund		1,491,619	676,423
Other charges	32	653	866
Total non mark-up / interest expenses		26,698,561	19,867,366
Share of profit / (loss) of associates		182,919	(48,299)
Profit before credit loss allowance		74,529,207	29,461,788
Credit loss allowance and write-offs - net	33	(1,608,817)	(1,717,889)
Profit before taxation		76,138,024	31,179,677
Taxation	34	40,026,398	15,040,768
Profit after taxation		36,111,626	16,138,909
Attributable to:			
Equity holders of the Bank		36,106,776	15,977,409
Non-controlling interest		4,850	161,500
		36,111,626	16,138,909
		(Rupees)	(Rupees)
Earnings per share - basic and diluted	35	29.34	13.05

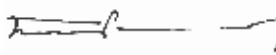
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Syed Manzoor Hussain Zaidi
Chief Financial Officer


Muhammad Jawaid Iqbal
President &
Chief Executive Officer


Shazia Syed
Director


Daniel Michael Howlett
Director


Sir Mohammed Anwar Pervez, OBE, HPk
Chairman


CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE THREE MONTHS ENDED MARCH 31, 2025

	January - March 2025	January - March 2024
----- (Rupees in '000) -----		
Profit after taxation for the period attributable to:		
Equity holders of the Bank	36,106,776	15,977,409
Non-controlling interest	4,850	161,500
	<u>36,111,626</u>	<u>16,138,909</u>
Other comprehensive income		
<i>Items that may be reclassified to profit and loss account in subsequent periods</i>		
Effect of translation of net investment in overseas branches and subsidiaries		
Equity holders of the Bank	651,213	(1,593,056)
Non-controlling interest	-	(255,387)
	<u>651,213</u>	<u>(1,848,443)</u>
Movement in surplus / (deficit) on revaluation of debt investments through FVOCI - net of tax		
Equity holders of the Bank	(5,322,150)	(7,072,279)
Non-controlling interest	-	407,049
	<u>(5,322,150)</u>	<u>(6,665,230)</u>
	<u>(4,670,937)</u>	<u>(8,513,673)</u>
<i>Items that will not be reclassified to profit and loss account in subsequent periods</i>		
Movement in surplus on revaluation of equity investments through FVOCI - net of tax		
Equity holders of the Bank	2,265,756	11,335
Non-controlling interest	-	-
	<u>2,265,756</u>	<u>11,335</u>
Movement in (deficit) / surplus on revaluation of property and equipment - net of tax		
Equity holders of the Bank	-	(71,753)
Non-controlling interest	-	(83,808)
	<u>-</u>	<u>(155,561)</u>
	<u>2,265,756</u>	<u>(144,226)</u>
Total comprehensive income for the period	<u><u>33,706,445</u></u>	<u><u>7,481,010</u></u>
Attributable to:		
Equity holders of the Bank	33,701,595	7,251,656
Non-controlling interest	4,850	229,354
	<u><u>33,706,445</u></u>	<u><u>7,481,010</u></u>

The annexed notes 1 to 44 form an integral part of these consolidated condensed interim financial statements.


Syed Manzoor Hussain Zaidi
Chief Financial Officer


Muhammad Jawaid Iqbal
President &
Chief Executive Officer


Shazia Syed
Director


Daniel Michael Howlett
Director



Sir Mohammed Anwar Pervez, OBE, HPK
Chairman


CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

FOR THE THREE MONTHS ENDED MARCH 31, 2025

Note	Share capital	Share Premium	Statutory reserve	Capital reserve-Exchange translation	Surplus / (Deficit) on revaluation			Unappropriated profit	Sub total	Non-controlling interest	Total
					Investments	Property and Equipment	Non-banking assets				
(Rupees in '000)											
Balance as at January 01, 2024 - (Audited)	12,241,797	-	46,878,123	69,893,293	(192,993)	41,795,310	-	96,024,872	266,640,402	14,904,379	281,544,781
Total comprehensive income for the three months ended March 31, 2024											
Profit after taxation for the three months ended March 31, 2024	-	-	-	-	-	-	-	15,977,409	15,977,409	161,500	16,138,909
Other comprehensive income - net of tax	-	-	-	(1,593,056)	(7,060,944)	(71,753)	-	-	(8,725,753)	67,854	(8,657,899)
Total comprehensive income for the three months ended March 31, 2024	-	-	-	(1,593,056)	(7,060,944)	(71,753)	-	15,977,409	7,251,656	229,354	7,481,010
Transfer from surplus on revaluation upon disposal to unappropriated profit - net of tax	-	-	-	-	-	(22,861)	-	22,861	-	-	-
Transfer of incremental depreciation from surplus on revaluation of property and equipment to unappropriated profit - net of tax	-	-	-	-	-	(27,092)	-	27,092	-	-	-
Transfer to statutory reserve	-	-	1,558,846	-	-	-	-	(1,558,846)	-	-	-
Transactions with owners for the three months ended March 31, 2024, recorded directly in equity											
Final cash dividend - December 31, 2023 declared subsequent to the year end at Rs. 11.0 per share	-	-	-	-	-	-	-	(13,465,977)	(13,465,977)	-	(13,465,977)
Balance as at March 31, 2024 (Un-audited)	12,241,797	-	48,436,969	68,300,237	(7,253,937)	41,673,604	-	97,027,411	260,426,081	15,133,733	275,559,814
Total comprehensive income for the nine months ended December 31, 2024											
Profit after taxation for the nine months ended December 31, 2024	-	-	-	-	-	-	-	59,178,444	59,178,444	460,091	59,638,535
Other comprehensive income - net of tax	-	-	-	(8,496,283)	45,524,783	324,298	1,146	4,197,565	41,551,509	46,202	41,597,711
Total comprehensive income for the nine months ended December 31, 2024	-	-	-	(8,496,283)	45,524,783	324,298	1,146	63,376,009	100,729,953	506,293	101,236,246
Transfer from surplus on revaluation upon disposal to unappropriated profit - net of tax	-	-	-	-	-	(69)	-	69	-	-	-
Transfer of incremental depreciation from surplus on revaluation of property and equipment to unappropriated profit - net of tax	-	-	-	-	-	(51,421)	-	51,421	-	-	-
Transfer to statutory reserve	-	-	6,493,908	-	-	-	-	(6,493,908)	-	-	-
Transfer of net loss on disposal of FVOCI equity investments from surplus to unappropriated profit - net of tax	-	-	-	-	48,249	-	-	(48,249)	-	-	-
Derecognition of subsidiary	-	-	-	-	535,734	(3,492,963)	-	2,957,229	-	(15,590,116)	(15,590,116)
Transactions with owners for the nine months ended December 31, 2024, recorded directly in equity											
Interim cash dividend - March 31, 2024 declared at Rs. 11.0 per share	-	-	-	-	-	-	-	(13,465,977)	(13,465,977)	-	(13,465,977)
Interim cash dividend - June 30, 2024 declared at Rs. 11.0 per share	-	-	-	-	-	-	-	(13,465,977)	(13,465,977)	-	(13,465,977)
Interim cash dividend - September 30, 2024 declared at Rs. 11.0 per share	-	-	-	-	-	-	-	(13,465,977)	(13,465,977)	-	(13,465,977)
	-	-	-	-	-	-	-	(40,397,931)	(40,397,931)	-	(40,397,931)
Balance as at January 01, 2025 (Audited)	12,241,797	-	54,930,877	59,803,954	38,854,829	38,453,449	1,146	116,472,051	320,758,103	49,910	320,808,013
Total comprehensive income for the three months ended March 31, 2025											
Profit after taxation for the three months ended March 31, 2025	-	-	-	-	-	-	-	36,106,776	36,106,776	4,850	36,111,626
Other comprehensive income - net of tax	-	-	-	651,213	(3,056,394)	-	-	-	(2,405,181)	-	(2,405,181)
Total comprehensive income for the three months ended March 31, 2025	-	-	-	651,213	(3,056,394)	-	-	36,106,776	33,701,595	4,850	33,706,445
Transfer from surplus on revaluation upon disposal to unappropriated profit - net of tax	-	-	-	-	-	-	-	-	-	-	-
Transfer of incremental depreciation from revaluation of property and equipment to unappropriated profit - net of tax	-	-	-	-	-	(17,861)	-	17,861	-	-	-
Transfer net loss on disposal of FVOCI equity investments from surplus to unappropriated profit - net of tax	-	-	-	-	(186,890)	-	-	186,890	-	-	-
Transfer to statutory reserve	-	-	3,559,561	-	-	-	-	(3,559,561)	-	-	-
Shares issued under amalgamation	1.1	279,442	10,473,761	-	-	-	-	-	10,753,203	-	10,753,203
Transactions with owners, recorded directly in equity											
Final cash dividend - December 31, 2024, declared subsequent to the year end at Rs. 11.0 per share	-	-	-	-	-	-	-	(13,465,977)	(13,465,977)	-	(13,465,977)
Balance as at March 31, 2025 (Un-audited)	12,521,239	10,473,761	58,490,438	60,455,167	35,611,545	38,435,588	1,146	135,758,040	351,746,924	54,760	351,801,684

The annexed notes 1 to 44 form an integral part of these consolidated condensed interim financial statements.


Syed Manzoor Hussain Zaidi
 Chief Financial Officer


Muhammad Jawaid Iqbal
 President &
 Chief Executive Officer


Shazia Syed
 Director


Daniel Michael Howlett
 Director


Sir Mohammed Anwar Pervez, OBE, HPK
 Chairman


CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

FOR THE THREE MONTHS ENDED MARCH 31, 2025

	January - March 2025	January - March 2024
	----- (Rupees in '000) -----	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation including discontinued operations	76,138,024	31,179,677
Less: Dividend income	862,726	473,165
Less: Share of profit / (loss) of associates	182,919	(48,299)
	<u>75,092,379</u>	<u>30,754,811</u>
Adjustments:		
Depreciation on property and equipment	1,874,603	1,271,194
Depreciation on Islamic financing against leased assets	22,577	21,961
Depreciation on right-of-use assets	813,637	580,421
Depreciation on non-banking assets acquired in satisfaction of claims	3,457	807
Amortisation	279,459	257,013
Workers' Welfare Fund - charge	1,491,619	676,423
Provision for retirement benefits	427,270	525,188
Provision for compensated absences	34,536	128,055
Credit loss allowance against loans and advances - net	(2,997,963)	(1,583,311)
Credit loss allowance against off - balance sheet obligations - net	818,225	(16,072)
Credit loss allowance for diminution in value of investments - net	623,424	(62,199)
Interest expense on lease liability against right-of-use assets	609,734	345,993
Loss / (gain) on sale of Ijarah assets - net	234	(806)
Gain on sale of property and equipments - net	(58,544)	(3,328)
Bad debts written-off directly	19,656	13,099
Unrealised gain on revaluation of investments classified as FVTPL	16,503	13,336
Credit loss allowance against other assets	20,397	(13,007)
Other credit loss allowance / write-offs	49,989	62,297
	<u>4,048,813</u>	<u>2,217,064</u>
	<u>79,141,192</u>	<u>32,971,875</u>
(Increase) / decrease in operating assets		
Lendings to financial institutions	12,963,283	29,663,342
Securities classified as FVTPL	(114,668,176)	28,701,380
Advances	518,104,269	6,966,665
Other assets (excluding advance taxation)	<u>(167,370,452)</u>	<u>(37,199,750)</u>
	<u>249,028,924</u>	<u>28,131,637</u>
Increase / (decrease) in operating liabilities		
Bills payable	(16,662,392)	(4,391,858)
Borrowings	548,102,065	158,711,938
Deposits and other accounts	754,604,962	132,869,141
Other liabilities	<u>(5,840,562)</u>	<u>14,324,952</u>
	<u>1,280,204,073</u>	<u>301,514,173</u>
	<u>1,608,374,189</u>	<u>362,617,685</u>
	<u>(228,575)</u>	<u>2,841,138</u>
	<u>(18,185,802)</u>	<u>(12,081,665)</u>
	<u>1,589,959,812</u>	<u>353,377,158</u>
Receipts / (payments) on account of staff retirement benefits		
Income taxes paid		
Net cash flow generated from operating activities		
CASH FLOW FROM INVESTING ACTIVITIES		
Net investments in securities classified as FVOCI	(1,500,190,970)	(294,710,510)
Net investments in amortized cost securities	811,761	4,586,047
Net cash inflow on amalgamation	15,198,229	-
Net investments in associates	(366,974)	(1,175,012)
Dividend income received	352,349	360,101
Investment in property and equipments and intangible assets	(68,323,362)	(1,931,141)
Sale proceeds from disposal of property and equipments	138,911	12,136
Sale proceeds from disposal of Ijarah assets	27,645	-
Effect of translation of net investment in overseas branches and subsidiaries	651,213	(1,848,443)
	<u>(1,551,701,198)</u>	<u>(294,706,822)</u>
Net cash flow used in investing activities		
CASH FLOW FROM FINANCING ACTIVITIES		
Payment of lease liability against right-of-use assets	(1,549,147)	(877,550)
Dividend paid	(6,619,963)	(6,623,508)
	<u>(8,169,110)</u>	<u>(7,501,058)</u>
Net cash flow used in financing activities		
Increase in cash and cash equivalents		
Cash and cash equivalents at the beginning of the period	30,089,504	51,169,278
Effect of exchange rate changes on cash and cash equivalents	369,594,853	313,642,424
	<u>1,209,769</u>	<u>(2,856,293)</u>
	<u>370,804,622</u>	<u>310,786,131</u>
	<u>400,894,126</u>	<u>361,955,409</u>

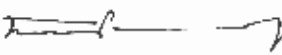
The annexed notes 1 to 44 form an integral part of these consolidated condensed interim financial statements.


Syed Manzoor Hussain Zaidi
 Chief Financial Officer


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Shazia Syed
 Director


Daniel Michael Howlett
 Director


Sir Mohammed Anwar Pervez, OBE, HPK
 Chairman

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE THREE MONTHS ENDED MARCH 31, 2025

1. STATUS AND NATURE OF BUSINESS

The "Group" consists of:

Holding company

- United Bank Limited (the Bank)

Subsidiary companies

- UBL Fund Managers Limited, Pakistan - 98.87% shareholding (2024: 98.87% shareholding)
- Al Ameen Financial Services (Private) Limited - effective shareholding 98.87% (2024: 98.87% effective shareholding)
- UBL Currency Exchange (Private) Limited - shareholding 100% (2024: 100% shareholding)

The Group is engaged in commercial banking, asset management, investment advisory and exchange business. United Bank Limited (the Bank) is a banking company incorporated in Pakistan and is engaged in commercial banking and related services. The Bank's registered office and principal office are situated at UBL Building, Jinnah Avenue, Blue Area, Islamabad and at UBL Head Office, I. I. Chundrigar Road, Karachi respectively. The Bank operates 1,634 (December 31, 2024: 1,474) branches inside Pakistan including 548 (December 31, 2024: 496) Islamic Banking branches and 2 (December 31, 2024: 2) branches in Export Processing Zones. The Bank also operates 8 (December 31, 2024: 8) branches outside Pakistan. The Bank is a wholly owned subsidiary of Bestway International Holdings Limited (BIHL) and BIHL a wholly owned subsidiary of Bestway Group Limited (BGL) which is incorporated in the Guernsey.

The Bank's ordinary shares are listed on Pakistan Stock Exchange (PSX). Its Global Depository Receipts (GDRs) are on the list of the UK Listing Authority and the London Stock Exchange Professional Securities Market. These GDRs are also eligible for trading on the International Order Book System of the London Stock Exchange. Further, the GDRs constitute an offering in the United States only to qualified institutional buyers in reliance on Rule 144A under the US Securities Act of 1933 and an offering outside the United States in reliance on Regulation S.

Non-controlling interest represents 1.13% shares held by past and present employees of UBL FM in the net asset value of UBL FM.

