



Meezan Bank
The Premier Islamic Bank



Best Bank
2018, 2020 & 2023

Pakistan Banking Awards

FORM-8

August 27, 2025

MEBL/CS/PSX-20/085/2025

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi.

TRANSMISSION OF QUARTERLY REPORT OF MEEZAN BANK LIMITED FOR THE PERIOD ENDED JUNE 30, 2025

Dear Sir,

السَّلَامُ عَلَيْكُمْ

We have to inform you that the Quarterly Report of Meezan Bank for the period ended **June 30, 2025** have been transmitted through PUCARS and is also available on Bank's website.

You may please inform the TRE Certificate Holders of the Exchange accordingly.

Yours Sincerely,

Muhammad Sohail Khan
Company Secretary

Encl: As above.

Meezan Bank Ltd.

Head Office : Meezan House, C-25, Estate Avenue, SITE, Karachi - Pakistan.
PABX: (92-21) 38103500 UAN: 111-331-331 & 111-331-332 www.meezanbank.com



Meezan Bank
The Premier Islamic Bank

HALF YEARLY REPORT

JUNE 30, 2025



CONTENTS

Corporate Information	03
Directors' Review	04
Independent Auditor's Review Report To The Members Of Meezan Bank Limited	12
Condensed Interim Unconsolidated Statement of Financial Position	13
Condensed Interim Unconsolidated Statement of Profit and Loss Account	14
Condensed Interim Unconsolidated Statement of Comprehensive Income	15
Condensed Interim Unconsolidated Statement of Changes in Equity	16
Condensed Interim Unconsolidated Cash Flow Statement	18
Notes to and Forming Part of the Condensed Interim Unconsolidated Financial Statements	19
Condensed Interim Consolidated Statement of Financial Position	50
Condensed Interim Consolidated Statement of Profit and Loss Account	51
Condensed Interim Consolidated Statement of Comprehensive Income	52
Condensed Interim Consolidated Statement of Changes in Equity	53
Condensed Interim Consolidated Cash Flow Statement	55
Notes to and Forming Part of the Condensed Interim Consolidated Financial Statements	56

CORPORATE INFORMATION

FOR THE HALF YEAR ENDED JUNE 30, 2025

Board of Directors	Riyadh S. A. A. Edrees Bader H. A. M. A. AlRabiah Saad Ur Rahman Khan Faisal Fahad AlMuzaini Tariq Mahmood Pasha Zine Elabidine Bachiri Mohammad Abdul Aleem Nausheen Ahmad Abdulrazzaq T.A.M. Razooqi Irfan Siddiqui	Chairman Vice Chairman President & CEO (Executive Director)
Shariah Board	Justice (Retd.) Muhammad Taqi Usmani Dr. Muhammad Imran Ashraf Usmani Sheikh Esam Mohamed Ishaq Mufti Zubair Ahmed Mufti Muhammad Naveed Alam	Chairman Resident Shariah Board Member
Management	Irfan Siddiqui Syed Amir Ali	President & CEO Deputy CEO
Board Audit Committee	Mohammad Abdul Aleem Saad Ur Rahman Khan Tariq Mahmood Pasha Abdulrazzaq T.A.M. Razooqi	
Board Risk Management Committee	Saad Ur Rahman Khan Bader H. A. M. A. AlRabiah Zine Elabidine Bachiri Abdulrazzaq T.A.M. Razooqi	
Board Human Resources, Remuneration & Compensation Committee	Riyadh S. A. A. Edrees Mohammad Abdul Aleem Nausheen Ahmad	
Board Information Technology Committee	Saad Ur Rahman Khan Riyadh S. A. A. Edrees Bader H. A. M. A. AlRabiah Irfan Siddiqui	
Board IFRS 9 Committee	Riyadh S. A. A. Edrees Faisal Fahad AlMuzaini Irfan Siddiqui	
Resident Shariah Board Member	Mufti Muhammad Naveed Alam	
Chief Financial Officer	Syed Imran Ali Shah	
Company Secretary	Muhammad Sohail Khan	
Auditors	A. F. Ferguson & Co., Chartered Accountants	
Legal Adviser	Haidermota & Co. Advocates	
Registered Office and Head Office	Meezan House C-25, Estate Avenue, SITE, Karachi - 75730, Pakistan Phone: (92-21) 38103500, 37133500, Fax: (92-21) 36406056 24/7 Call Centre: (92-21) 111-331-331 & 111-331-332	
E-mail	info@meezanbank.com	
Website	www.meezanbank.com www.meezanbank.pk	
Shares Registrar	THK Associates (Pvt.) Ltd Plot No, 32-C, Jami Commercial, Street 2, DHA, Phase VII, Karachi - 75500, Pakistan Phone: (92-21) 111-000-322, 35310191-6 Email: secretariat@thk.com.pk, sfc@thk.com.pk Website: www.thk.com.pk	



The Board of Directors is pleased to present the condensed interim unaudited unconsolidated and consolidated financial statements of Meezan Bank Limited for the half year ended June 30, 2025.