1.1 Business Combination

During the current quarter, the State Bank of Pakistan, vide its letter BPRD /ABLD/2025/1249 dated March 10, 2025, has approved the scheme of amalgamation of Silk Bank Limited with and into United Bank Limited, under Section 48 of the Banking Companies Ordinance, 1962 and passed Sanctioned order dated March 10, 2025. The scheme is effective from the start of business on March 11, 2025 (the effective date). The Board of Directors of United Bank Limited (UBL), in their meeting held on December 02, 2024, had approved and resolved to present the draft Scheme of Amalgamation of Silk Bank Limited (SBL) with and into UBL before the shareholders of UBL for their approval. The shareholders of UBL approved the Scheme of Amalgamation in the Extraordinary General Meeting (EOGM) held on December 30, 2024, as per the procedure provided in Section 48 of the Banking Companies Ordinance, 1962. As a result of amalgamation and based on swap ratio of 1 (one) new ordinary share of UBL having face value of Rs. 10 per share for every 325 ordinary shares of SBL, The Bank has issued 27,944,188 ordinary shares of UBL in aggregate in favour of the shareholders of SBL, as of Book closure date.

International Financial Reporting Standard (IFRS) 3, Business Combinations, requires that all identified assets (including intangible assets) and liabilities acquired in a business combination should be carried at their fair values in the acquirer's balance sheet and any intangible assets acquired in the business combination should be separately recognized and carried at their fair values. IFRS 3 allows the acquirer a maximum period of one year from the date of acquisition to finalize the determination of the fair values of the assets and liabilities and to determine the value of any intangibles separately identified. Any adjustment arising at the time of finalisation of this exercise will be incorporated with retrospective effect from the date of acquisition.

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE THREE MONTHS ENDED MARCH 31, 2025

Details of the provisional fair value of the assets acquired, liabilities assumed of Silk Bank Limited as at the close of business on March 10, 2025 and purchase consideration are as follows:

	Rupees in '000
Fair value of assets acquired (provisional)	287,417,809
Fair value of liabilities assumed (provisional)	<u>(331,885,484)</u>
Net Liabilities assumed - based on provisional values	(44,467,675)
Purchase consideration (fair value of UBL shares issued)*	<u>(10,753,203)</u>
Provisional net liabilities assumed including purchase consideration	<u><u>(55,220,878)</u></u>

*The fair value of the shares issued to the shareholders of the Silk Bank Limited is based on the published quoted price of the shares of the UBL Bank as at the date on which SBL shareholders were entitled to receive UBL shares at agreed swap ratio i.e. Book Closure Date of SBL.

The details of net liabilities assumed are detailed below:

	(Un-audited)		
	Carrying values as at March 10, 2025	Fair value adjustments	Fair values as at March 10, 2025
	-----Rupees in '000-----		
Assets			
Cash and balances with treasury banks	13,453,182	-	13,453,182
Balances with other banks	1,745,047	-	1,745,047
Lendings to financial institutions	2,963,289	-	2,963,289
Investments	174,478,377	(2,519,061)	171,959,316
Advances	24,966,890	(2,081,042)	22,885,848
Property and equipment	2,448,533	-	2,448,533
Right-of-use assets	1,609,885	-	1,609,885
Intangible assets	241,684	-	241,684
Deferred tax assets	49,174,471	6,023,101	55,197,572
Other assets	14,021,506	891,947	14,913,453
	285,102,864	2,314,945	287,417,809
Liabilities			
Bills payable	2,137,951	-	2,137,951
Borrowings	159,953,222	-	159,953,222
Deposits and other accounts	158,937,279	-	158,937,279
Lease liabilities	2,109,397	-	2,109,397
Subordinated debt	1,998,400	-	1,998,400
Other liabilities	6,749,235	-	6,749,235
	331,885,484	-	331,885,484
Net liabilities	<u>(46,782,620)</u>	<u>2,314,945</u>	<u>(44,467,675)</u>

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE THREE MONTHS ENDED MARCH 31, 2025

2 BASIS OF PRESENTATION

These consolidated financial statements have been prepared in conformity with the format of financial statements prescribed by the State Bank of Pakistan (SBP) vide BPRD Circular No. 2 dated February 09, 2023.

In accordance with the directives of the Federal Government regarding the shifting of the banking system to Islamic modes, SBP has issued various circulars from time to time. Permissible forms of trade-related modes of financing includes purchase of goods by banks from customers and immediate resale to them at appropriate profit in price on deferred payment basis. The purchase and resale arising under these arrangements are not reflected in these consolidated financial statements as such, but are restricted to the amount of facility actually utilised and the appropriate portion of profit thereon.

Key financial figures of the Islamic banking branches are disclosed in Note 40 to these consolidated condensed interim financial statements.

2.1 STATEMENT OF COMPLIANCE

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

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan 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.

The SBP vide BSD Circular Letter No. 10, dated August 26, 2002 has deferred the applicability of International Accounting Standard 40, Investment Property for banking companies till further instructions. Moreover, SBP vide BPRD Circular No. 4, dated February 25, 2015 has deferred the applicability of Islamic Financial Accounting Standards (IFAS) 3, Profit and Loss Sharing on Deposits. Further, according to the notification of the SECP issued vide SRO 411(I)/2008 dated April 28, 2008, International Financial Reporting Standard (IFRS) 7, Financial Instruments: Disclosures has not been made applicable for banks. Accordingly, the requirements of these standards have not been considered in the preparation of these consolidated financial statements.

The SECP vide its notification SRO 633 (I)/2014 dated July 10, 2014, adopted IFRS 10 consolidated financial statements effective from the periods starting from June 30, 2014. However, vide its notification SRO 56 (I)/2016 dated January 28, 2016, it has been notified that the requirements of IFRS 10 and section 228 of the Companies Act, 2017 will not be applicable with respect to the investment in mutual funds established under trust structure.

The disclosures made in these consolidated condensed interim financial statements have been limited based on a format prescribed by the SBP vide BPRD Circular No. 2 dated February 9, 2023, and IAS 34, Interim Financial Reporting. They do not include all the information and disclosures required in the preparation of audited annual financial statements, and should be read in conjunction with the audited consolidated financial statements of the Group for the year ended December 31, 2024.

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE THREE MONTHS ENDED MARCH 31, 2025

2.2 Standards, interpretations of and amendments to accounting and reporting standards that are not yet effective

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

3. MATERIAL ACCOUNTING POLICIES

The material accounting policies adopted in the preparation of these consolidated condensed interim financial statements, are consistent with those followed in the preparation of the consolidated financial statements for the year ended December 31, 2024, except as disclosed in notes 3.1.

3.1 Fair valuation of unlisted equity securities

With effect from January 01, 2025, unlisted equity investments are valued at their fair value, which represents the price at which the investment could be sold in an orderly transaction between market participants at the measurement date. Previously, these were measured at the lower of cost and break up value derived on the basis of their latest available audited financial statements.

The measurement of the fair value of unlisted equity investments involves the use of valuation techniques that incorporate assumptions that are not evidenced by the prices from observable market data. These may involve the analysis of an investee's financial position and results, risk profile and other judgemental factors. The chosen valuation techniques depend on the availability of market data and the profile of the investee and incorporates all the factors that market participants would consider in pricing a transaction and are aimed at maximizing the use of relevant observable inputs and limiting the use of unobservable data.

Favourable and unfavourable changes in the value of investments are determined on the basis of changes in the value as a result of varying the levels of the unobservable parameters, quantification of which is judgmental.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

The significant judgments made by management in applying its accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements of the Bank for the year ended December 31, 2024.

5. FINANCIAL RISK MANAGEMENT

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

**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
(UN-AUDITED)**
FOR THE THREE MONTHS ENDED MARCH 31, 2025

		(Un-audited) March 31, 2025	(Audited) December 31, 2024
	Note	----- (Rupees in '000) -----	
6. CASH AND BALANCES WITH TREASURY BANKS			
In hand			
Local currency		65,219,105	53,476,586
Foreign currencies		9,252,613	8,928,893
		74,471,718	62,405,479
With State Bank of Pakistan in			
Local currency current accounts		50,924,908	108,175,484
Foreign currency current accounts		7,370,414	5,094,782
Foreign currency deposit account		11,344,207	8,205,041
		69,639,529	121,475,307
With other central banks in			
Foreign currency current accounts		120,549,575	88,215,425
Foreign currency deposit accounts		18,897,343	19,326,856
		139,446,918	107,542,281
With National Bank of Pakistan in			
Local currency current accounts		22,137,004	19,133,450
National Prize Bonds		447,445	479,356
		306,142,614	311,035,873
Less: Credit loss allowance held against cash and balances with treasury banks	6.1	(168,851)	(199,497)
Cash and balances with treasury banks - net of credit loss allowance		305,973,763	310,836,376
6.1. Cash and balances with treasury banks are all classified as Stage 1.			
7. BALANCES WITH OTHER BANKS			
In Pakistan			
In current accounts		350,781	-
In deposit accounts		231,655	7
		582,436	7
Outside Pakistan			
In current accounts		68,286,537	47,801,939
In deposit accounts		26,054,796	12,173,491
		94,341,333	59,975,430
		94,923,769	59,975,437
Less: Credit loss allowance held against balances with other banks	7.1	(3,406)	(7,191)
Balances with Other Banks - net of credit loss allowance		94,920,363	59,968,246
7.1 Balances with other banks are classified as stage 1.			
8. LENDINGS TO FINANCIAL INSTITUTIONS			
Call lending		4,100,000	-
Repurchase agreement lendings (reverse repo)		1,429,200	2,492,483
Bai Muajjal receivable with Scheduled bank / financial institution		-	16,000,000
		5,529,200	18,492,483
Less: Credit loss allowance held against lending to financial institutions	8.1	-	-
Lending to financial institutions - net of credit loss allowance		5,529,200	18,492,483
8.1 Lendings to financial institutions are all classified as stage 1.			

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE THREE MONTHS ENDED MARCH 31, 2025

9. INVESTMENTS	March 31, 2025 (Un-audited)				December 31, 2024 (Audited)			
	Cost / Amortised cost	Credit loss allowance	Surplus / (Deficit)	Carrying Value	Cost / Amortised cost	Credit loss allowance	Surplus / (Deficit)	Carrying Value
(Rupees in '000)								
9.1 Investments by type								
FVTPL								
Federal Government Securities	136,769,452	-	(16,503)	136,752,949	22,066,195	-	35,068	22,101,263
Non-Government debt securities	1,864,920	-	-	1,864,920	1,864,933	-	-	1,864,933
	138,634,372	-	(16,503)	138,617,869	23,931,128	-	35,068	23,966,196
FVOCI								
Federal Government securities	6,793,673,646	(2,201,566)	64,502,655	6,855,974,735	5,330,704,079	(1,556,324)	75,876,139	5,405,023,894
Shares and units	14,457,513	(95,773)	12,200,380	26,562,120	15,141,412	-	7,869,404	23,010,816
Non-Government debt securities	643,894	(343,966)	-	299,928	462,335	(162,407)	-	299,928
Foreign securities	150,819,994	(14,835)	(2,367,076)	148,438,083	112,833,367	(15,298)	(2,841,124)	109,976,945
	6,959,595,047	(2,656,140)	74,335,959	7,031,274,866	5,459,141,193	(1,734,029)	80,904,419	5,538,311,583
Amortised cost								
Federal Government securities	275,981,871	-	-	275,981,871	277,953,188	-	-	277,953,188
Non-Government debt securities	20,603,787	(1,252,057)	-	19,351,730	20,604,187	(1,264,743)	-	19,339,444
Foreign securities	26,468,816	(14,986)	-	26,453,830	25,321,895	(15,335)	-	25,306,560
	323,054,474	(1,267,043)	-	321,787,431	323,879,270	(1,280,078)	-	322,599,192
Associates	6,313,329	(1,057,485)	-	5,255,844	5,946,355	(1,057,485)	-	4,888,870
Total Investments	7,427,597,222	(4,980,668)	74,319,456	7,496,936,010	5,812,897,946	(4,071,592)	80,939,487	5,889,765,841

9.2 Summary of financial position and performance of associates

March 31, 2025 (Un-audited)						
Country of incorporation	Percentage Holding	Assets	Liabilities	Revenue	Profit / (loss)	Total comprehensive income
(Rupees in '000)						
UBL Stock Advantage Fund	Pakistan 1.25%	19,495,829	201,129	5,944,912	5,508,330	5,508,330
Al-Ameen Islamic Energy Fund	Pakistan 2.81%	4,254,895	46,183	1,269,131	1,187,335	1,187,335
UBL Pakistan Enterprise Exchange Traded Fund	Pakistan 65.22%	77,375	1,356	6,679	5,990	5,584
UBL Liquidity Plus Fund	Pakistan 0.28%	23,398,872	2,139,745	3,527,394	3,201,990	3,201,990
UBL Government Securities Fund	Pakistan 3.93%	8,940,734	157,916	1,648,757	1,498,993	1,498,993
UBLKPK - Money Market Sub Fund	Pakistan 66.07%	56,952	430	6,419	6,056	6,056
UBLKPK - Debt Sub-Fund	Pakistan 100.00%	597	6	116	110	110
UBLKPK - Equity Sub-Fund	Pakistan 100.00%	597	6	116	110	110
UBLKPK-Equity Index Sub Fund	Pakistan 100.00%	597	6	116	110	110
AIKPK - Money Market Sub Fund	Pakistan 47.62%	77,929	2,157	6,373	5,865	5,865
AIKPK - Debt Sub-Fund	Pakistan 100.00%	597	6	97	91	91
AIKPK - Equity Sub-Fund	Pakistan 100.00%	597	6	97	91	91
AIKPK-Equity Index Sub Fund	Pakistan 100.00%	597	6	97	91	91
UBL Money Market Fund	Pakistan 1.01%	58,338,603	170,386	3,764,055	3,406,855	3,406,855
Al-Ameen Islamic Cash Plan - I	Pakistan 18.69%	15,412,734	120,189	1,747,729	1,629,352	1,629,352
UBL Insurers Limited	Pakistan 30.00%	13,544,471	10,485,768	571,770	196,293	195,663

March, 31 2024 (Un-audited)						
Country of incorporation	Percentage Holding	Assets	Liabilities	Revenue	Profit / (loss)	Total comprehensive income
(Rupees in '000)						
UBL Liquidity Plus Fund	Pakistan 8.37%	32,931,920	3,251,255	1,542,438	1,436,499	1,436,499
UBL Financial Sector Fund	Pakistan 1.11%	768,440	23,248	103,727	94,933	94,933
UBL Pakistan Enterprise Exchange Traded Fund	Pakistan 76.09%	41,275	632	1,178	978	3,713
UBLKPK - Money Market Sub Fund	Pakistan 91.45%	34,799	64	2,040	1,930	1,930
AIKPK - Money Market Sub Fund	Pakistan 88.98%	37,299	1,562	2,062	2,022	2,022
UBL Fixed Return Plan - II D	Pakistan 71.11%	84,439	842	4,805	4,468	4,468
UBL Fixed Return Plan - II K	Pakistan 31.00%	187,299	1,412	19,415	18,039	18,039
UBL Stock Advantage Fund	Pakistan 2.03%	5,912,867	126,058	361,913	298,888	298,888
Al Ameen Islamic Energy Fund	Pakistan 10.52%	882,793	23,956	65,026	52,991	52,991
Al Ameen Islamic Fixed Return Plan - I F	Pakistan 3.04%	491,784	1,438	77,045	72,089	72,089
Al Ameen Islamic Income Fund	Pakistan 13.52%	301,196	2,732	21,255	19,742	19,742
Al-Ameen Islamic Cash Plan I	Pakistan 0.70%	23,402,524	63,612	2,496,215	2,363,400	2,363,400
UBL Insurers Limited	Pakistan 30.00%	11,761,095	9,464,960	478,551	190,428	189,854

9.3 Investments given as collateral

Federal Government securities

Market Treasury Bills	58,501,036	285,281,664
Pakistan Investment Bonds	5,128,454,646	4,331,366,718

Foreign securities

Foreign bonds - sovereign	14,912,114	29,926,938
---------------------------	------------	------------

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

5,201,867,796 4,646,575,320

The market value of securities given as collateral is Rs. 5,204,621 million (December 31, 2024: Rs. 4,691,781 million).