Economy

Pakistan's economy continued its recovery momentum during FY2025, building on the stabilisation efforts initiated in response to the significant macroeconomic challenges experienced between 2022 and 2024. This positive trajectory has been supported by prudent fiscal consolidation, an effective monetary stance and the initiation of long-overdue structural reforms aimed at restoring investor confidence and improving the economy's long-term resilience. A notable highlight has been progress in the energy sector, where reforms have targeted operational inefficiencies and fiscal leakages, contributing to improved medium-term sustainability. These efforts, combined with a stabilising political environment and improved external sector dynamics, helped anchor economic prospects.

During FY2025, Pakistan's real GDP expanded by 2.68%, reflecting broad-based stabilisation efforts across major macroeconomic segments. Fiscal, monetary and external fronts showed sustained resilience, with improved revenue mobilization, disciplined public spending and a narrowing fiscal deficit.

Inflationary pressures, which had reached historic levels in FY2023, have eased considerably. By June 2025, Consumer Price Index (CPI) based inflation had declined to 3.2%, marking a significant improvement in price stability. This disinflationary trend enabled the State Bank of Pakistan (SBP) to adopt a more accommodative monetary policy stance, cutting the policy rate by a cumulative 1,100 basis points —from 22% in June 2024 to 11% by May 2025. This substantial monetary easing is expected to support a resurgence in private sector credit, whilst stimulating domestic investment and consumer spending.

Financial markets responded positively to these macroeconomic developments. The Pakistan Stock Exchange (PSX) closed CY2024 at an all-time high of 115,127 points, gaining further ground to reach 125,627 by June 2025 —a 9.1% year-to-date increase. The rally was underpinned by falling interest rates, strong corporate earnings and renewed investor optimism surrounding the reform agenda.

External sector dynamics also improved significantly. Workers' remittances surged to \$38 billion in FY2025 — up 27% from \$30 billion in the previous year — reflecting both policy measures to incentivize formal remittance flows and a rebound in regional labour markets. This, combined with improved export performance and constrained imports, contributed to Pakistan recording its first current account surplus in fourteen years, amounting to \$2.1 billion. In May 2025, the International Monetary Fund (IMF) approved the disbursement of a \$1 billion tranche under the Extended Fund Facility (EFF), reaffirming Pakistan's commitment to reform and unlocking additional multilateral and bilateral support. As a result, Pakistan's overall forex reserves increased by 19%, reaching \$19 billion by June 2025, up from \$16 billion at the end of CY2024. The Pakistani Rupee (PKR) exhibited relative stability, depreciating only modestly to PKR 283.8 per USD by June 2025 compared to PKR 278.6 in December 2024. This orderly adjustment reflected improved external buffers, enhanced FX liquidity and more transparent exchange rate management.

Overall, the macroeconomic outlook for Pakistan is increasingly positive. Key indicators such as declining inflation, reduced interest rates, strengthening foreign exchange reserves and the elimination of the current account deficit collectively signal a supportive environment for sustained growth. However, downside risks remain — including external vulnerabilities linked to global commodity prices, geopolitical tensions and shifts in global monetary policy. Continued commitment to structural reforms, particularly in the energy and tax sectors, as well as improvements in governance and institutional capacity, will be critical to ensuring long-term macroeconomic stability and inclusive growth.

DIRECTORS' REVIEW

Financial Highlights

By the grace of Allah Almighty, Meezan Bank remained resilient during the first half of 2025. The Bank reported a Profit After Tax of Rs 46.2 billion, compared to Rs 51.4 billion in the corresponding period of the previous year — reflecting a 10% decline primarily due to a significantly lower policy rate environment, implementation of minimum deposit rate on Islamic Banks and an increase in the applicable tax regime. Basic Earnings per Share (EPS) stood at Rs 25.72 as of June 2025, against Rs 28.72 in the same period last year. The Bank maintained a strong Return on Equity (ROE) of 36.4% and Return on Assets (ROA) of 2.3% for the period under review. Alhamdulillah, the Bank continues to have one of the best ROEs in the industry, in line with its commitment to delivering sustainable value to shareholders. Our consistent profitability, underpinned by a disciplined approach to balancing dividend payouts with profit retention, has resulted in robust internal capital generation. As a result, the Bank's Capital Adequacy Ratio (CAR) remains strong at over 20%, well above the regulatory requirement.

The Board is pleased to announce the approval of an interim cash dividend of Rs 7.00 (70%) for the second quarter bringing the total cash dividend payout for the half year ended June 30, 2025 to Rs 14.00 per share (140%) as Rs 7.00 per share (70%) interim cash dividend was paid for the first quarter.