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE THREE MONTHS ENDED MARCH 31, 2025

9.4 Credit loss allowance for diminution in value of Investments

	(Un-audited) March 31, 2025	(Audited) December 31, 2024
	----- (Rupees in '000) -----	
Opening balance	4,071,592	25,989,852
Transfer under amalgamation	277,332	-
Exchange adjustments	8,320	(94,642)
Impact of reclassification on adoption of IFRS 9	-	(6,107,121)
Impact of ECL recognised on adoption of IFRS 9	-	7,501
Charge / (reversals)		
Charge for the period / year	667,283	131,869
Reversals for the period / year	(43,859)	(381,411)
	623,424	(249,542)
Transfer	-	-
Derecognition of ECL on disposals	-	(15,474,456)
Amounts written off	-	-
Closing balance	4,980,668	4,071,592

9.5 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
	----- (Rupees in '000) -----			
Domestic				
Performing	7,213,940,536	589	5,645,069,663	589
Under performing	-	-	-	-
Non-performing	-	-	-	-
Substandard	-	-	-	-
Doubtful	-	-	-	-
Loss	799,841	799,841	618,283	618,283
	7,214,740,377	800,430	5,645,687,946	618,872
Overseas				
Performing	177,167,885	29,822	138,034,682	30,630
Under performing	14,918,118	2,997,158	8,087,551	2,364,605
Non-performing	-	-	-	-
Substandard	-	-	-	-
Doubtful	-	-	-	-
Loss	-	-	-	-
	192,086,003	3,026,980	146,122,233	2,395,235
Total	7,406,826,380	3,827,410	5,791,810,179	3,014,107

9.6 The market value of securities classified as amortised cost as at March 31, 2025 amounted to Rs. 322,335.340 million (December 31, 2024: Rs. 322,113.848 million).

10. ADVANCES

	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) -----					
Loans, cash credits, running finances, etc.	740,792,772	1,250,821,132	153,924,414	108,082,351	894,717,186	1,358,903,483
Islamic financing and related assets	137,148,992	149,696,208	500,430	280,774	137,649,422	149,956,982
Bills discounted and purchased	59,449,694	48,618,071	7,627,383	7,648,825	67,077,077	56,266,896
Advances - gross	937,391,458	1,449,135,411	162,052,227	115,991,950	1,099,443,685	1,565,127,361
Credit loss allowance against advances						
-Stage 1	(6,236,140)	(6,009,588)	-	-	(6,236,140)	(6,009,588)
-Stage 2	(8,147,168)	(7,736,178)	-	-	(8,147,168)	(7,736,178)
-Stage 3	-	-	(156,727,206)	(107,899,651)	(156,727,206)	(107,899,651)
	(14,383,308)	(13,745,766)	(156,727,206)	(107,899,651)	(171,110,514)	(121,645,417)
Advances - net of credit loss allowance	923,008,150	1,435,389,645	5,325,021	8,092,299	928,333,171	1,443,481,944

10.1 Particulars of advances - gross

	(Un-audited) March 31, 2025	(Audited) December 31, 2024
	----- (Rupees in '000) -----	
In local currency	705,750,915	1,109,925,640
In foreign currencies	393,692,770	455,201,721
	1,099,443,685	1,565,127,361

10.2 Advances include Rs. 162,052.227 million (2024: Rs. 115,991.950 million) which have been placed under non-performing status as detailed below:

	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				
Other Assets Especially Mentioned (OAE)	56,463	29,924	80,088	47,504
Substandard	2,539,708	1,769,664	2,307,470	1,538,389
Doubtful	333,120	163,103	280,114	135,921
Loss	74,120,597	73,181,929	22,398,233	21,455,978
	77,049,888	75,144,620	25,065,905	23,177,792
Overseas				
Other Assets Especially Mentioned (OAE)	-	-	-	-
Substandard	42,716	12,369	78,407	12,297
Doubtful	-	-	4,305,685	1,568,890
Loss	84,959,623	81,570,217	86,541,953	83,140,672
	85,002,339	81,582,586	90,926,045	84,721,859
Total	162,052,227	156,727,206	115,991,950	107,899,651

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE THREE MONTHS ENDED MARCH 31, 2025

10.3 Particulars of credit loss allowance against advances

Note	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)							
Opening balance	6,009,588	7,736,178	107,899,651	121,645,417	919,364	10,410,025	92,332,287	103,661,676
Transfer under amalgamation	615,120	627,726	52,042,882	53,285,728	-	-	-	-
Exchange adjustments	8,446	21,488	491,325	521,259	(6,946)	(137,270)	(943,454)	(1,087,670)
Impact of adoption of IFRS 9	-	-	-	-	4,046,484	2,689,194	1,234,016	7,969,694
Charge / (reversals)								
Charge for the period / year	913,307	1,618,950	224,926	2,757,183	1,384,897	3,362,228	13,911,386	18,658,511
Reversals for the period / year	(1,371,779)	(1,745,846)	(2,637,521)	(5,755,146)	(639,774)	(3,111,947)	(3,653,142)	(7,404,863)
	(458,472)	(126,896)	(2,412,595)	(2,997,963)	745,123	250,281	10,258,244	11,253,648

Amounts charged off agriculture

financing	10.4	-	-	-	-	-	(69,501)	(69,501)
Other Adjustments		-	-	-	-	597,848	54,112	651,960
Amounts written off		-	-	(1,343,927)	-	-	(577,830)	(577,830)
Disposal of subsidiary		-	-	-	(156,560)	-	-	(156,560)
Transfers (out) / in - net		61,458	(111,328)	49,870	482,123	(6,073,900)	5,611,777	-
Closing balance		6,236,140	8,147,168	156,727,206	171,110,514	6,009,588	107,899,651	121,645,417

	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)							
Opening balance	6,009,588	7,736,178	107,899,651	121,645,417	919,364	10,410,025	92,332,287	103,661,676
Transfer under amalgamation	615,120	627,726	52,042,882	53,285,728	-	-	-	-
Impact of adoption of IFRS 9	-	-	-	-	4,046,484	2,689,194	1,234,016	7,969,694
New Advances	820,779	1,703,284	-	2,524,063	2,067,736	1,758,867	-	3,826,603
Advances derecognised or repaid	(1,371,779)	(1,745,846)	(2,637,521)	(5,755,146)	(376,907)	(1,687,780)	(3,180,881)	(5,245,568)
Transfer to stage 1	87,044	(85,643)	(1,401)	-	412,794	(412,794)	-	-
Transfer to stage 2	(14,179)	33,817	(19,638)	-	53,836	173,493	(227,329)	-
Transfer to stage 3	(11,407)	(59,502)	70,909	-	(4,507)	(5,834,599)	5,839,106	-
	(489,542)	(153,890)	(2,587,651)	(3,231,083)	2,152,952	(6,002,813)	2,430,896	(1,418,965)
Amounts charged off - agriculture financing	-	-	-	-	-	-	(69,501)	(69,501)
Amounts written off	-	-	(1,343,927)	(1,343,927)	-	-	(577,830)	(577,830)
Changes in risk parameters	92,528	(84,334)	224,926	233,120	(945,706)	179,194	13,439,125	12,672,613
Disposal of subsidiary	-	-	-	-	(156,560)	-	-	(156,560)
Exchange adjustments	8,446	21,488	491,325	521,259	(6,946)	(137,270)	(943,454)	(1,087,670)
Other adjustments	-	-	-	-	597,848	-	54,112	651,960
Closing balance	6,236,140	8,147,168	156,727,206	171,110,514	6,009,588	7,736,178	107,899,651	121,645,417

	March 31, 2025 (Un-audited)		December 31, 2024 (Audited)	
	Outstanding amount	Credit loss allowance held	Outstanding amount	Credit loss allowance held
	(Rupees in '000)			
Domestic				
Performing	Stage 1	623,355,395	4,967,265	1,075,219,446
Under performing	Stage 2	44,700,997	4,342,864	53,914,657
Non-performing	Stage 3			
Substandard		2,596,171	1,799,588	2,387,558
Doubtful		333,120	163,103	280,114
Loss		74,120,597	73,181,929	22,398,233
		77,049,888	75,144,620	25,065,905
Sub total		745,106,280	84,454,749	1,154,200,008
Overseas				
Performing	Stage 1	245,964,210	1,268,875	292,653,746
Under performing	Stage 2	23,370,856	3,804,304	27,347,562
Non-performing	Stage 3			
Substandard		42,716	12,369	78,407
Doubtful		-	-	4,305,685
Loss		84,959,623	81,570,217	86,541,953
		85,002,339	81,582,586	90,926,045
Sub total		354,337,405	86,655,765	410,927,353
Total		1,099,443,685	171,110,514	1,565,127,361

10.3.2 The Bank has also availed FSV benefit of certain mortgaged properties held as collateral against non-performing advances of overseas branches in accordance with the applicable regulations in the respective countries where the branches operate. Had the benefit not been taken by the Bank, the specific provision against non-performing advances would have been higher by Rs 641.92 million (December 31, 2024: Rs. 1,254.08 million) for the overseas branches.

The FSV benefit availed is not available for the distribution of cash or stock dividend to shareholders.

10.4 These represent non-performing advances for agriculture finance which have been classified as loss, are fully provided and are in default for more than 3 years. These non-performing advances have been charged off by extinguishing them against the provision held in accordance with the SBP's Prudential Regulations for Agriculture Financing. This charge off does not, in any way, prejudice the Bank's right of recovery from these customers.

11. PROPERTY AND EQUIPMENT	Note	(Un-audited) March 31, 2025	(Audited) December 31, 2024
		(Rupees in '000)	
Capital work-in-progress			
Property and equipment	11.1	9,613,732	3,357,691
		86,866,940	82,234,308
		96,480,672	85,591,999
11.1 Capital work-in-progress			
Civil works			
Equipment		5,825,827	2,205,305
Advances to suppliers		1,906,248	897,707
		1,881,657	254,679
		9,613,732	3,357,691

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE THREE MONTHS ENDED MARCH 31, 2025

	(Un-audited) March 31, 2025	(Un-audited) March 31, 2024
	----- (Rupees in '000) -----	
11.2 Additions to Property and equipment		
The following additions have been made to Property and equipment during the period:		
Capital work-in-progress - net	6,256,041	589,299
Property and equipment		
Leasehold land	-	192,086
Leasehold improvements	1,476,930	11,870
Furniture and fixtures	452,867	164,461
Electrical, office and computer equipment	2,182,822	1,012,774
Vehicles	10,422	220,360
	4,123,041	1,601,551
Total	10,379,082	2,190,850

11.3 Disposal of Property and equipment		
The net book value of Property and equipment disposed off during the period is as follows:		
Leasehold Improvement	72,962	7,692
Furniture and fixtures	433	259
Electrical, office and computer equipment	6,972	857
	80,367	8,808
Total	80,367	8,808

	March 31, 2025 (Un-audited)			December 31, 2024 (Audited)		
	Buildings	Others	Total	Buildings	Others	Total
	----- (Rupees in '000) -----					
At January 1,						
Cost	16,466,478	140,673	16,607,151	14,136,595	209,786	14,346,381
Accumulated Depreciation	(6,297,505)	(78,525)	(6,376,030)	(5,656,792)	(78,116)	(5,734,908)
Net Carrying amount at January 1,	10,168,973	62,148	10,231,121	8,479,803	131,670	8,611,473
Additions during the year	10,971,872	10,346	10,982,218	5,007,548	19,761	5,027,309
Deletions during the year	(456,563)	-	(456,563)	(852,122)	(11,130)	(863,252)
Depreciation charge for the year	(801,877)	(11,760)	(813,637)	(2,458,378)	(66,719)	(2,525,097)
Termination of lease	-	-	-	(7,867)	-	(7,867)
Exchange rate adjustments	525	-	525	(11)	(283)	(294)
Disposal of subsidiary	-	-	-	-	(11,151)	(11,151)
Net Carrying amount	19,882,930	60,734	19,943,664	10,168,973	62,148	10,231,121

	(Un-audited) March 31, 2025	(Audited) December 31, 2024
	----- (Rupees in '000) -----	
13. INTANGIBLE ASSETS		
Capital work-in-progress - Computer software	25,966	181,419
Intangible assets - Computer software	2,493,906	2,359,071
Goodwill	251,526	251,526
Through business combinations	55,220,878	-
	57,992,276	2,792,016

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE THREE MONTHS ENDED MARCH 31, 2025

	Note	(Un-audited)	
		March 31, 2025	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 - net		-	112,958
Directly purchased - Intangible assets		178,238	4,443
		<u>178,238</u>	<u>117,401</u>
		(Un-audited)	(Audited)
		March 31, 2025	December 31, 2024
		----- (Rupees in '000) -----	
14. DEFERRED TAX ASSETS / (LIABILITIES)			
Deductible temporary differences on			
Credit loss allowance against advances and off balance sheet obligations		29,179,394	7,252,539
Workers Welfare Fund		7,463,518	6,638,445
Tax losses carried forward		14,596	4,609
Credit loss allowance against other assets		1,086,697	-
Credit loss allowance for diminution in value of investments		4,566	-
Impairment in property and equipment		172,571	-
Others		8,448	-
		<u>37,929,790</u>	<u>13,895,593</u>
Taxable temporary differences on			
Surplus on revaluation of property and equipment / non-banking assets		(1,267,754)	(1,219,970)
Surplus on revaluation on investments		(42,210,915)	(45,227,466)
Share of loss from associates		(352,358)	(322,838)
Accelerated tax depreciation		(644,763)	(995,292)
Post retirement employee benefits		(5,477,434)	(5,396,192)
Others		-	(45,098)
		<u>(49,953,224)</u>	<u>(53,206,856)</u>
		<u>(12,023,434)</u>	<u>(39,311,263)</u>
15. OTHER ASSETS			
Income / mark-up accrued in local currency		264,183,019	161,331,956
Income / mark-up accrued in foreign currencies	15.1	5,838,629	3,617,197
Advance taxation - net of provision for taxation	15.2	13,970,070	1,852,379
Receivable from staff retirement fund		12,916,730	13,055,061
Branch adjustment account		365,531	-
Receivable from other banks against telegraphic transfers and demand drafts		2,384,565	2,097,214
Unrealised gain on forward foreign exchange contracts		1,694,142	1,102,125
Rebate receivable - net		9,664,629	9,500,919
Unrealised gain on derivative financial instruments	25	48,875	1,262,202
Suspense accounts		455,397	51,321
Stationery and stamps on hand		423,915	599,150
Non-banking assets acquired in satisfaction of claims		3,171,165	39,688
Advances, deposits, advance rent and other prepayments		21,171,588	14,164,144
Acceptances	22	30,723,161	38,205,805
Dividend Receivable		510,377	-
Commission receivable - Bancassurance & Branchless Banking		664,324	719,773
Receivable against fraud & forgery and looted notes		484,503	463,765
Others		<u>3,628,402</u>	<u>1,430,573</u>
		<u>372,299,022</u>	<u>249,493,272</u>
Less: Credit loss allowance against other assets	15.3	(4,154,629)	(1,558,408)
Other assets - net of credit loss allowance		<u>368,144,393</u>	<u>247,934,864</u>
Surplus on revaluation of non-banking assets acquired in satisfaction of claims	23	2,387	2,387
		<u>368,146,780</u>	<u>247,937,251</u>

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE THREE MONTHS ENDED MARCH 31, 2025

- 15.1** Unrealised mark-up held in suspense amounting to Rs.48,580.125 million (December 31, 2024: Rs. 46,732.081 million) against non-performing overseas advances has been netted off.
- 15.2** The Income Tax returns of the Bank have been filed up to the tax year 2024 (accounting year ended December 31, 2023) and were deemed to be assessed under section 120 of the Income Tax Ordinance, 2001 (Ordinance).

The income tax authorities have issued amended assessment orders for the tax years 2003 to 2024, and created additional tax demands (including disallowances of provisions made prior to Seventh Schedule) of Rs.18,634 million (2024: Rs.16,123 million). The Bank has filed appeals before the various appellate forums against these amendments. Where the appellate authorities have allowed relief on certain issues, the assessing authorities have filed appeals before higher appellate forums. Where the appellate authorities have not allowed relief the Bank has filed appeals before higher appellate forums. The management of the Bank is confident that the appeals will be decided in favor of the Bank.

The tax returns for Azad Kashmir (AK) and Gilgit Baltistan (GB) branches have been filed upto the tax year 2024 (accounting year ended December 31, 2023) under the provisions of section 120(1) read with section 114 of the Ordinance and in compliance with the terms of the agreement between banks and the Azad Kashmir Council in May 2005. The returns filed are considered as deemed assessment orders under the law.

The tax authorities have also carried out monitoring for Federal Excise Duty, Sales tax and withholding taxes covering period from year ended 2005 to 2019. Consequently various addbacks and demands were raised creating a total demand of Rs. 2,632 million (2024: Rs. 2,632 million). The Bank has filed appeals against all such demands and is confident that these would be decided in the favor of the Bank.

The tax returns for UAE and Qatar branches have been filed upto the year ended December 31, 2023 and Yemen branches have been filed upto the year ended December 31, 2019 under the provisions of the laws prevailing in the respective countries, and are deemed as assessed unless opened for reassessment.

The tax returns of UBL FM and UBL CE have been filed upto the year ended December 31, 2024 and June 30, 2024, under the provisions of the prevailing tax laws and are deemed as assessed unless opened for reassessment by the tax authorities.

There are no material tax contingencies in any of the subsidiaries.

Ex-Silk Bank Limited status

The Income Tax returns of the Bank have been filed up to the tax year 2024 (accounting year ended December 31, 2023) and were deemed to be assessed under section 120 of the Income Tax Ordinance, 2001 (Ordinance).

The income tax authorities have issued amended assessment orders up to tax year 2020. The Bank has filed appeals against these amendments. The appeals from assessment / tax year(s) 2000-2001 to 2002-2003, 2004 and 2015 to 2020 are pending before Appellate Tribunal Inland Revenue (ATIR) against certain disallowances amounting to Rs. 3,734 million (2024: Rs. 3,026 million). The appeals for tax years 2003 & 2006 are pending before Commissioner-Appeals (CIR-A) against the disallowances amounting to Rs.682 million (2024: Rs.682 million). The management of the Bank, in consultation with its tax advisor, is confident that the decisions in respect of these appeals will be decided in favor of the Bank.

The tax authorities have also carried out monitoring for withholding taxes covering tax years from 2006 to 2007 & 2013 to 2016 by creating a total demand of Rs. 155.243 million (2024: Rs. 155.243 million). The Bank has filed appeals against all such demands. However, Bank has already paid tax amount of Rs. 82.674 million against these demands.

The income tax returns of the Bank's for Azad Kashmir operations have been filed up to the tax year 2021. The tax authorities have issued amended assessment orders from the tax years 2016 to 2020. The Banks has filed appeals against these orders. The management of the Bank, in consultation with its tax advisor, is confident that the decisions in respect of these appeals would be in the Bank's favor.

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE THREE MONTHS ENDED MARCH 31, 2025

	(Un-audited) March 31, 2025	(Audited) December 31, 2024
15.3 Credit loss allowance held against other assets	----- (Rupees in '000) -----	
Advances and other receivables	1,114,650	1,094,643
Receivable against fraud & forgery and looted notes	484,503	463,765
Others	2,555,476	-
	<u>4,154,629</u>	<u>1,558,408</u>

15.3.1 Movement in Credit loss allowance held against other assets

Opening balance	1,558,408	1,150,885
Exchange adjustments	2,940	(5,319)
Transfer under amalgamation	2,572,884	-
Charge / (reversals)		
Charge for the period / year	20,397	595,026
Reversals for the period / year	-	(118,774)
	<u>20,397</u>	<u>476,252</u>
Transfers out - net	-	(62,852)
Amounts written off	-	(558)
Closing balance	<u>4,154,629</u>	<u>1,558,408</u>

16. CONTINGENT ASSETS

There were no contingent assets as at March 31, 2025 (December 31, 2024: Nil).

	(Un-audited) March 31, 2025	(Audited) December 31, 2024
17. BILLS PAYABLE	----- (Rupees in '000) -----	
In Pakistan	24,576,375	42,994,426
Outside Pakistan	2,983,051	1,227,392
	<u>27,559,426</u>	<u>44,221,818</u>

18. BORROWINGS

Secured

Borrowings from the State Bank of Pakistan under:

Export refinance scheme	30,835,896	31,367,936
Refinance facility for modernization of SME	1,975,977	2,119,689
Long term financing facility	9,715,303	10,373,465
Refinance scheme for payment of wages and salaries	-	-
Renewable energy scheme	1,280,491	1,339,755
Temporary economic refinance facility	14,552,966	15,009,764
Refinance facility for combating COVID-19	107,054	110,693
Refinance for women entrepreneurs	40,281	45,295
Financing facility for storage of agriculture products	17,188	20,625
Repurchase agreement borrowings	<u>5,148,009,321</u>	<u>4,532,326,857</u>
	5,206,534,477	4,592,714,079

Repurchase agreement borrowings from other banks

55,625,979	157,965,709
<u>5,262,160,456</u>	<u>4,750,679,788</u>

Unsecured

Call borrowings	141,241,404	103,908,861
Overdrawn nostro accounts	73,721	784,867
	<u>141,315,125</u>	<u>104,693,728</u>
	<u>5,403,475,581</u>	<u>4,855,373,516</u>

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE THREE MONTHS ENDED MARCH 31, 2025

19. DEPOSITS AND OTHER ACCOUNTS

	March 31, 2025 (Un-audited)			December 31, 2024 (Audited)		
	In Local Currency	In Foreign Currencies	Total	In Local Currency	In Foreign Currencies	Total
	(Rupees in '000)					
Customers						
Current deposits	1,318,903,705	484,898,509	1,803,802,214	1,061,667,711	438,673,584	1,500,341,295
Savings deposits	957,351,850	59,757,384	1,017,109,234	745,150,912	48,987,572	794,138,484
Term deposits	172,070,072	113,745,603	285,815,675	74,795,514	90,103,254	164,898,768
Others	96,250,310	6,636,574	102,886,884	50,177,905	6,621,539	56,799,444
	2,544,575,937	665,038,070	3,209,614,007	1,931,792,042	584,385,949	2,516,177,991
Financial Institutions						
Current deposits	29,616,261	3,983,017	33,599,278	18,028,756	6,784,813	24,813,569
Saving deposits	143,002,934	79,719	143,082,653	95,531,207	93,460	95,624,667
Term deposits	3,013,493	5,171,516	8,185,009	131,850	3,127,908	3,259,758
	175,632,688	9,234,252	184,866,940	113,691,813	10,006,181	123,697,994
	2,720,208,625	674,272,322	3,394,480,947	2,045,483,855	594,392,130	2,639,875,985

- 19.1 This includes deposits eligible to be covered under insurance arrangements in accordance with DPC Circular No. 04 dated June 22, 2018 amounting to Rs. 1,813,547.898 million (December 31, 2024: Rs 1,637,394.911 million).

	(Un-audited) March 31, 2025	(Audited) December 31, 2024
	(Rupees in '000)	
20. LEASE LIABILITIES		
Opening balance	12,381,018	10,474,561
Addition during the year	11,382,364	5,012,628
Lease payments including interest	(1,549,147)	(3,625,093)
Interest expense	609,734	1,506,565
Termination/modification	(480,325)	(970,038)
Disposal of subsidiary	-	(14,965)
Exchange adjustments	(203)	(2,640)
Closing balance	22,343,441	12,381,018
20.1 Liabilities Outstanding		
Not later than one year	343,850	449,413
Later than one year and upto five years	4,371,865	4,287,828
Over five years	17,627,726	7,643,777
Total	22,343,441	12,381,018
21. SUBORDINATED DEBT		
Listed Term Finance Certificates - Additional Tier I	10,000,000	10,000,000
Unlisted Term Finance Certificates - Tier II	1,998,400	-
	11,998,400	10,000,000
21.1		
The Bank has issued fully paid up, rated, listed, perpetual, unsecured, subordinated, non-cumulative and contingent convertible debt instruments in the nature of Term Finance Certificates (TFCs) under Section 66 of the Companies Act, 2017 which qualify as Additional Tier I Capital as outlined by State Bank of Pakistan (SBP) under BPRD Circular No. 6 dated August 15, 2013.		

Salient features of the Additional Tier 1 issue are as follows:

Issue Size	Rs. 10,000 million
Issue Date	January 29, 2019
Tenor	Perpetual (i.e. no fixed or final redemption date)
Rating	"AA+" (Double A Plus) by VIS Credit Rating Company Limited
Security	Unsecured
Mark-up rate	The TFCs shall carry mark-up at the rate of 3 Month KIBOR + 1.55%.
Mark-up payment frequency	Mark-up shall be payable quarterly in arrears, on a non-cumulative basis
Call option	The Bank may, at its sole discretion, call the TFCs, at any time after five years from the Issue Date subject to the prior approval of the SBP.
Lock-in clause	Mark-up on the TFCs shall only be paid from the current year's earnings and if the Bank is fully compliant with SBP's Minimum Capital Requirement (MCR), Capital Adequacy Ratio (CAR) and Liquidity Ratio (LR) requirements.
Loss absorbency clause	The TFCs shall, at the discretion of the SBP, be either permanently converted into ordinary shares or permanently written off (partially or in full) pursuant to the loss absorbency clause as stipulated in the "Instructions for Basel III Implementation in Pakistan" issued vide BPRD Circular No. 6 dated August 15, 2013.

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE THREE MONTHS ENDED MARCH 31, 2025

21.2 The Bank has issued privately placed, unsecured and subordinated Term Finance Certificates (TFCs) as instruments of redeemable capital under section 66 of the Companies Act, 2017 and the Basel III guidelines issued by the SBP. The key features of the issue are as follows:

Salient features of the Tier II issue are as follows:

Issue Size	Rs. 2,000 million
Issue Date	August 10, 2017
Tenor	Up to 8 years from date of issue.
Rating	BBB+ (Triple B Plus) by VIS Credit Rating Company Limited (VIS) was announced on October 12, 2020, based on condensed interim financial statements of Ex-Silk Bank Limited as of June 30, 2020. Later on, the same rating was harmonized by VIS according to their revised methodology and assigned rating at 'B' (Single B) with a 'Rating Watch-Negative' status on June 16, 2023. Due to Amalgamation, the VIS has suspended the instrument rating and the same will be reviewed once all relevant information has been received by them.
Security	The instrument is unsecured and subordinated as to payment of principal and profit to all other indebtedness of the Bank, including deposits.
Mark-up rate	6 months KIBOR plus 1.85% per annum.
Mark-up payment frequency	Profit will be payable semi-annually in arrears on the outstanding principal amount and will be calculated on a 365 day year basis.
Redemption	0.14% of the issue amount during the first 7 years and remaining 99.86% in last two equal semi-annual installments of 49.93% each.
Call option	The Bank may call TFCs in part or in full, after 5 years from date of issue on any profit payment date, subject to SBP approval and with not less than 30 days prior notice to the Trustee and Investors. The call option once announced will be irrevocable.
Lock-in clause	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 in the Bank's Minimum Capital Requirement (MCR) or Capital Adequacy Ratio (CAR) or results in an increase in any existing shortfall in MCR or CAR.
Loss absorbency clause	The instrument will be subject to loss absorbency and / or any other requirements under SBP's Basel III Capital Rules. Upon the occurrence of a point of non-viability event as defined by SBP's Basel III Capital Rule, the 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 fair value per share of the Bank's common equity on the date of trigger of the non-viability event as declared by the SBP, subject to a cap of 3,810,431 shares.

	Note	(Un-audited) March 31, 2025	(Audited) December 31, 2024
		----- (Rupees in '000) -----	
22. OTHER LIABILITIES			
Mark-up / return / interest payable in local currency		53,528,716	55,728,483
Mark-up / return / interest payable in foreign currencies		1,502,812	1,192,511
Accrued expenses		17,005,952	18,080,836
Branch adjustment account		-	153,603
Deferred income		2,696,172	2,532,247
Unearned commission and income on bills discounted		3,521,440	3,100,180
Credit loss allowance against off-balance sheet obligations	22.2	4,596,363	3,385,916
Unrealised loss on forward foreign exchange contracts		236,859	1,324,301
Unrealised loss on derivative financial instruments		45,207	5,708
Deferred liabilities	22.3	4,746,952	4,652,052
Workers' Welfare Fund payable		14,439,623	12,910,878
Liabilities against Card settlement		655,910	74,372
Dividend payable		7,201,776	372,343
Unclaimed dividend		409,953	393,372
Acceptances	15	30,723,161	38,205,805
Charity fund balance		19,096	17,237
Levies and taxes payable		3,266,498	964,574
Others		5,976,496	4,031,246
		150,572,986	147,125,664

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE THREE MONTHS ENDED MARCH 31, 2025

	Note	(Un-audited) March 31, 2025	(Audited) December 31, 2024
----- (Rupees in '000) -----			
22.2	Credit loss allowance against off-balance sheet obligations		
Opening balance		3,385,916	1,056,385
Transfer under amalgamation		382,153	-
Exchange adjustments		10,069	(11,779)
Impact of adoption of IFRS 9		-	1,037,902
Charge / (reversal)			
Charge for the period / year		828,905	1,308,168
Reversals for the period / year		(10,680)	(4,760)
		818,225	1,303,408
Transfers out - net		-	-
Closing balance		4,596,363	3,385,916
22.3	Deferred liabilities		
Provision for post-retirement medical benefits		2,991,740	2,921,465
Provision for compensated absences		555,306	554,514
End of service benefits			
-Overseas branches		718,087	675,476
-Outsourced services		481,819	500,597
		4,746,952	4,652,052
23.	SURPLUS ON REVALUATION OF ASSETS		
<i>Attributable to equity holders</i>			
(Deficit) / surplus arising on revaluation of:			
- Securities measured at FVOCI - Debt		62,135,579	73,035,015
- Securities measured at FVOCI - Equity		12,200,380	7,869,404
- Property and Equipment		39,634,871	39,672,178
- Non-banking assets acquired in satisfaction of claims		2,387	2,387
- Assets of associates		(5,599)	21,884
		113,967,618	120,600,868
Deferred tax on (deficit) / surplus on revaluation of:			
- Securities measured at FVOCI - Debt		32,374,617	37,979,386
- Securities measured at FVOCI - Equity		6,344,198	4,092,088
- Property and Equipment		1,199,283	1,218,729
- Non-banking assets acquired in satisfaction of claims		1,241	1,241
		39,919,339	43,291,444
		74,048,279	77,309,424
24.	CONTINGENCIES AND COMMITMENTS		
Guarantees	24.1	396,830,951	352,581,311
Commitments	24.2	1,915,745,088	1,433,032,657
Other contingent liabilities	24.3	19,589,562	15,960,716
		2,332,165,601	1,801,574,684
24.1	Guarantees:		
Financial guarantees		132,875,437	124,354,428
Performance guarantees		246,735,591	221,439,705
Other guarantees		17,219,923	6,787,178
		396,830,951	352,581,311

**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
(UN-AUDITED)
FOR THE THREE MONTHS ENDED MARCH 31, 2025**

	Note	(Un-audited) March 31, 2025 ----- (Rupees in '000) -----	(Audited) December 31, 2024 -----
24.2 Commitments:			
Documentary credits and short-term trade-related transactions			
- letters of credit		471,114,960	354,707,969
Commitments in respect of:			
- forward foreign exchange contracts	24.2.2	677,431,408	582,473,911
- forward Government securities transactions	24.2.3	215,180,033	319,286,690
- forward lending	24.2.4	542,158,127	168,187,869
- operating leases	24.2.5	165,563	172,438
		1,434,935,131	1,070,120,908
Commitments for acquisition of:			
- Property and Equipment		7,669,440	6,691,082
- intangible assets		2,025,557	1,512,698
		9,694,997	8,203,780
		<u>1,915,745,088</u>	<u>1,433,032,657</u>
24.2.1 Commitments to extend credit			
The Bank makes commitments to extend credit in the normal course of its business but these being revocable commitments do not attract any significant penalty or expense if the facility is unilaterally withdrawn.			
24.2.2 Commitments in respect of forward foreign exchange contracts			
Purchase		357,561,152	302,218,129
Sale		319,870,256	280,255,782
		<u>677,431,408</u>	<u>582,473,911</u>
24.2.3 Commitments in respect of forward Government securities transactions			
Purchase		195,078,773	296,701,690
Sale		20,101,260	22,585,000
		<u>215,180,033</u>	<u>319,286,690</u>
24.2.4 Commitments in respect of forward lending			
Undrawn formal standby facilities, credit lines and other commitments to lend	24.2.4.1	121,925,963	73,281,452
Others		420,232,164	94,906,417
		<u>542,158,127</u>	<u>168,187,869</u>
24.2.4.1 These represent commitments that are irrevocable because they cannot be withdrawn at the discretion of the Bank without the risk of incurring significant penalty or expense.			
24.2.5 Commitments in respect of operating leases			
Not later than one year		160,668	167,593
Later than one year and not later than five years		4,895	4,845
Later than five years		-	-
		<u>165,563</u>	<u>172,438</u>
24.3 Other contingent liabilities			
24.3.1 Claims against the Bank not acknowledged as debts	24.3.2	19,589,562	15,960,716
These mainly represent counter claims filed by the borrowers for restricting the Bank from disposal of assets (such as mortgaged / pledged assets kept as security). Based on legal advice and / or internal assessments, management is confident that the matters will be decided in the Bank's favour and the possibility of any outcome against the Bank is remote and accordingly no provision has been made in these consolidated condensed interim financial statements.			
24.3.2 This includes penalties amounting to Rs. 4.089 billion (2024: Rs. 4.089 billion) were levied during 2016 by the FE Adjudication Court of the State Bank of Pakistan relating to alleged contraventions of the requirements of foreign exchange regulations with respect to issuance and certification of E-Forms by the Bank to certain customers (exporters) who failed to submit the export documents there against. Consequently, foreign exchange on account of export proceeds have not been repatriated. The Bank maintains that it fully discharged its liability, in accordance with the law and has filed a civil suit in the High Court of Sindh challenging the levy of the penalty. The High Court has granted a stay on action being taken against the Bank. The management, based on the advice from legal counsel, is confident that the view of the Bank will prevail and the Bank will not be exposed to any loss on this account.			
24.3.3 For contingencies relating to taxation, refer note 15.2.			