The Bank remains committed to its longstanding tradition of declaring dividends consistently every year since its listing on the Pakistan Stock Exchange. Meezan Bank has upheld its position as the second most valuable bank in Pakistan, with a market capitalization of \$2.1 billion. This reflects the continued confidence of investors in the Bank's leadership, operational performance and prospects for sustainable growth. The financial highlights of Meezan Bank for the period are presented below:

Rupees in millions

Statement of Financial Position	June 30, 2025	December 31, 2024	Growth %
Total Assets	4,138,549	3,902,073	6%
Investments	2,390,258	1,870,536	28%
Islamic financing and related assets - Gross	1,189,459	1,556,362	(24%)
Deposits	3,042,539	2,584,871	18%
ADR (Gross Advances to Deposits)- %	39.1%	60.2%	(21%)
Equity	264,439	246,984	7%

Rupees in millions

Profit & Loss Account	Jan - June 2025	Jan - June 2024	Growth %
Profit / return earned on financing, investments and placements	209,526	249,668	(16%)
Profit on deposits and other dues expensed	(83,770)	(112,177)	(25%)
Net spread earned	125,756	137,491	(9%)
Fee, commission and other non-funded income	16,393	11,681	40%
Operating income	142,149	149,172	(5%)
Operating and other expenses	(36,328)	(43,570)	(17%)
Profit before credit loss allowance / provisions	105,821	105,602	(0%)
Credit loss allowance and write offs - net	(3,379)	672	(603%)
Profit before tax	102,442	106,274	(4%)
Taxation	(56,278)	(54,830)	3%
Profit after tax	46,164	51,444	(10%)
Basic Earnings per share - Rupees	25.72	28.72	(10%)
Number of branches	1,057	1,010	5%

DIRECTORS' REVIEW

The Bank achieved a significant milestone by surpassing Rs 3 trillion in total deposits, closing the first half of 2025 with a Deposits portfolio of Rs 3.04 trillion — an 18% increase from Rs 2.58 trillion at the end of December 2024. Approximately 686,000 new-to-bank accounts were added over the course of the half year, thereby enhancing the Bank's portfolio of deposit relationships. Current Account (CA) deposits comprise just over half of the total deposit portfolio, totalling Rs 1.54 trillion. Meanwhile, Current and Savings Account (CASA) deposits collectively represent 94% of the deposit base, amounting to Rs 2.86 trillion.

As of June 2025, total assets stood at Rs 4.1 trillion, reflecting a 6% increase over December 2024. The investment portfolio expanded significantly by 28% year-on-year, reaching Rs 2.4 trillion. This growth is primarily attributable to the regular Sukuk auctions conducted by the Government of Pakistan which have helped ease the liquidity management challenges historically faced by the Islamic Banking Industry (IBI). Conversely, the gross financing portfolio declined by 24% from Rs 1.56 trillion in December 2024 to Rs 1.19 trillion at the end of the current period.

Meezan Bank continues to demonstrate exemplary asset quality, outperforming industry benchmarks with a Non-Performing Financing (NPF) ratio of 2.5%. The Bank maintains a strong provisioning position against non-performing financings, resulting in a coverage ratio exceeding 140%.

Meezan Bank continued to demonstrate steady growth within its Small and Medium Enterprises (SME) banking segment during the first half of 2025. The SME portfolio grew to Rs 34.1 billion by June end, driven by a sustained strategic focus on both the core SME portfolio and the Commercial Vehicle segment. This performance was further reinforced through active participation in key initiatives supported by the State Bank of Pakistan (SBP), including the Islamic SME Asaan Finance Scheme (ISAAF), the Prime Minister's Youth Business and Agriculture Loan Scheme (PMYBL & ALS) and the Islamic Refinance Facility for the Modernisation of SMEs. These programmes continue to enhance access to finance for underserved segments while aligning with the Bank's commitment to promoting Shariah-compliant financial inclusion. In line with its efforts to accelerate digital transformation in SME financing, Meezan Bank relaunched its Digital Supply Chain Financing programme in partnership with one of the leading food processing chains in Pakistan. As of June 2025, the Supply Chain Financing portfolio crossed Rs 7 billion.

Returns from financing, investments and placements declined to Rs 210 billion during the period under review, compared to Rs 250 billion in the corresponding period of the previous year. This decrease is primarily attributable to the lower policy rate. For the half-year, the average Policy Rate stood at 11.8% marking a substantial reduction of 1,000 basis points from 21.8% in June 2024. Similarly, expense on Deposits and Other Dues declined to Rs 83.8 billion, compared to Rs 112.2 billion in June 2024, reflecting a 25% decrease.

Fee, commission and other income recorded strong growth, increasing by 40% to Rs 16.4 billion from Rs 11.7 billion in June 2024. Core fee and commission income rose by 15% to Rs 10.9 billion, driven primarily by higher contributions from trade handling, branch banking and debit cards. During the first half of 2025 Meezan Bank's cards portfolio reached 4.18 million, representing a robust growth of 22% compared to June 2024. Further advancing its digital banking proposition, Meezan Bank successfully launched Google Wallet for all its debit cardholders — a significant development in Pakistan's digital payments landscape. As one of the few banks selected for the initial rollout, Meezan has reinforced its position as a technology leader, offering customers faster, safer and more convenient payment solutions.

Operating and other expenses experienced a significant decrease (17%) from Rs 43.6 billion to Rs 36.3 billion mainly due to lower variable compensation expense.

Meezan Bank's mobile application continues to lead the digital banking landscape, upholding its strong reputation for user-friendliness, speed and high availability. With a growing user base exceeding 3.6 million, the app remains a vital platform for customers seeking efficient and seamless banking services. The app's consistently high performance is further validated by its sustained top-tier ratings on both the Google Play Store and Apple App Store over the past five years.