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE THREE MONTHS ENDED MARCH 31, 2025

25. Derivative Instruments

Product analysis

March 31, 2025 (Un-audited)							
FX options		Forward purchase contracts of Government securities		Forward sale contracts of Government securities		Total	
Notional principal	Mark to Market Gain	Notional principal	Mark to Market Gain	Notional principal	Mark to Market Loss	Notional principal	Mark to Market Gain
(Rupees in '000)							
Hedging	-	-	-	-	-	-	-
Market making	-	-	195,078,773	4,251	20,101,260	(583)	3,668
	-	-	195,078,773	4,251	20,101,260	(583)	3,668

December 31, 2024 (Audited)							
FX options		Forward purchase contracts of Government securities		Forward sale contracts of Government securities		Total	
Notional principal	Mark to Market Gain	Notional principal	Mark to Market Gain	Notional principal	Mark to Market Gain	Notional principal	Mark to Market Gain
(Rupees in '000)							
Hedging	-	-	-	-	-	-	-
Market making	-	-	296,701,690	1,258,709	22,585,000	(2,215)	1,256,494
	-	-	296,701,690	1,258,709	22,585,000	(2,215)	1,256,494

26. MARK-UP / RETURN / INTEREST EARNED

On:

(Un-audited)		
	January - March 2025	January - March 2024
Loans and advances	27,854,244	28,810,579
Investments	229,367,748	211,790,995
Lendings to financial institutions	1,045,958	862,163
Balances with banks	2,700,075	1,559,848
	260,968,025	243,023,585

27. MARK-UP / RETURN / INTEREST EXPENSED

On:

Deposits	32,281,432	53,557,781
Borrowings	142,998,146	159,597,103
Subordinated debt	377,831	563,663
Cost of foreign currency swaps against foreign currency deposits / borrowings	477,863	857,841
Lease liability against right-of-use assets	609,734	345,993
	176,745,006	214,922,381

28. FEE AND COMMISSION INCOME

Branch banking customer fee	539,309	552,992
Consumer finance related fee	396,938	435,759
Card related fees (debit and credit cards)	1,693,711	844,825
Investment banking fees	39,965	133,431
Financial Institution rebate / commission	237,984	170,076
Corporate service charges / facility fee	760,192	480,644
Commission on trade	815,452	884,720
Commission on guarantees	358,871	384,034
Commission on cash management	307,351	270,655
Commission on remittances including home remittances - net	909,212	843,004
Commission on bancassurance	232,369	322,548
Rent on lockers	77,520	54,663
Management fee	959,327	499,900
Others	177,760	59,977
	7,505,961	5,937,228

**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
(UN-AUDITED)**
FOR THE THREE MONTHS ENDED MARCH 31, 2025

	Note	(Un-audited)	
		January - March 2025	January - March 2024
		----- (Rupees in '000) -----	
29. GAIN / (LOSS) ON SECURITIES - NET			
Realised	29.1	5,842,276	12,842,144
Unrealised - Measured at FVTPL		(16,503)	(13,336)
		<u>5,825,773</u>	<u>12,828,808</u>
29.1 Realised gain / (loss) on:			
Federal Government securities		5,832,085	8,077,883
Shares		-	109,116
Foreign securities		-	4,588,804
Other securities		10,191	66,341
		<u>5,842,276</u>	<u>12,842,144</u>
30. OTHER INCOME			
Charges recovered		129,499	253,422
Rent on properties		31,943	42,079
Gain on sale of property and equipment - net		58,544	3,328
(Loss) / gain on sale of Ijarah assets - net		(234)	806
(Loss) / gain on trading liabilities - net		(9,505)	30,839
		<u>210,247</u>	<u>330,474</u>
31. OPERATING EXPENSES			
Total compensation expense		9,995,991	8,368,805
Property expense			
Rent and taxes		527,788	407,387
Insurance		101,679	77,160
Utilities cost		836,115	602,806
Security (including guards)		575,833	398,619
Repair and maintenance (including janitorial charges)		187,206	111,039
Depreciation on owned fixed assets		428,884	327,801
Depreciation on right-of-use assets		813,637	580,421
Depreciation on non-banking assets acquired in satisfaction of claims		3,457	807
Others		35,876	29,900
		<u>3,510,475</u>	<u>2,535,940</u>
Information technology expenses			
Software maintenance		815,269	757,068
Hardware maintenance		254,902	364,686
Depreciation		575,525	421,996
Amortisation		279,459	257,013
Network charges		353,969	273,448
Consultancy Charges		223,958	72,068
		<u>2,503,082</u>	<u>2,146,279</u>
Other operating expenses			
Legal and professional charges		196,194	151,457
Outsourced service costs		687,684	494,975
Commission paid to branchless banking agents		161,286	117,053
Commission paid to sales force		190,538	416,682
Travelling and conveyance		84,370	61,662
Clearing charges		132,287	76,047
Depreciation others		870,194	521,397
Depreciation on Islamic financing against leased assets		22,577	21,961
Training and development		53,150	51,886
Postage and courier charges		126,166	116,049
Communication		157,881	80,394
Stationery and printing		614,369	479,254
Marketing, advertisement and publicity		888,627	262,965
Donations		102,228	11,691
Auditors' remuneration		34,072	57,914
Insurance		79,235	68,911
Deposit protection premium expense		654,958	550,729
Cash transportation and sorting charges		436,111	255,936
Entertainment		187,556	81,825
Office running expenses		92,947	66,690
Vehicle expenses		303,325	119,074
Banking service charges		2,013,201	1,395,539
Repairs and maintenance		586,369	359,774
Miscellaneous expenses		521,416	319,188
		<u>9,196,741</u>	<u>6,139,053</u>
		<u>25,206,289</u>	<u>19,190,077</u>

**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
(UN-AUDITED)
FOR THE THREE MONTHS ENDED MARCH 31, 2025**

	Note	(Un-audited)	
		January - March 2025	January - March 2024
32. OTHER CHARGES		----- (Rupees in '000) -----	
Penalties imposed by the SBP		653	866
Penalties imposed by other regulatory bodies of overseas branches		-	-
		<u>653</u>	<u>866</u>
33. CREDIT LOSS ALLOWANCE & WRITE OFFS - NET			
Credit loss allowance against value of investments	9.4	623,424	(62,199)
Credit loss allowance against loans and advances	10.3	(2,997,963)	(1,583,311)
Bad debts written off directly		19,656	13,099
Credit loss allowance against other assets - net	15.3.1	20,397	(13,007)
Credit loss allowance against off-balance sheet obligations - net	22.2	818,225	(16,072)
Recovery of written-off / charged off bad debts		(142,545)	(118,696)
Credit loss allowance against cash and balances with treasury banks		(30,646)	-
Other credit loss allowance / write-offs		80,635	62,297
		<u>(1,608,817)</u>	<u>(1,717,889)</u>
34. TAXATION			
Current		8,953,991	15,625,835
Prior years		-	-
Deferred		31,072,407	(585,067)
		<u>40,026,398</u>	<u>15,040,768</u>
35. EARNINGS PER SHARE		----- (Rupees in '000) -----	
Profit after tax attributable to equity shareholders of the Bank		<u>36,106,776</u>	<u>15,977,409</u>
		----- (Number of shares) -----	
Weighted average number of ordinary shares		<u>1,230,700,003</u>	<u>1,224,179,687</u>
		----- (Rupees) -----	
Earnings per share - basic and diluted		<u>29.34</u>	<u>13.05</u>
35.1.	The Bank issued 27,944,213 shares in pursuant to Silk Bank Limited amalgamation with and into United Bank Limited.		
	There were no convertible dilutive potential ordinary shares outstanding as at March 31, 2025 and March 31, 2024.		
36. FAIR VALUE OF FINANCIAL INSTRUMENTS			
The fair value of quoted securities other than those classified under held to collect, is based on quoted market price. Quoted securities classified under held to collect model are carried at amortized cost. The fair value of unquoted equity securities, other than investments in associates, is carried at fair value. The valuation is carried out using appropriate methodologies.			
The fair value of unquoted debt securities, fixed term loans, other assets, other liabilities, fixed term deposits and borrowings cannot be calculated with sufficient reliability due to the absence of a current and active market for these assets and liabilities and reliable data regarding market rates for similar instruments.			
In the opinion of the management, the fair value of the remaining financial assets and liabilities are not significantly different from their carrying values since these are either short-term in nature or, in the case of customer loans and deposits, are frequently repriced.			
36.1	The Bank measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:		
	Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.		
	Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).		
	Level 3: Fair value measurements using input for the asset or liability that are not based on observable market data (i.e. unobservable inputs).		

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE THREE MONTHS ENDED MARCH 31, 2025

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

Item	Valuation approach and input used
Federal Government securities	The fair value of Federal Government securities is determined using the prices / rates available on Mutual Funds Association of Pakistan (MUFAP) / Bloomberg.
Non-Government debt securities	The fair value of non-government debt securities is determined using the prices / rates from MUFAP.
Unquoted equity securities	The fair value of unlisted equity investments involves the use of valuation techniques that incorporate assumptions that are not evidenced by the prices from observable market data. These may involve the analysis of an investee's financial position and results, risk profile and other judgemental factors.
Foreign debt securities	The fair value of foreign corporate and foreign government securities is determined using the rates from Bloomberg.
Mutual Fund units	The fair values of investments in mutual fund units are determined based on their net asset values as published at the close of each business day.
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.
Derivatives	The fair valuation techniques include forward pricing and swap models using present value calculations.
Fixed assets and non-banking assets acquired in satisfaction of claims	Land, buildings and non-banking assets acquired in satisfaction of claims are revalued on a periodic basis using professional valuers. The valuation is based on their assessment of the market value of the assets. The effect of changes in the unobservable inputs used in the valuations cannot be determined with certainty. Accordingly, a qualitative disclosure of sensitivity has not been presented in these consolidated condensed interim financial statements.

36.2 Fair value of financial assets

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

	March 31, 2025 (Un-audited)				
	Carrying value	Fair value			Total
		Level 1	Level 2	Level 3	
	(Rupees in '000)				
On balance sheet financial instruments					
Financial assets measured at fair value					
Investments					
- Federal Government securities	6,992,727,684	-	6,992,727,684	-	6,992,727,684
- Shares and units	25,741,916	19,748,919	-	5,992,997	25,741,916
- Foreign securities	148,438,083	-	148,438,083	-	148,438,083
- Non-Government debt securities	2,164,848	-	2,164,848	-	2,164,848
	7,169,072,531	19,748,919	7,143,330,615	5,992,997	7,169,072,531
Financial assets - disclosed but not measured at fair value					
Investments					
- Federal Government Securities	275,981,871	-	277,089,617	-	277,089,617
- Foreign Bonds	26,453,221	-	25,654,018	-	25,654,018
- Non-Government debt securities	19,351,730	-	19,591,705	-	19,591,705
	321,786,822	-	322,335,340	-	322,335,340
	7,490,859,353	19,748,919	7,465,665,955	5,992,997	7,491,407,871
Off-balance sheet financial instruments measured at fair value					
Foreign exchange contracts - purchased and sold	677,431,408	-	1,457,283	-	1,457,283
FX options - purchased and sold	-	-	-	-	-
Forward Government Securities - purchased and sold	215,180,033	-	3,668	-	3,668

**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
(UN-AUDITED)**
FOR THE THREE MONTHS ENDED MARCH 31, 2025

December 31, 2024 (Audited)					
Carrying value	Fair value				Total
	Level 1	Level 2	Level 3		
(Rupees in '000)					
On balance sheet financial instruments					
Financial assets measured at fair value					
Investments					
- Federal Government securities	5,427,125,157	-	5,427,125,157	-	5,427,125,157
- Shares and units	21,404,561	21,404,561	-	-	21,404,561
- Foreign Bonds	109,976,945	-	109,976,945	-	109,976,945
- Non-Government debt securities	2,164,861	-	2,164,861	-	2,164,861
	5,560,671,524	21,404,561	5,539,266,963	-	5,560,671,524

Financial assets - disclosed but not measured at fair value

Investments					
- Federal Government Securities	277,953,188	-	278,216,586	-	278,216,586
- Foreign Bonds	25,305,955	-	24,340,414	-	24,340,414
- Non-Government debt securities	19,339,444	-	19,556,848	-	19,556,848
	322,598,587	-	322,113,848	-	322,113,848
	5,883,270,111	21,404,561	5,861,380,811	-	5,882,785,372

Off-balance sheet financial instruments - measured at fair value

Foreign exchange contracts - purchased and sold	582,473,911	-	(222,176)	-	(222,176)
FX options - purchased and sold	-	-	-	-	-
Forward Government Securities - purchased and sold	319,286,690	-	1,256,494	-	1,256,494

36.3 Fair Value of non-financial assets

March 31, 2025 (Un-audited)					
Carrying value	Fair value				Total
	Level 1	Level 2	Level 3		
(Rupees in '000)					
Property and Equipment	60,806,991	-	-	60,806,991	60,806,991
Non-banking assets acquired in satisfaction of claims	3,173,552	-	-	3,173,552	3,173,552
	63,980,543	-	-	63,980,543	63,980,543

December 31, 2024 (Audited)					
Carrying value	Fair value				Total
	Level 1	Level 2	Level 3		
(Rupees in '000)					
Property and Equipment	60,922,041	-	-	60,922,041	60,922,041
Non-banking assets acquired in satisfaction of claims	42,075	-	-	42,075	42,075
	60,964,116	-	-	60,964,116	60,964,116

36.4 Certain categories of fixed assets (land and buildings) and non-banking assets acquired in satisfactions of claims are carried at revalued amounts (level 3 measurement) determined by professional valuers based on their assessment of the market values.