DIRECTORS' REVIEW

Meezan Bank remains committed to its digital transformation strategy, focused on enhancing customer experience and optimizing back-office operations. Adopting a hybrid growth model, the Bank has expanded its physical footprint in underserved regions while actively onboarding customers through digital channels. Our strategically dispersed branch network now includes 1,057 branches across 352 cities nationwide, complemented by an ATM network exceeding 1,250 touchpoints, ensuring broad accessibility and convenience for our customers.

The VIS Credit Rating Company Limited has reaffirmed Meezan with the highest possible credit rating - 'AAA' (Triple A) rating for the Long Term and an 'A1+' (A-One Plus) rating for the Short Term, maintaining a stable outlook.

Outlook

Meezan Bank remains firmly committed to fostering the economic development and financial stability of the country by playing a leading role in the advancement of Islamic Banking. Our strategic direction is fully aligned with the Government's policy priorities on Islamic Finance and adheres to the Honourable Federal Shariat Court's directive for transitioning towards a fully Shariah-compliant financial system. Our growth strategy is centred on maintaining a prudent balance, diversifying across key sectors and consistently exceeding regulatory benchmarks for financial stability. We continue to expand our footprint through both physical branches and digital platforms, with a particular focus on delivering high-quality digital services to reinforce our leadership position in the industry.

This year, the Bank is facing several new challenges, including the impact of a reduced policy rate, the introduction of a Minimum Deposit Rate (MDR) on Savings Deposits, and a high tax rate environment. In response, the Bank has prioritized the growth of its core deposits as a strategic measure to offset these pressures.

We wish to convey our sincere appreciation to the State Bank of Pakistan, the Ministry of Finance, and the Securities and Exchange Commission of Pakistan for their steadfast commitment to fostering a sustainable Islamic financial system in the country. Our notable achievements during the year would not have been possible without the proactive support of our diverse customer base, to whom we extend our deepest gratitude. We also express our heartfelt thanks to the Board of Directors, members of the Shariah Board, our shareholders and the holders of Additional Tier I Sukuk and Subordinated Sukuk (Tier II) for their continued confidence and support, which have been pivotal in establishing Meezan Bank as the country's leading Islamic bank.

The Board extends its sincere appreciation to every member of our dedicated team for their exemplary efforts and steadfast commitment to advancing the mission of Islamic banking. Above all, we humbly acknowledge and express our profound gratitude to Allah Almighty for His continued blessings upon the Bank and all its stakeholders, which have been instrumental in enabling our significant achievements within a relatively short timeframe. We earnestly seek His continued guidance and support, praying that He grants us the strength and wisdom to realize our vision of establishing "Islamic banking as the banking of first choice."

On behalf of the Board



Riyadh S.A.A. Edrees
Chairman



Irfan Siddiqui
President & CEO

Islamabad:
August 13, 2025

ڈائریکٹر کی طرف سے جائزہ بِسْمِ اللّٰهِ الرَّحْمٰنِ الرَّحِیْمِ

بورڈ آف ڈائریکٹرز کے لیے 30 جون 2025 کو اختتام پزیر ہونے والے نصف سال کے لیے میزان بینک کے مختصر عبوری غیر آڈٹ شدہ انفرادی اور اجتماعی مالیاتی گوشوارے پیش کرنا باعث مسرت ہے۔

معاشی جائزہ

پاکستان کی معیشت نے مالی سال 2025 کے دوران اپنی بحالی کی رفتار برقرار رکھی، جو 2022 سے 2024 کے درمیان درپیش سنگین معاشی چیلنجز کے جواب میں شروع کی گئی اسٹاک می کو ششوں پر مبنی ہے۔ اس مثبت رجحان کو محتاط مالیاتی نظم و ضبط، موثر مالیاتی پالیسی، اور سرمایہ کاروں کا اعتماد بحال کرنے اور معیشت کا طویل مدتی استحکام یقینی بنانے کے لیے شروع کی گئی دیرینہ ساختی اصلاحات سے تقویت ملی۔ توانائی کے شعبے میں نمایاں پیش رفت ہوئی، جہاں اصلاحات نے آپریشنل کمزوریوں اور مالیاتی نقصانات کو ہدف بنایا، جس سے درمیانی مدت میں پائیداری میں بہتری آئی۔ ان کو ششوں نے سیاسی ماحول میں استحکام اور بیرونی شعبے کی بہتر کارکردگی کے ساتھ مل کر معاشی امکانات کو مضبوط بنیاد فراہم کی۔

مالی سال 2025 کے دوران پاکستان کی حقیقی مجموعی قومی پیداوار (GDP) میں 2.68 فیصد اضافہ ہوا، جو بڑے معاشی شعبوں میں جامع اسٹاک می اقدامات کا مظہر ہے۔ مالیاتی، زر مبادلہ اور بیرونی شعبوں نے مسلسل مضبوطی کا مظاہرہ کیا، جس میں ٹیکسوں کی بہتر وصولی، عوامی اخراجات میں نظم و ضبط، اور مالیاتی خسارے میں کمی شامل ہے۔