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE THREE MONTHS ENDED MARCH 31, 2025

37. SEGMENT INFORMATION

37.1 Segment details with respect to business activities

For the three months ended March 31, 2025 (Un-audited)							
Corporate / Commercial Banking	Treasury	Branch Banking	Islamic Banking	International branch operations	Subsidiaries	Others	Total
(Rupees in '000)							
Profit and Loss							
Net mark-up / return / profit	11,442,687	82,347,049	(20,965,371)	4,261,049	7,180,814	(3,005)	84,223,019
Inter segment (expense) / revenue - net	(8,825,750)	(36,777,562)	44,729,313	-	-	873,999	-
Non mark-up / return / interest income	2,279,194	7,683,444	3,867,680	271,460	1,378,298	1,253,517	17,004,749
Total Income	4,896,131	53,252,931	27,631,622	4,532,509	8,559,112	1,250,512	101,227,768
Segment direct expenses	486,436	165,933	13,859,946	4,249,511	2,126,482	601,160	26,698,561
Inter segment expense allocation	169,428	864,706	2,187,900	-	-	-	-
Total expenses	655,864	1,030,639	16,047,846	4,249,511	2,126,482	601,160	26,698,561
Credit loss allowance - net	659,430	48,602	(1,142,685)	(30,177)	2,278,467	-	1,608,817
Profit / (loss) before taxation	4,899,697	52,270,894	10,441,091	252,821	8,711,097	649,352	76,138,024

For the three months ended March 31, 2024 (Un-audited)							
Corporate / Commercial Banking	Treasury	Branch Banking	Islamic Banking	International branch operations	Subsidiaries	Others	Total
(Rupees in '000)							
Profit and Loss							
Net mark-up / return / profit	13,006,841	36,874,875	(36,448,097)	9,198,945	4,512,690	1,487,074	28,101,204
Inter segment (expense) / revenue - net	(10,712,035)	(65,707,267)	72,686,950	-	-	3,732,352	-
Non mark-up / return / interest income	2,252,418	10,392,312	3,039,450	176,591	4,442,088	886,249	21,227,950
Total Income	4,547,224	(18,440,080)	39,278,303	9,375,536	8,954,778	2,373,323	49,329,154
Segment direct expenses	450,498	171,440	11,705,838	1,182,970	1,679,460	1,588,293	19,867,366
Inter segment expense allocation	110,814	28,501	2,441,195	-	118,421	-	-
Total expenses	561,312	199,941	14,147,033	1,182,970	1,797,881	1,588,293	19,867,366
Credit loss allowance - net	508,270	(21)	212,963	(9,406)	1,011,847	(1,823)	1,717,889
Profit before taxation	4,494,182	(18,640,042)	25,344,233	8,183,160	8,168,744	783,207	31,179,677

As at March 31, 2025 (Un-audited)							
Corporate / Commercial Banking	Treasury	Branch Banking	Islamic Banking	International branch operations	Subsidiaries	Others	Total
(Rupees in '000)							
Balance Sheet							
Cash & Bank balances	59,438	85,828,898	74,910,029	37,324,007	201,512,217	1,259,537	400,894,126
Investments	10,156,319	7,159,006,952	-	132,167,224	187,584,238	3,362,602	7,496,936,010
Net inter segment lending	-	-	1,770,481,428	216,760,033	-	143,992,076	2,131,233,537
Lendings to financial institutions	-	1,429,200	-	4,100,000	-	-	5,529,200
Advances - performing net of credit loss allowance	463,717,505	2,177	57,599,546	134,247,145	265,535,730	1,906,047	923,008,150
Advances - non-performing net of credit loss allowance	1,567,732	-	241,902	63,220	3,411,582	40,585	5,325,021
Others	15,494,541	204,954,021	74,550,149	138,922,770	9,685,960	2,062,627	542,563,392
Total Assets	490,995,535	7,451,221,248	1,977,783,054	663,584,399	667,729,727	7,980,839	11,505,489,436
Borrowings	43,855,354	5,330,910,596	6,762,324	7,945,867	14,001,440	-	5,403,475,581
Subordinated debt	-	-	-	-	-	11,998,400	11,998,400
Deposits and other accounts	241,283,549	-	2,051,114,812	567,536,310	534,546,276	-	3,394,480,947
Net inter segment borrowing	179,678,588	1,951,554,949	-	-	-	-	2,131,233,537
Others	10,863,554	69,284,878	52,532,977	23,043,590	8,416,115	1,433,832	212,499,287
Total Liabilities	475,681,045	7,351,750,423	2,110,410,113	598,525,767	556,963,831	1,433,832	11,153,687,752
Equity	15,314,490	99,470,825	(132,627,059)	65,058,632	110,765,896	6,547,007	351,801,684
Total Equity & liabilities	490,995,535	7,451,221,248	1,977,783,054	663,584,399	667,729,727	7,980,839	11,505,489,436
Contingencies and Commitments	1,259,610,111	420,801,122	79,980,242	38,043,386	529,680,204	-	2,332,165,601

As at December 31, 2024 (Audited)							
Corporate / Commercial Banking	Treasury	Branch Banking	Islamic Banking	International branch operations	Subsidiaries	Others	Total
(Rupees in '000)							
Balance Sheet							
Cash & Bank balances	29,906	99,428,160	64,494,601	44,862,677	160,898,813	1,090,465	370,804,622
Investments	10,156,363	5,613,070,387	-	119,366,357	140,744,551	2,077,688	5,889,765,841
Net inter segment lending	-	-	1,513,980,697	216,760,034	-	63,438,769	1,794,179,500
Lendings to financial institutions	-	18,492,483	-	-	-	-	18,492,483
Advances - performing net of credit loss allowance	912,361,408	2,238	57,032,934	147,814,407	316,182,001	1,996,657	1,435,389,645
Advances - non-performing net of credit loss allowance	1,328,491	-	487,063	72,559	6,204,186	-	8,092,299
Others	24,878,319	138,388,839	51,935,147	81,332,932	11,129,453	2,004,998	346,552,387
Total Assets	948,754,487	5,869,382,107	1,687,930,442	610,208,966	635,159,004	7,445,958	9,863,276,777
Borrowings	46,800,297	4,767,131,383	5,583,815	8,003,110	27,854,911	-	4,855,373,516
Subordinated debt	-	-	-	-	-	10,000,000	10,000,000
Deposits and other accounts	129,324,679	-	1,494,684,448	519,488,249	496,378,609	-	2,639,875,985
Net inter segment borrowing	753,056,630	1,032,301,065	90,825,361	17,915,368	8,821,805	-	1,794,179,500
Others	19,538,871	53,577,825	17,915,368	17,577,342	1,392,046	42,212,950	243,039,763
Total Liabilities	948,720,477	5,853,010,273	1,591,093,624	545,406,727	550,632,667	52,212,950	9,542,468,764
Equity	34,010	16,371,834	96,836,818	64,802,239	84,526,337	6,053,912	320,808,013
Total Equity & liabilities	948,754,487	5,869,382,107	1,687,930,442	610,208,966	635,159,004	7,445,958	9,863,276,777
Contingencies and Commitments	748,634,121	505,243,486	93,104,492	10,536,687	442,550,988	-	1,801,574,684

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE THREE MONTHS ENDED MARCH 31, 2025

38. RELATED PARTY TRANSACTIONS

The Bank has related party transactions with its parent, directors, key management personnel, subsidiaries, associates and other related parties including employee benefit schemes of the Bank.

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 and balances with related parties, other than those which have been disclosed elsewhere in these consolidated condensed interim financial statements, are as follows:

	As at March 31, 2025 (Un-audited)				
	Parent	Directors	Key management personnel	Associates	Other related parties
	(Rupees in '000)				
Statement of financial position					
Balances with other banks					
In current accounts	-	-	-	-	528,510
In deposit accounts	-	-	-	-	-
	-	-	-	-	528,510
Lendings to financial institutions					
Opening balance	-	-	-	-	-
Addition during the period	-	-	-	-	2,020,600
Repaid during the period	-	-	-	-	(2,020,600)
Transfers in / (out) - net	-	-	-	-	-
Closing balance	-	-	-	-	-
Investments					
Opening balance	-	-	-	6,306,355	3,635,440
Investment made during the period	-	-	-	3,434,500	-
Investment disposed during the period	-	-	-	(3,148,875)	-
Transfers in / (out) - net	-	-	-	-	-
Equity accounting adjustments	-	-	-	81,349	-
Closing balance	-	-	-	6,673,329	3,635,440
Credit loss allowance for diminution in value of investments	-	-	-	1,417,485	-
Advances					
Opening balance	-	537	596,283	-	231,097,420
Addition during the period	-	4,540	141,275	-	2,550
Repaid during the period	-	(4,052)	(102,364)	-	(231,099,203)
Derecognition on disposal of subsidiary	-	-	-	-	-
Transfers in / (out) - net	-	-	(55,916)	-	-
Closing balance	-	1,025	579,278	-	767
Credit loss allowance held against advances	-	-	-	-	-
Property and equipment / Capital work in progress	-	-	-	-	6,128
Other Assets					
Income / mark-up accrued	-	-	-	-	786,286
Receivable from staff retirement fund	-	-	-	-	12,863,256
Prepaid insurance	-	-	-	297,813	-
Remuneration and other receivable from management of funds	-	-	-	552,492	-
Sales load receivable	-	-	-	73,895	-
Dividend Receivable	-	-	-	-	-
Provision written off	-	-	-	-	-
Other receivable	-	-	-	-	15,549
Credit loss allowance against other assets	-	-	-	-	-
Borrowings					
Opening balance	-	-	-	-	94,460,700
Borrowings during the period	-	-	-	1,963,632	410,709,763
Settled during the period	-	-	-	(1,963,632)	(497,982,048)
Closing balance	-	-	-	-	7,188,415

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE THREE MONTHS ENDED MARCH 31, 2025

	As at March 31, 2025 (Un-audited)				
	Parent	Directors	Key management personnel	Associates	Other related parties
	(Rupees in '000)				
Deposits and other accounts					
Opening balance	3,205	7,263,037	152,070	596,425	40,635,672
Received during the period	317,252	13,008,144	896,704	20,298,656	647,389,042
Withdrawn during the period	(315,069)	(12,820,234)	(827,405)	(20,331,022)	(665,256,413)
Transfers in - net	-	-	(78,543)	-	(36)
Closing balance	5,388	7,450,947	142,826	564,059	22,768,265
Subordinated loans					
	-	-	-	-	50,000
Other Liabilities					
Interest / mark-up payable on deposits and borrowings	52	33,844	1,328	2,278	124,084
Dividend payable	-	-	-	-	-
Payable to staff retirement fund	-	-	-	-	-
Unrealised loss on forward foreign exchange contracts	-	-	-	-	5,332
Other payable	-	15,200	-	12,467	23,935
Contingencies and Commitments					
Letter of credits	-	-	-	-	92,469
Forward Govt. Securities Sale	-	-	-	-	22,600,000
Forward foreign exchange contracts purchase	-	-	-	-	99,800
As at December 31, 2024 (Audited)					
	Parent	Directors	Key management personnel	Associates	Other related parties
	(Rupees in '000)				
Statement of financial position					
Balances with other banks					
In current accounts	-	-	-	-	-
In deposit accounts	-	-	-	-	-
Lendings to financial institutions					
Opening balance	-	-	-	-	804,102
Addition during the year	-	-	-	-	2,191,560
Repaid during the year	-	-	-	-	(2,995,662)
Transfers in / (out) - net	-	-	-	-	-
Closing balance	-	-	-	-	-
Investments					
Opening balance	-	-	-	6,389,617	5,287,396
Investment made during the year	-	-	-	17,508,051	885,450
Investment disposed / written off during the year	-	-	-	(17,793,670)	(2,500,000)
Transfers in / (out) - net	-	-	-	-	(37,406)
Equity method adjustments	-	-	-	202,357	-
Closing balance	-	-	-	6,306,355	3,635,440
Credit loss allowance for diminution in value of investments	-	-	-	1,417,485	-
Property and equipment / CWIP	-	-	-	-	197,026
Provision written off	-	-	-	-	-
Advances					
Opening balance	-	1,286	609,959	-	392
Addition during the year	-	7,566	365,352	-	231,103,164
Repaid during the year	-	(8,315)	(488,089)	-	(6,136)
Transfers in / (out) - net	-	-	109,061	-	-
Closing balance	-	537	596,283	-	231,097,420
Credit loss allowance held against advances	-	-	-	-	-

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE THREE MONTHS ENDED MARCH 31, 2025

	As at December 31, 2024 (Audited)				
	Parent	Directors	Key management personnel	Associates	Other related parties
	(Rupees in '000)				
Other Assets					
Interest / mark-up accrued	-	-	133	-	5,094,682
Receivable from staff retirement funds	-	-	-	-	13,006,849
Prepaid insurance	-	-	-	144,558	-
Unrealised gain on forward foreign exchange contracts	-	-	-	-	134
Remuneration and other receivable from management of funds	-	-	-	180,417	-
Sales load receivable	-	-	-	25,068	-
Other receivable	-	-	-	222,367	12,478
Dividend receivable	-	-	-	-	-
Provision written off	-	-	-	-	-
Borrowings					
Opening balance	-	-	-	-	402,800
Borrowings during the year	-	-	-	500,000	243,259,002
Settled during the year	-	-	-	(500,000)	(149,201,102)
Closing balance	-	-	-	-	94,460,700
Deposits and other accounts					
Opening balance	14,362	5,149,234	115,491	566,903	14,917,301
Received during the year	71,539,502	44,412,648	2,145,718	84,366,733	1,393,847,209
Withdrawn during the year	(71,550,659)	(42,298,845)	(2,101,517)	(84,337,211)	(1,368,907,854)
Transfer in	-	-	(7,622)	-	779,016
Closing balance	3,205	7,263,037	152,070	596,425	40,635,672
Other Liabilities					
Interest / mark-up payable on deposits and borrowings	580	41,605	2,264	5,370	652,728
Dividend payable	-	70	4	-	-
Payable to staff retirement fund	-	-	-	-	-
Unrealised loss on forward foreign exchange contracts	-	-	-	-	3,219
Unearned income	-	-	-	-	-
Other payable	-	4,310	-	-	21,604
Contingencies and Commitments					
Letter of guarantee	-	-	-	-	21,463
Forward Government securities - sale	-	-	-	-	2,585,000

	For the three months ended March 31, 2025 (Un-audited)				
	Parent	Directors	Key management personnel	Associates	Other related parties
Profit and loss account	(Rupees in '000)				
Income					
Mark-up / return / interest earned	-	-	6,258	-	3,798
Commission / charges recovered	-	90	956	4,705	3,858
Dividend income	-	-	-	-	248,933
Net loss on sale of securities	-	-	-	-	-
Other income	-	-	-	-	22,520
Gain on sale of property and equipment	-	-	-	713	-
Remuneration from management of funds	-	-	-	959,327	-
Sales load	-	-	-	24,266	-
Reimbursement of expenses by funds	-	-	-	21,564	-
Reversal of provision	-	-	-	-	-
Switch revenue	-	-	-	-	156,723

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE THREE MONTHS ENDED MARCH 31, 2025

For the three months ended March 31, 2025 (Un-audited)					
	Parent	Directors	Key management personnel	Associates	Other related parties
	(Rupees in '000)				
Expense					
Mark-up / return / interest paid	37	78,831	1,174	368,107	632,560
Remuneration paid	-	-	996,682	-	-
Post employment benefits	-	-	-	-	-
Directors' fees and allowances	-	14,230	-	-	-
Charge for defined contribution plans	-	-	9,410	-	196,647
Charge for defined benefit plans	-	-	2,878	-	226,262
Provision	-	-	-	-	-
Other expenses	-	-	4,025	-	113,666
Clearing charges	-	-	-	-	70,998
Donations	-	-	-	-	-
Seminar and Membership fees	-	-	-	-	-
Membership, subscription, sponsorship and maintenance charges	-	-	747	-	13,486
Other Information					
Dividend paid	6,949,018	312,333	9,583	-	2,592,730
Insurance premium paid	-	-	-	369,975	-
Insurance claims settled	-	-	-	43,135	-

For the three months ended March 31, 2024 (Un-audited)					
	Parent	Directors	Key management personnel	Associates	Other related parties
	(Rupees in '000)				
Profit and loss account					
Income					
Mark-up / return / interest earned	-	-	18,557	-	20,324
Commission / charges recovered	-	83	587	8,335	3,856
Dividend income	-	-	-	196,697	232,792
Net gain on sale of securities	-	-	-	(70,206)	-
Other income	-	-	-	-	18,360
Gain on sale of property and equipment	-	-	36	521	-
Remuneration from management of fund	-	-	-	499,900	-
Sales load	-	-	-	13,867	100,142
Reimbursement of expenses by funds	-	-	-	138,005	-
Reversal of provision	-	-	-	-	-
Switch revenue	-	-	-	-	-
Expense					
Mark-up / return / interest paid	20	55,289	1,238	253,865	128,215
Remuneration paid	-	-	262,166	-	-
Post employment benefits	-	-	-	-	-
Directors' fees and allowances	-	28,720	7,679	-	-
Net Charge for defined contribution plans	-	-	14,590	-	140,611
Net Charge for defined benefit plans	-	-	2,693	-	202,953
Provision - net	-	-	-	-	30
Other expenses	-	-	10,657	-	173,319
Clearing charges	-	-	-	-	42,188
Membership, subscription, sponsorship and maintenance charges	-	-	771	-	14,002
Other Information					
Dividend paid	-	55,296	4,158	10,313	1,596,626
Insurance premium paid	-	-	1,201	303,086	-
Insurance claims settled	-	-	-	144,826	-

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE THREE MONTHS ENDED MARCH 31, 2025

	(Un-audited) March 31, 2025	(Audited) December 31, 2024
	----- (Rupees in '000) -----	
39. CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS		
Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	12,521,239	12,241,797
Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier 1 (CET 1) Capital	273,622,892	235,348,145
Eligible Additional Tier 1 (ADT 1) Capital	9,870,811	9,870,811
Total Eligible Tier 1 Capital	283,493,703	245,218,956
Eligible Tier 2 Capital	88,135,170	81,529,158
Total Eligible Capital (Tier 1 + Tier 2)	371,628,873	326,748,114
Risk Weighted Assets (RWAs):		
Credit Risk	1,162,483,993	984,217,218
Market Risk	247,382,530	275,897,396
Operational Risk	327,012,027	327,012,027
Total	1,736,878,550	1,587,126,641
Common Equity Tier 1 Capital Adequacy Ratio	15.75%	14.83%
Tier 1 Capital Adequacy Ratio	16.32%	15.45%
Total Capital Adequacy Ratio	21.40%	20.59%

The SBP through its BSD Circular No. 07 dated April 15, 2009 has prescribed the minimum paid-up capital (net of accumulated losses) for Banks to be raised to Rs.10,000 million by the year ending December 31, 2015. The paid-up capital of the Bank for the three months ended March 31, 2025 stood at Rs.12,521.239 million (December 31, 2024: Rs.12,241.797 million) and is in compliance with SBP requirements. Banks are also required to maintain a minimum Capital Adequacy Ratio (CAR) of 10.0% plus capital conservation buffer of 2.5% of the risk weighted exposures of the Bank.