افراط زر کے دباؤ میں، جو مالی سال 2023 میں تاریخی سطح تک پہنچ گیا تھا، نمایاں کمی واقع ہوئی ہے۔ جون 2025 تک کنزیومر پرائس انڈیکس (CPI) افراط زر کم ہو کر 3.2 فیصد تک آگیا، جو قیمتوں کے استحکام میں ایک اہم بہتری کی علامت ہے۔ اس کی وجہ سے رجحان نے اسٹیٹ بینک آف پاکستان (SBP) کو زیادہ نرم مالیاتی پالیسی اپنانے کا موقع فراہم کیا، جس کے تحت پالیسی ریٹ میں مجموعی طور پر 1,100 بنیادی پوائنٹس کی کمی کی گئی۔ جو جون 2024 میں 22 فیصد تھا اور مئی 2025 تک کم ہو کر 11 فیصد پر آگیا۔ توقع کی جاتی ہے کہ اس سے نمایاں مالیاتی نرمی نجی شعبے کے قرضے میں بحالی، ملکی سرمایہ کاری اور صارفین کی طرف سے اخراجات کو فروغ ملے گا۔

مالیاتی منڈیوں نے ان معاشی پیش رفتوں پر مثبت رد عمل ظاہر کیا۔ پاکستان اسٹاک ایکسچینج (PSX) نے کیلنڈر سال 2024 کا اختتام 115,127 پوائنٹس کی بلند ترین سطح پر کیا، اور جون 2025 تک مزید اضافہ کرتے ہوئے 125,627 پوائنٹس تک پہنچ گئی۔ جو سال بہ سال بنیاد پر 9.1 فیصد اضافہ ہے۔ یہ تیزی کم شرح سود، مضبوط کارپوریٹ منافع جات، اور اصلاحاتی ایجنڈے سے متعلق سرمایہ کاروں کے نئے اعتماد کی بنیاد پر آئی۔

بیرونی شعبے کی کارکردگی میں بھی نمایاں بہتری دیکھنے میں آئی۔ مالی سال 2025 میں بیرون ملک مقیم پاکستانیوں کی ترسیلات زر 38 بلین ڈالر تک پہنچ گئیں۔ جو گزشتہ سال کے 30 بلین ڈالر کے مقابلے میں 27 فیصد اضافہ ہے۔ یہ اضافہ رسمی ذرائع سے ترسیلات کو فروغ دینے کی پالیسی کے تحت اقدامات اور علاقائی لیبر مارکیٹس کی بحالی کا مظہر ہے۔ برآمدات کی بہتر کارکردگی اور درآمدات میں محتاط کمی کے ساتھ مل کر، پاکستان نے چودہ سال بعد پہلی مرتبہ 2.1 بلین ڈالر کارنٹ اکاؤنٹ سرپلس ریکارڈ کیا۔ مئی 2025 میں بین الاقوامی مالیاتی فنڈ (IMF) نے توسیعی فنڈ سہولت (EFF) کے تحت ایک بلین ڈالر کی قسط کی منظوری دی، جو اصلاحات کے لیے پاکستان کے عزم کی توثیق اور مزید کثیر الجہتی دود طرفہ معاونت کے دروازے کھولنے کا باعث بنی۔ اس کے نتیجے میں پاکستان کے مجموعی زر مبادلہ ذخائر میں 19 فیصد اضافہ ہوا، جو جون 2025 تک امریکی ڈالر کے مقابلے میں معمولی کمی کے ساتھ 283.8 روپے فی ڈالر کی سطح پر آگیا، جو دسمبر 2024 میں 278.6 روپے تھا۔ یہ منظم ایڈجسٹمنٹ بہتر بیرونی مالیاتی تحفظات، زر مبادلہ کی بڑھتی ہوئی دستیابی، اور زیادہ شفاف ایکسچینج ریٹ منجمنٹ کی عکاسی کرتا ہے۔

مجموعی طور پر، پاکستان کا معاشی منظر نامہ بتدریج مثبت ہوتا جا رہا ہے۔ افراط زر میں کمی، شرح سود میں کمی، زر مبادلہ ذخائر میں استحکام، اور کارنٹ اکاؤنٹ خسارے کا خاتمہ جیسے کلیدی اشاریے مسلسل ترقی کے لیے سازگار ماحول کی نشاندہی کرتے ہیں۔ تاہم، کچھ خطرات بدستور موجود ہیں۔ جن میں عالمی اجناس کی قیمتوں سے جڑی بیرونی کمزوریاں، جغرافیائی سیاسی کشیدگیاں، اور عالمی مالیاتی پالیسی میں تبدیلیاں شامل ہیں۔ طویل مدتی معاشی استحکام اور جامع ترقی یقینی بنانے کے لیے توانائی اور ٹیکس کے شعبوں میں ساختی اصلاحات کے تسلسل، اور حکمرانی و ادارہ جاتی صلاحیت میں بہتری، نہایت اہم ہوں گے۔

اللہ تعالیٰ کے فضل و کرم سے میوزن بینک نے مالی سال 2025 کی پہلی ششماہی کے دوران بھر پور قوت استحکام کا مظاہرہ کیا۔ بینک نے 46.2 بلین روپے بعد از ٹیکس منافع درج کر لیا، جو گزشتہ سال کی اسی مدت کے 51.4 بلین روپے کے مقابلے میں 10 فیصد کمی ظاہر کرتا ہے۔ یہ کمی بنیادی طور پر پالیسی ریٹ میں نمایاں کمی، اسلامی بینکوں پر کم از کم ڈپازٹ ریٹ کے نفاذ، اور قابل اطلاق ٹیکس نظام میں اضافے کی وجہ سے ہوئی۔ جون 2025 تک بنیادی فی حصص آمدنی (EPS) 25.72 روپے رہی، جو گزشتہ سال اسی مدت میں 28.72 روپے تھی۔ بینک نے اس مدت کے دوران 36.4 فیصد ایکویٹی پر منافع (ROE) اور 2.3 فیصد اثاثہ جات پر آمدنی (ROA) کی منظم شرح برقرار رکھی۔ الحمد للہ، بینک اب بھی انڈسٹری میں بہترین ایکویٹی پر منافع رکھنے والے اداروں میں شامل ہے، جو حصص یافتگان کو پائیدار قدر فراہم کرنے کے عزم کا مظہر ہے۔ مستقل منافع بخش کارکردگی، منافع کی تقسیم اور اسے برقرار رکھنے کے درمیان متوازن اور منظم حکمت عملی کے باعث بینک نے اندرونی سرمایہ میں مضبوط اضافہ کیا ہے۔ نتیجتاً، بینک کی مالیاتی متناسب شرح (کسیٹیل ایڈی کوئی ریٹیو) 20 فیصد سے زائد ہے، جو ریگولیٹری تقاضوں سے کہیں زیادہ ہے۔

بورڈ کو یہ اعلان کرتے ہوئے خوشی ہو رہی ہے کہ دوسری سہ ماہی کے لیے 7.00 روپے (70 فیصد) عبوری کیش ڈیویڈنڈ کی منظوری دی گئی ہے، جس سے 30 جون 2025 کو ختم ہونے والی ششماہی کے لیے مجموعی کیش ڈیویڈنڈ کی ادائیگی 14.00 روپے فی حصص (140 فیصد) ہو گئی ہے، کیونکہ پہلی سہ ماہی کے لیے بھی 7.00 روپے فی حصص (70 فیصد) عبوری کیش ڈیویڈنڈ ادا کیا گیا تھا۔

بینک پاکستان اسٹاک ایکسچینج میں اپنی لسٹنگ کے بعد سے ہر سال باقاعدگی سے منافع کا اعلان کرنے کی روایت پر قائم ہے۔ میوزن بینک نے پاکستان میں دوسرا سب سے مالیاتی قدر رکھنے والا بینک ہونے کا مقام برقرار رکھا ہے، جس کی مارکیٹ کیپیٹلائزیشن 2.1 بلین امریکی ڈالر ہے۔ یہ سرمایہ کاروں کے اعتماد، بینک کی قیادت، آپریشنل کارکردگی اور پائیدار ترقی کے امکانات کی عکاسی کرتا ہے۔

مالیاتی جھلکیاں

زیر نظر مدت اور گزشتہ سال کی اسی مدت کے لیے مالیاتی جھلکیاں درج ذیل ہیں:

مالیاتی صورت حال کا گوشوارہ	30 جون، 2025	31 دسمبر، 2024	ملین روپے	(%) نمو
کل اثاثہ جات	4,138,549	3,902,073		6%
سرمایہ کاریاں	2,390,258	1,870,536		28%
اسلامی فنانسنگ اور متعلقہ اثاثہ جات - مجموعی	1,189,459	1,556,362		(24%)
ڈپازٹس	3,042,539	2,584,871		18%
ADR (ڈپازٹس کے مقابل مجموعی ایڈوانسز) - %	39.1%	60.2%		(21%)
ایکویٹی	264,439	246,984		7%

نفع نقصان کھاتہ	جنوری - جون 2025	جنوری - جون 2024	(%) نمو
فنانسنگ، سرمایہ کاری اور تینوں سے حاصل شدہ آمدنی / منافع	209,526	249,668	(16%)
جمع شدہ رقم پر منافع کی ادائیگی اور دیگر واجب الادا مصارف	(83,770)	(112,177)	(25%)
اصل منافع	125,756	137,491	(9%)
فیس، کمیشن کی آمدنی اور دیگر بلا سرمایہ آمدنی	16,393	11,681	40%
آپریٹنگ آمدنی	142,149	149,172	(5%)
انتظامی اور دیگر اخراجات	(36,328)	(43,570)	(17%)
قرض پر خسارے کے لیے مختصر رقم / پروویڈنٹس سے قبل منافع	105,821	105,602	0%
پروویڈنٹس اور قرضوں کی معافی - اصل	(3,379)	672	(603%)
قبل از ٹیکس منافع	102,442	106,274	(4%)
ٹیکس	(56,278)	(54,830)	3%
بعد از ٹیکس منافع	46,164	51,444	(10%)
بنیادی فی حصص آمدنی - روپے	25.72	28.72	(10%)
برانچوں کی تعداد	1,057	1,010	5%