In order to dampen the effects of COVID-19, the State Bank of Pakistan under BPRD Circular Letter No. 12 of 2020 has given a regulatory relief and reduced the Capital Conservation Buffer (CCB) as prescribed vide BPRD Circular No. 6 of August 15, 2013, for the time being, from its existing level of 2.5% to 1.5%, till further instructions.

Further, under Basel III instructions, Banks are also required to maintain a Common Equity Tier 1 (CET 1) ratio and Tier 1 ratio of 6.0% and 7.5%, respectively, as at March 31, 2025. The Bank is fully compliant with prescribed ratios as the Bank's CAR is 21.40% whereas CET 1 and Tier 1 ratios stood at 15.75% and 16.32% respectively.

Furthermore, under the SBP's Framework for Domestic Systemically Important Banks (D-SIBs) introduced vide BPRD Circular No. 04 of 2018 dated April 13, 2018, UBL has been designated as a D-SIB under letter BSD-3/Bank/UBL/751777/2024 dated August 29, 2024. In line with this framework, the Bank is required to meet the Higher Loss Absorbency (HLA) capital charge of 1.0%, in the form of Additional CET 1 capital, on a standalone as well as consolidated level. The prescribed HLA under D-SIB shall remain effective till the next D-SIB designation announcement is made by State Bank of Pakistan.

	(Un-audited) March 31, 2025	(Audited) December 31, 2024
	----- (Rupees in '000) -----	
Leverage Ratio (LR):		
Eligible Tier-1 Capital	283,493,703	245,218,956
Total Exposures	9,276,089,779	7,858,268,797
Leverage Ratio	3.06%	3.12%
Liquidity Coverage Ratio (LCR):		
Total High Quality Liquid Assets	2,183,372,131	1,809,400,194
Total Net Cash Outflow	1,139,548,988	721,237,268
Liquidity Coverage Ratio	191.60%	250.87%
Net Stable Funding Ratio (NSFR):		
Total Available Stable Funding	2,517,497,980	2,163,819,529
Total Required Stable Funding	1,920,977,512	2,027,714,826
Net Stable Funding Ratio	131.05%	106.71%

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE THREE MONTHS ENDED MARCH 31, 2025

40. ISLAMIC BANKING BUSINESS

The Bank operates 548 (December 31, 2024: 496) Islamic Banking branches and 596 (December 31, 2024: 558) Islamic Banking windows.

STATEMENT OF FINANCIAL POSITION

STATEMENT OF FINANCIAL POSITION		(Un-audited) March 31, 2025	(Audited) December 31, 2024
	Note		
----- (Rupees in '000) -----			
ASSETS			
Cash and balances with treasury banks		35,022,730	44,290,715
Balances with other banks		2,301,277	571,962
Due from financial institutions	40.1	4,100,000	-
Investments	40.2	132,167,224	119,366,357
Islamic financing and related assets - net	40.3	134,310,365	147,886,966
Property and equipment		8,397,150	6,029,227
Right-of-use assets		9,423,568	3,181,023
Due from Head Office		330,499,379	284,069,490
Other assets		7,362,706	4,813,226
		663,584,399	610,208,966
LIABILITIES			
Bills payable		7,701,036	8,607,107
Due to financial institutions		7,945,867	8,003,110
Deposits and other accounts	40.4	567,536,310	519,488,249
Due to Head Office		-	-
Lease Liability		10,098,204	3,788,556
Other liabilities		5,244,350	5,519,705
		598,525,767	545,406,727
		65,058,632	64,802,239
NET ASSETS			
REPRESENTED BY			
Islamic Banking Fund		2,181,000	2,181,000
Reserves		-	-
Surplus on revaluation of assets		575,630	572,058
Unappropriated profit	40.5	62,302,002	62,049,181
		65,058,632	64,802,239

CONTINGENCIES AND COMMITMENTS

		(Un-audited) January - March 2025	January - March 2024
		----- (Rupees in '000) -----	
Profit / return earned	40.7	7,614,268	17,983,449
Profit / return expensed	40.8	3,353,219	8,784,504
Net profit / return		4,261,049	9,198,945
Other income			
Fee and commission income		255,629	120,204
Foreign exchange (loss) / income		(53,066)	12,433
Gain on securities - net		28,146	27,332
Other income		40,751	16,622
Total other income		271,460	176,591
Total Income		<u>4,532,509</u>	<u>9,375,536</u>
Other expenses			
Other operating expenses		4,249,511	1,182,970
Profit before credit loss allowance		<u>282,998</u>	<u>8,192,566</u>
Credit loss allowance and write offs - net		30,177	9,406
Profit before taxation		<u>252,821</u>	<u>8,183,160</u>
Taxation		136,523	4,009,748
Profit after taxation		<u>116,298</u>	<u>4,173,412</u>

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE THREE MONTHS ENDED MARCH 31, 2025

40.1 Due from Financial Institutions

	As at March 31, 2025 (Un-audited)			As at December 31, 2024 (Audited)		
	In Local Currency	In Foreign Currencies	Total	In Local Currency	In Foreign Currencies	Total
(Rupees in '000)						
Musharakah lending	4,100,000	-	4,100,000	-	-	-
Bai Muajjal	-	-	-	-	-	-
with other Financial Institutions	-	-	-	-	-	-
with State Bank of Pakistan	-	-	-	-	-	-
	4,100,000	-	4,100,000	-	-	-

40.2 Investments by segments

		As at March 31, 2025 (Un-audited)			
	Note	Cost / Amortised cost	Credit loss allowance	Surplus / (Deficit)	Carrying Value
----- (Rupees in '000) -----					
Debt Instruments					
Measured at amortised cost					
Federal Government Securities					
- Ijarah Sukuks		10,000,959	-	-	10,000,959
- Bai Muajjal with Govt. of Pakistan		49,684,709	-	-	49,684,709
Non Government debt securities		8,884,568	(151)	-	8,884,417
		68,570,236	(151)	-	68,570,085
Measured at FVOCI					
Federal Government securities					
- Ijarah Sukuks		54,109,607	-	575,630	54,685,237
- Islamic Naya Pakistan Certificate		1,330,969	-	-	1,330,969
Non Government debt securities		-	-	-	-
		55,440,576	-	575,630	56,016,206
Measured at FVTPL					
Federal Government securities					
- Ijarah Sukuks		7,261,148	-	19,785	7,280,933
		7,261,148	-	19,785	7,280,933
Instruments mandatorily classified / measured at FVTPL					
Non Government debt securities		300,000	-	-	300,000
Total investments		131,571,960	(151)	595,415	132,167,224

		As at December 31, 2024 (Audited)			
		Cost / Amortised cost	Credit loss allowance	Surplus / (Deficit)	Carrying Value
		(Rupees in '000)			
Debt Instruments					
Measured at amortised cost					
Federal Government Securities					
- Ijarah Sukuks	40.2.1	10,001,109	-	-	10,001,109
- Bai Muajjal with Govt. of Pakistan		47,618,148	-	-	47,618,148
Non Government debt securities		8,900,193	(151)	-	8,900,042
		66,519,450	(151)	-	66,519,299
Measured at FVOCI					
Federal Government securities					
- Ijarah Sukuks		49,296,295	-	572,058	49,868,353
- Islamic Naya Pakistan Certificate		2,678,705	-	-	2,678,705
Non Government debt securities		-	-	-	-
		51,975,000	-	572,058	52,547,058
Instruments mandatorily classified / measured at FVTPL					
Non Government debt securities		300,000	-	-	300,000
		118,794,450	(151)	572,058	119,366,357

Particulars of credit loss allowance

	As at March 31, 2025 (Un-audited)				As at 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	(151)	-	-	(151)	(151)	-	-	(151)
	(151)	-	-	(151)	(151)	-	-	(151)

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE THREE MONTHS ENDED MARCH 31, 2025

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

40.2.1 Bai Muajjal with Government of Pakistan

Bai Muajjal Investment	69,340,000	69,340,000
Less: Deferred Income	(19,655,291)	(21,721,852)
Bai Muajjal Investment-net	49,684,709	47,618,148

40.3 Islamic financing and related assets

Ijarah	266,969	183,651
Murabaha	369,642	165,372
Musharakah	7,217,740	73,230,869
Diminishing Musharakah	84,280,617	45,705,613
Mera Pakistan Mera Ghar (MPMG)	4,753,202	4,839,643
Istisna	314,100	240,064
Diminishing Musharakah - Under SBP's Islamic Temporary Economic Refinance Facility	3,622,198	3,692,614
Ameen Musharakah Running Finance Under SBP's - Islamic Export Refinance scheme	8,710,000	8,710,000
Islamic Export Refinance scheme - Istisna	126,438	608,058
Advances against Islamic assets		
Advances against Ijarah	48,843	17,910
Advances for Diminishing Musharakah	22,566,166	8,689,619
Advances for Murabaha	152,797	-
Advances against Mera Pakistan Mera Ghar	4,335	4,335
Advances for Istisna	1,851,980	1,312,312
Advances against Istisna - Under SBP's Islamic Export Refinance scheme	913,000	256,000
Advances against Diminishing Musharakah ITERF	-	-
Inventory related to Islamic financing		
Istisna	549,996	111,700
Profit and other receivables against financings	1,901,400	2,189,222
Gross Islamic financing and related assets	137,649,423	149,956,982
Less: Credit Loss Allowance against Islamic financings		
- Stage 1	(1,934,538)	(1,668,457)
- Stage 2	(967,310)	(213,344)
- Stage 3	(437,210)	(188,215)
	(3,339,058)	(2,070,016)
Islamic financing and related assets - net of credit loss allowance	134,310,365	147,886,966

40.4 Deposits and other accounts

Customers

Current deposits	420,827,296	343,912,552
Saving deposits	130,700,337	123,254,188
Term deposits	6,444,890	5,223,078
	557,972,523	472,389,818

Financial Institutions

Current deposits	774,601	1,164,744
Saving deposits	8,649,186	45,900,687
Term deposits	140,000	33,000
	9,563,787	47,098,431
	567,536,310	519,488,249

40.4.1 Deposits eligible to be covered under insurance arrangements in accordance with DPC Circular No. 04 dated June 22, 2018 amounting to Rs. 464.864.406 million (December 31, 2024: Rs. 409,558.614 million).

40.5 Islamic Banking Business Unappropriated Profit

	(Un-audited) March 31, 2025	(Audited) December 31, 2024
	----- (Rupees in '000) -----	
Opening Balance	62,049,181	31,398,864
Impact of adoption of IFRS 9	-	(1,570,146)
Profit for the period / year	252,821	32,220,463
	62,302,002	62,049,181
Taxation	(136,523)	(17,399,050)
Closing Balance	62,165,479	44,650,131

**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
(UN-AUDITED)
FOR THE THREE MONTHS ENDED MARCH 31, 2025**

40.6 Contingencies and commitments

- Guarantees
- Commitments

(Un-audited) March 31, 2025	(Audited) December 31, 2024
----- (Rupees in '000) -----	
2,802,931	321,847
35,240,455	10,214,840
38,043,386	10,536,687

40.7 Profit / Return earned

On:

- Financing
- Investments
- Placements
- Rental Income from Ijarah

(Un-audited)	
January - March 2025	January - March 2024
----- (Rupees in '000) -----	
2,995,614	1,995,869
4,403,530	15,863,206
171,811	85,126
43,313	39,248
7,614,268	17,983,449

40.8 Profit / Return expensed

On:

- Deposits and other accounts
- Due to Financial Institutions
- Others

2,993,126	6,376,624
72,807	2,345,896
287,286	61,984
3,353,219	8,784,504

40.9 Disclosures for profit and loss distribution and pool management

The Bank operates general and special pools for deposits and inter-bank funds accepted / acquired under Mudarabah, Wakalah and Musharakah modes.

Under the General deposits pools, the Bank accepts funds on Mudarabah basis from depositors (Rab-ul-Maal) where the Bank acts as Manager (Mudarib) and invests the funds in the Shariah Compliant modes of financing, investments and placements. When utilising investing funds, the Bank prioritizes the funds received from depositors over the funds generated from own sources after meeting the regulatory requirement relating to such deposits.

Specific pools are operated for funds acquired / accepted from the Corporate Customers, other banks and State Bank of Pakistan for liquidity management and Islamic Export Refinance to the Bank's customers respectively under the Musharakah/ Mudarabah / Wakalah modes.

General Pool(s)

For General Pools, the Bank allocates PKR financing to Corporate, SME and Consumer Finance customers in diversified sectors and avenues of the economy / business and Investments in Sovereign Guarantee Sukuk, Corporate Sukuk, Bai Muajjal with Government of Pakistan, are also done through General Pools. All remunerative deposits are tagged to these general pools and their funds generated from the depositors are invested on priority basis.

IERS Pool(s)

The IERS pool assets comprise of Sovereign Guarantee Sukuk, and financing to Corporate Customers and exporters as allowed under the applicable laws and regulations, and as such are exposed to lower credit risk. The Musharakah with SBP under IERS is tagged to the IERS pool.

Treasury Pool(s)

The Treasury pool assets generally comprise of Sovereign Guarantee Sukuk and financing under diminishing musharakah, Ijarah facility and the related liability of the Treasury pool comprise of Musharakah / Wakalah/ Mudarabah from financial institutions. These pools are created to meet the liquidity requirements of the Holding company.

Special Pool(s)

Separate pool(s) are created where the customers desire to invest in high yield assets. These pool(s) rates are higher than the general pool depending on the assets. In case of loss in special pool, the loss will be borne by the special pool members. The net return on the pool is arrived at after deduction of direct costs from the gross return earned on the pool. From the net return, profit is paid to the Mudarib in the ratio of the Mudarib's equity in the pool to the total pool. The balance represents the distributable profit.

Equity Pool(s)

All other assets including fixed assets, advance against financing, bai-salam financing and subsidized financing to Bank's employees are tagged to equity pool. To safeguard the interest of customers, all high risk investments are done through equity pool. The Holding company as Mudarib in the general pools is responsible for financing costs / assets such as land, building, furniture, fixtures, computers and IT system from its own sources / equity.

During the year, the Bank has given General Hiba to the depositors in General and specific pool, keeping in view the prescribed guidelines of Pool Management provided by the SBP. However, Hiba are given at the sole discretion of the Bank without any contractual commitment with the depositors.