بینک کے مجموعی ڈپازٹس 3 ٹریلین روپے سے تجاوز کرنے سے ایک اہم سنگ میل حاصل کر لیا گیا، اور مالی سال 2025 کی پہلی ششماہی کے اختتام پر ڈپازٹس کا مجموعی حجم 3.04 ٹریلین روپے رہا۔ جو دسمبر 2024 کے اختتام پر 2.58 ٹریلین روپے کے مقابلے میں 18 فیصد اضافہ ظاہر کرتا ہے۔ اس عرصے کے دوران تقریباً 6 لاکھ 86 ہزار نئے اکاؤنٹس کھولے گئے، جس سے بینک کے ڈپازٹ ریلیشن شپ پورٹ فولیو میں مزید وسعت آئی۔ کرنٹ اکاؤنٹ (CA) ڈپازٹس مجموعی پورٹ فولیو کا نصف سے کچھ زائد حصہ ہیں، جن کا حجم 1.54 ٹریلین روپے ہے۔ جبکہ کرنٹ اور سیونگز اکاؤنٹ (CASA) ڈپازٹس مجموعی ڈپازٹس میں 94 فیصد ہیں، جن کی مالیت 2.86 ٹریلین روپے ہے۔

جون 2025 تک بینک کے کل اثاثہ جات 4.1 ٹریلین روپے تک پہنچ گئے، جو دسمبر 2024 کے مقابلے میں 6 فیصد اضافہ ظاہر کرتے ہیں۔ سرمایہ کاری پورٹ فولیو میں سال بہ سال بنیاد پر 28 فیصد کا نمایاں اضافہ ہوا، جو 2.4 ٹریلین روپے تک پہنچ گیا۔ یہ اضافہ بنیادی طور پر حکومت پاکستان کی جانب سے باضابطہ منسکویں کے باعث ممکن ہوا، جنہوں نے اسلامی بینکاری کے شعبے کو درپیش لیکویڈیٹی بینچمنٹ کے دیرینہ چیلنجز کو کم کرنے میں مدد دی۔ اس کے برعکس، مجموعی فنانسنگ پورٹ فولیو میں 24 فیصد کمی واقع ہوئی، جو دسمبر 2024 میں 1.56 ٹریلین روپے تھا اور موجودہ مدت کے اختتام پر کم ہو کر 1.19 ٹریلین روپے رہ گیا۔

میزان بینک نے اثاثہ جات کے معیار میں مثالی کارکردگی کا مظاہرہ جاری رکھا، اور غیر فعال قرضوں (NPF) کا تناسب 2.5 فیصد رہا، جو انڈسٹری کے معیار سے بہتر ہے۔ بینک نے غیر فعال قرضوں کے خلاف مضبوط احتیاطی بندوبست برقرار رکھا، جس کے نتیجے میں کوریج ریٹ 140 فیصد سے زائد رہا۔

میزان بینک نے مالی سال 2025 کی پہلی ششماہی کے دوران چھوٹے اور درمیانے درجے کے کاروبار (SME) کے بینکاری شعبے میں مسلسل ترقی کا مظاہرہ جاری رکھا۔ SME پورٹ فولیو جن کے اختتام تک بڑھ کر 34.1 بلین روپے تک پہنچ گیا، جو بنیادی SME پورٹ فولیو اور کمرشل ویکل سیکلر پر مسلسل حکمت عملی کے ارتکاز کا نتیجہ ہے۔ یہ کارکردگی اسٹیٹ بینک آف پاکستان (SBP) کی معاونت سے جاری اہم اقدامات میں فعال شرکت کے ذریعے مزید مستحکم ہوئی، جن میں اسلامی SME آسان فنانس اسکیم (ISAAF)، وزیراعظم پوتھ بزنس اور زرعی قرض اسکیم (PMYBL & ALS)، اور SMEs کی جدید کاری کے لیے اسلامی ریفنانس سہولت شامل ہیں۔ یہ پروگرام ان طبقات تک مالیاتی رسائی بڑھا رہے ہیں جو روایتی طور پر نظر انداز کیے جاتے رہے ہیں، اور میزان بینک کے شرعی اصولوں پر مبنی مالیاتی شمولیت کے عزم سے ہم آہنگ ہیں۔ SME فنانسنگ میں ڈیجیٹل تبدیلی تیز کرنے کی کوششوں کے تحت، میزان بینک نے پاکستان کی ایک نمایاں فوڈ پروسیسنگ چین کے ساتھ شراکت میں اپنا ڈیجیٹل سپلائی چین فنانسنگ پروگرام دوبارہ شروع کیا۔ جون 2025 تک سپلائی چین فنانسنگ پورٹ فولیو 7 بلین روپے سے تجاوز کر گیا۔