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE THREE MONTHS ENDED MARCH 31, 2025

The Mudarib's share on Deposits for the period ended March 31, 2025 is Rs.2,166.19 million (46.47% of distributable profit of Mudarabah Pool) of this, an amount of Rs.458.59 million (21.17% of Mudarib share) was distributed back to depositors as Hiba. The rate of profit earned on average earning assets was 12.81% per annum and the rate of profit paid on average deposits was 7.77% per annum.

The risk characteristics of pools

The risk characteristic of each pool mainly depends on the assets and liability profile of the pool. As per the Bank 's policy, relatively low risk / secured financing transactions and assets are allocated to the pool. The Bank maintains General Pools, Special Pools, FI Pools, IERS pool and Equity pool. All pools are exposed to general credit risk, asset ownership risk and Profit rate risk of underlying assets involved.

The Parameters used for allocation of profit, expenses and provisions to the Pool

- The profit of each deposit pool is calculated on all The remunerative assets booked by utilising The funds from the pool.
- Profit of pool is calculated after deduction of expenses directly incurred in earning the income of such pool, the directly related costs comprise of depreciation on ijarah assets, takaful premium, Amortization of Premium on investment etc.
- No expense of general or administrative nature is charged to the pools.
- No provisions against any non-performing asset of the pool is passed on to the pool except on the actual loss / write-off of such non-performing asset.
- The profit of the pool is shared between equity and Rab-ul-Maal of the pool on the basis of Musharakah at gross level (before charging of mudarib fee) as per the investment ratio of the equity.
- The profit of the pool is shared among the members of the pool on pre-defined mechanism based on the weightages announced before the profit calculation period after charging of mudarib fee.

The Bank managed following pools during the period.

For the three months ended March 31, 2025 (Un-audited)

For the three months ended March 31, 2020 (GK- audited)									
No of Pools	Nature of Pool	Profit rate and weightages announcement period	Average profit rate earned	Profit Sharing ratio	Mudarib fee / Musharakah share / Wakalah Fee	Average profit rate / return distributed	Percentage of Mudarib share transferred through Hiba	Amount of Mudarib share transferred through Hiba	
			%	%	Rupees in '000	%	%	Rupees in '000	
Special Pools	30	Mudarbaha	Monthly	10.92%	27.48%	201,127	8.36%	26.66%	53,623
IERS Pools	3	Musharkah	Monthly	13.32%	38.44%	57,019	8.70%	0.00%	-
General Pools	3	Mudarbaha	Monthly	12.68%	50.00%	1,965,067	7.61%	20.61%	404,969
Treasury Pools	0	Musharkah	Monthly	0.00%	0.00%	-	0.00%	0.00%	-

For the three months ended March 31, 2024 (Un-audited)

For the three months ended March 31, 2021 (in Lakhs)									
	No of Pools	Nature of Pool	Profit rate and weightages announcement period	Average profit rate earned	Profit Sharing ratio	Mudarib fee / Musharakah share / Wakalah Fee	Average profit rate / return distributed	Percentage of Mudarib share transferred through Hiba	Amount of Mudarib share transferred through Hiba
				%	%	Rupees in '000	%	%	Rupees in '000
ADMA Pools	3	Mudarbaha	Monthly	12.23%	35.00%	45,141	8.30%	8.32%	3,756
Special Pools	30	Mudarbaha	Monthly	21.25%	14.78%	602,343	19.71%	53.21%	320,513
IERS Pools	6	Musharkah	Monthly	18.57%	57.36%	247,838	18.00%	0.00%	-
FCY Pools	6	Mudarbaha	Monthly	2.13%	50.00%	2,297	1.06%	0.00%	-
General Pools	3	Mudarbaha	Monthly	21.13%	49.98%	1,868,421	14.13%	33.81%	631,801
Treasury Pools	121	Musharkah	Monthly	22.53%	31.54%	756,418	21.12%	0.00%	-

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE THREE MONTHS ENDED MARCH 31, 2025

	(Un-audited) March 31, 2025	(Audited) December 31, 2024
	-----Rupees in '000-----	
40.10 Deployment of Mudarabah based deposits by class of business		
Chemical and pharmaceuticals	8,146,478	11,119,892
Agriculture	-	64,330,828
Textile	35,426,637	6,937,944
Sugar	12,908,278	-
Financial	4,900,000	800,000
Plastic	223,429	197,855
Individuals	29,542,704	26,446,650
Production and transmission of energy	18,366,492	18,216,021
Government of Pakistan Securities	122,982,656	110,166,197
Others	41,419,973	31,107,952
	<u>273,916,647</u>	<u>269,323,339</u>

41. YEMEN OPERATIONS

Despite risky situation and continued operational losses the Bank has been striving to honor liabilities. However, on account of several factors, including but not limited to fragile political and economic situation in Yemen, bankruptcy of CBY Sana'a, existence of two Central Banks (i.e. CBY Sana'a and CBY Aden), has resulted in illiquid market, which does not appears to be reversed in near future.

It is no longer possible for the Bank to continue its operations in Yemen due to reasons not attributable to the Bank and caused by circumstances entirely beyond the Bank's control. Therefore, Bank has completely exited from Yemen. The Bank is cognizant of the associated risks arising out of its exit from Yemen.

42. NON-ADJUSTING EVENT AFTER THE BALANCE SHEET DATE

The Board of Directors in its meeting held on April 16, 2025 has declared an interim cash dividend in respect of quarter ended March 31, 2025 of Rs. 11.0 per share (March 31, 2024: Rs. 11.0 per share). These consolidated condensed interim financial statements for the three months ended March 31, 2025 do not include the effect of these appropriations which will be accounted for subsequent to the period end.


43. GENERAL


43.1 Comparative information has been reclassified, rearranged or additionally incorporated in these consolidated condensed interim financial statements for the purposes of better presentation.

43.2 Figures have been rounded off to the nearest thousand rupees unless otherwise stated.

44. DATE OF AUTHORISATION


These consolidated condensed interim financial statements were authorised for issue on April 16, 2025, by the Board of Directors of the Bank.


Syed Manzoor Hussain Zaidi
Chief Financial Officer


Muhammad Jawaid Iqbal
President &
Chief Executive Officer


Shazia Syed
Director


Daniel Michael Howlett
Director


Sir Mohammed Anwar Pervaz, OBE, HPK
Chairman

انہما تشکر

بورڈ آف ڈائریکٹرز کی جانب سے ہم یو بی ایل کے صارفین اور شیئرز ہولڈرز کا شکریہ ادا کرنا چاہیں گے جنہوں نے ہمیشہ یو بی ایل برانڈ پر مسلسل اعتماد اور یو بی ایل اسٹاف کے ساتھ اپنے عہد اور خلوص کو نبھایا ہے۔ ہم مسلسل رہنمائی اور معاونت پر حکومت پاکستان، اسٹیٹ بینک آف پاکستان، سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور دیگر ریگولیٹری اداروں کا بھی تہہ دل سے شکریہ ادا کرنا چاہتے ہیں۔

Amel Anwer

ڈینیل مائیکل ہاؤلیٹ
ڈائریکٹر



محمد جاوید اقبال
صدر اوری ای او
اسلام آباد

16 اپریل 2025

بینک ایک موثر سرمایہ کی بنیاد کو برقرار رکھنے کی کوشش کرتا ہے جو مستقبل میں ترقی کے ساتھ ساتھ ریگولیٹری تقاضوں سے زائد مناسب بفرز کی بنیاد کو بھی یقینی بنائے رکھے۔ مجتمع CAR مارچ 2025 میں 21.4% (دسمبر 2024: 20.6%) رہا، جس میں کم سے کم 12.5% کی ریگولیٹری تقاضے پر 8.9% کا بفر بھی ظاہر ہوتا ہے۔ کامن ایکویٹی ٹیئر 1 (CET-1) کا تناسب مارچ 2025 میں 15.8% (دسمبر 2024: 14.8%) رہا۔ مارچ 2025 کو ٹوٹل ٹیئر 1 کیپٹل کا تناسب 16.3% (دسمبر 2024: 15.5%) ریکارڈ کیا گیا۔

سلک بینک لمیٹڈ (SBL) کا یو بی ایل کے ساتھ اور اس میں انضمام

پہلی سرمایہ کی دوران، اسٹیٹ بینک آف پاکستان (SBP) نے سلک بینک لمیٹڈ (SBL) کو یو بی ایل کے ساتھ اور اس میں ضم کرنے کی اسکیم کو منظور کیا اور اس کے مطابق انضمام کا عمل کامیابی کے ساتھ مکمل کر لیا گیا ہے۔ تفصیلات غیر مجتمع مختصر عبوری مالیاتی اسٹیٹمنٹس کے نوٹ 1.1 میں فراہم کی گئی ہیں۔

مجوزہ شیئرز کی ذیلی تقسیم اور کیپٹل ری اسٹرکچر

سرمایہ کار رستک رسائی کو بڑھانے اور مارکیٹ لیکویڈیٹی کو بہتر بنانے کے لیے بورڈ آف ڈائریکٹرز نے شیئرز ہولڈرز کو یونائیٹڈ بینک لمیٹڈ کے ہر ایک (1) عام حصص کی تقسیم کی یہ تجویز پیش کی ہے، جس کی فیس ویلیو 10 روپے فی حصص ہے، کو تقسیم کر کے دو عمومی شیئرز میں تبدیل کر دیا جائے، جن کی فیس ویلیو 5 روپے فی حصص ہوگی، جس سے بینک کے شیئرز ہولڈرز کے حقوق، اختیارات اور دعوؤں میں کوئی تبدیلی نہیں ہوگی تاہم اس سے متعلق درکار تمام ریگولیٹری منظور یوں کا حاصل ہونا ضروری ہے۔ بورڈ نے یو بی ایل کے شیئرز ہولڈرز کے شیئرز کی ذیلی تقسیم پر غور اور منظوری کے لیے 15 مئی 2025 کو غیر معمولی اجلاس عام (EOGM) طلب کرنے کا فیصلہ کیا ہے۔

کرپٹ ریٹنگ

ویز کرپٹ ریٹنگ کمپنی لمیٹڈ (VIS) نے جون 2024 کو یونائیٹڈ بینک لمیٹڈ (UBL) کی 'AAA / A-1+' (ٹرپل اے / اے وین پلس) ایٹینٹی ریٹنگ کی دوبارہ توثیق کی ہے۔ علاوہ ازیں، یو بی ایل کی ایٹینٹی ٹیئر TFC-1 (ADT-1) کی بھی بطور AA+ دوبارہ توثیق کی جا چکی ہے۔ تفویض کردہ ریٹنگز پر توقعات مضحکم ہیں۔

مستقبل کی توقعات

یو بی ایل 2025 میں تیزی اور پلک کے ساتھ نہ صرف آگے بڑھ رہا ہے بلکہ کنوینشنل اور اسلامی بینکاری دونوں میں اپنی اہم فرمچائز کو مضبوط بنا رہا ہے۔ بینک اپنے کسٹمر بیس کو بڑھانے، تعلقات کو مضبوط کرنے، اور کم لاگت والے ڈپازٹس میں اپنے مارکیٹ شیئرز کو بڑھانے کے لیے پُر عزم ہے تاکہ زیادہ سے زیادہ منافع حاصل کیا جاسکے۔ بہترین ڈیجیٹل کارکردگی پر توجہ دیتے ہوئے یو بی ایل ایک مربوط اور محفوظ بینکنگ تجربے کے لیے اپنے پلیٹ فارمز میں مزید اضافہ کر رہا ہے۔ ٹیلنٹ ڈویلپمنٹ اور لیڈرشپ میں سرمایہ کاری کے ساتھ آج بھی لوگوں کو اوڈیلن ترجیح دی جاتی ہے۔

اس سال طے کیا جانے والا سب سے اہم سنگ میل سلک بینک کے ساتھ انضمام ہے، جو شہری مراکز میں یو بی ایل کی موجودگی کو وسعت دینے، اس کے برانچ نیٹ ورک کو مضبوط کرنے اور خاص علاقوں میں اس کے کسٹمر بیس کو بڑھانے میں اہم کردار ادا کرے گا۔ کسٹمر سروس اور جدت پر توجہ مرکوز کرتے ہوئے یو بی ایل نہ صرف سال 2025 بلکہ اس کے بعد بھی مسلسل ترقی، استحکام اور پلک کے لیے ایک بہترین پوزیشن پر ہے۔

یونائیٹڈ بینک لمیٹڈ

ارکان کوڈائریکٹرز کی رپورٹ

بورڈ آف ڈائریکٹرز کی طرف سے 31 مارچ 2025 کو ختم ہونے والے تین ماہ کے لیے یونائیٹڈ بینک لمیٹڈ (UBL) کی رپورٹ پیش کرنا ہمارے لیے باعث مسرت ہے۔

کارکردگی کا جائزہ

مجمع بنیادوں پر، 31 مارچ 2025 کو ختم ہونے والے تین ماہ کے لیے 75.3 ارب روپے کا قبل از ٹیکس منافع (PBT) ریکارڈ کیا گیا جو 147% سال بہ سال کی مستحکم نمو کی نمائندگی کرتا ہے۔ Q1'25 میں منافع بعد از ٹیکس (PAT) 35.6 ارب روپے رہا جو کہ Q1'24 کے مقابلے میں 28.92 کی آمدنی فی حصص (EPS) کے ساتھ 15.6 ارب روپے رہا جو گذشتہ سال کے اسی عرصے میں 12.73 روپے تھا۔ یو بی ایل نے 29.34 کی آمدنی فی حصص (Q1'24: 13.05 روپے) کے ساتھ 36.1 ارب روپے (Q1'24: 16.1 ارب روپے) مجمع بنیاد پر منافع بعد از ٹیکس کا اندراج کیا۔

یو بی ایل کے ڈائریکٹرز نے 16 اپریل 2025 کو اسلام آباد میں منعقد ہونے والے اپنے اجلاس میں 31 مارچ 2025 کو ختم ہونے والی سہ ماہی کے نتائج کے ساتھ 11 روپے فی حصص کے عبوری نقد منافع کا اعلان کیا۔

بینک کی مجموعی آمدنی Q1'25 میں 99.8 ارب روپے رہی جو کہ سال بہ سال 112 فیصد اضافہ ہے۔ نیٹ مارک آپ آمدنی 84.2 ارب روپے رہی جس کی وجہ یو بی ایل کے کرنٹ اکاؤنٹ ڈپازٹس میں اضافہ ہوتا ہے۔

بینک نے Q1'25 میں بنیادی آمدنی میں مستحکم اضافے کے ساتھ 15.6 ارب روپے کی نان مارک آپ آمدنی حاصل کی۔ Q1'25 میں فیس اور کمیشن کی مد میں 6.5 ارب روپے کی آمدنی حاصل کی گئی جو کہ سال بہ سال 23 فیصد اضافہ ہے۔ اس کی وجہ کارڈ سے متعلقہ فیسوں میں مضبوط اضافہ ہے، جو مضبوط تجارتی آمدنی، کارپوریٹ سروس فیس اور ملکی ترسیلات زر کے شعبے میں یو بی ایل کی مسلسل قائدانہ تعاون سے ممکن ہوا۔

بینک کے آپریٹنگ اخراجات میں Q1'24 کے مقابلے میں 40% کا اضافہ ریکارڈ کیا گیا ہے جو بڑھ کر Q1'25 میں 24.6 ارب روپے تک پہنچ گیا۔ ایسا عملے کی لاگت میں سال بہ سال 30 فیصد اضافے کے ساتھ 9.7 ارب روپے، پراپرٹی سے متعلق سال بہ سال 42 فیصد اضافے کے ساتھ 3.4 ارب روپے اور آئی ٹی اخراجات میں 27 فیصد اضافے کے ساتھ 2.5 ارب روپے تک پہنچ جانے کے باعث ہوا۔ بینک ترقی میں مزید اضافے کے لیے اپنے برانچ نیٹ ورک، ڈیجیٹل پروڈکٹس اور آئی ٹی انفراسٹرکچر میں مسلسل سرمایہ کاری کو جاری رکھے ہوئے ہے۔





یو بی ایل نے Q1'24 کے 1.7 ارب روپے کے نیٹ پرویشن چارجز کے مقابلے میں Q1'25 میں 1.6 ارب روپے کا نیٹ پرویشن ریکارڈ کیا گیا، جو کہ بنیادی طور پر بین الاقوامی پورٹ فولیو میں وصولیوں کے نتیجے میں ممکن ہوا ہے۔






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