فنانسنگ، سرمایہ کاری اور تعین سے حاصل ہونے والی آمدنی رواں مدت کے دوران کم ہو کر 210 بلین روپے رہ گئی، جو گزشتہ سال کی اسی مدت میں 250 بلین روپے تھی۔ یہ کمی بنیادی طور پر پالیسی ریٹ میں کمی کی وجہ سے ہوئی۔ ششماہی کے دوران اوسط پالیسی ریٹ 11.8 فیصد رہا، جو جون 2024 میں 21.8 فیصد تھا۔ یعنی 1,000 بنیادی پوائنٹس کی نمایاں کمی۔ اسی طرح، ڈپازٹس اور دیگر واجبات پر اخراجات کم ہو کر 83.8 بلین روپے رہے، جو جون 2024 میں 112.2 بلین روپے تھے، اور یہ 25 فیصد کمی ظاہر کرتا ہے۔

فیس، کمیشن اور دیگر آمدنی میں مضبوط اضافہ ریکارڈ کیا گیا، جو جون 2024 میں 11.7 بلین روپے کے مقابلے میں بڑھ کر 16.4 بلین روپے ہو گئی۔ یعنی 40 فیصد اضافہ ہوا۔ بنیادی فیس اور کمیشن کی آمدنی 15 فیصد بڑھ کر 10.9 بلین روپے تک پہنچ گئی، جس کی بنیادی وجہ تجارتی لین دین، برانچ بینکاری اور ڈیٹ کارڈز سے حاصل ہونے والی آمدنی میں اضافہ ہے۔ مالی سال 2025 کی پہلی ششماہی کے دوران میزان بینک کے کارڈز پورٹ فولیو میں 22 فیصد اضافہ ہوا، اور جون 2025 تک یہ 41.8 لاکھ کارڈز تک پہنچ گیا۔ ڈیجیٹل بینکاری کی پیشکش کو مزید فروغ دیتے ہوئے، میزان بینک نے اپنے تمام ڈیٹ کارڈ ہولڈرز کے لیے گوگل ویلیٹ کامیابی سے متعارف کرایا۔ جو پاکستان کے ڈیجیٹل ادائیگیوں کے منظر نامے میں ایک اہم پیش رفت ہے۔ ابتدائی مرحلے میں منتخب کیے گئے چند بینکوں میں شامل ہو کر، میزان بینک نے ٹیکنالوجی کے میدان میں اپنی قیادت مزید مستحکم کی ہے، اور صارفین کو ادائیگی کے زیادہ تیز، محفوظ اور سہل حل فراہم کیے ہیں۔

انٹظامی اور دیگر اخراجات میں نمایاں کمی واقع ہوئی، جو 17 فیصد کم ہو کر 43.6 بلین روپے سے 36.3 بلین روپے رہ گئے، اور اس کی بنیادی وجہ متغیر معاوضے کے اخراجات میں کمی ہے۔

میزان بینک کی موبائل ایپلیکیشن ڈیجیٹل بینکاری کے میدان میں اپنی قیادت برقرار رکھے ہوئے ہے، اور صارف دوست انٹرفیس، رفتار اور اعلیٰ دستیابی کے حوالے سے اپنی مضبوط شہرت قائم رکھے ہوئے ہے۔ 36 لاکھ سے زائد صارفین پر مشتمل بڑھتی ہوئی یوزر بیس کے ساتھ، یہ ایپ ان صارفین کے لیے ایک اہم پلیٹ فارم بنی ہوئی ہے جو بینکاری کی موثر اور ہموار خدمات چاہتے ہیں۔ ایپ کی مسلسل اعلیٰ کارکردگی کی تصدیق گزشتہ پانچ برسوں کے دوران گوگل پلے اسٹور اور ایپ اسٹور پر اس کی مستقل اعلیٰ درجہ بندی سے ہوتی ہے۔

میزان بینک اپنی ڈیجیٹل تبدیلی کی حکمت عملی پر قائم ہے، جس کا مقصد صارف کا تجربہ بہتر بنانا اور بیک آفس آپریشنز موثر بنانا ہے۔ باہر ڈیجیٹل ماڈل اپناتے ہوئے، بینک نے پسماندہ علاقوں میں اپنی طبی موجودگی کو وسعت دی ہے، جبکہ ڈیجیٹل چیلنجز کے ذریعے صارفین کو فعال طور پر شامل کیا جا رہا ہے۔ ہماری حکمت عملی کے تحت پھیلا ہوا برانچ نیٹ ورک اب ملک بھر کے 352 شہروں میں 1,057 برانچ پر مشتمل ہے، جس کے ساتھ 1,250 سے زائد ایٹمی ٹیچ پوائنٹس کا نیٹ ورک موجود ہے، جو صارفین کے لیے وسیع رسائی اور سہولت یقینی بناتا ہے۔

VIS کریڈٹ ریٹنگ کمپنی لمیٹڈ نے میزان بینک کو طویل مدت کے لیے بلند ترین مکمل کریڈٹ ریٹنگ 'AAA' (ٹریپل اے) اور قلیل مدت کے لیے 'A1+' (اے ون پلس) ریٹنگ کے ساتھ مستحکم توقعات برقرار رکھتے ہوئے دوبارہ تصدیق فراہم کی ہے۔

مستقبل کے امکانات

میزان بینک ملک کی اقتصادی ترقی اور مالیاتی استحکام کے فروغ کے لیے اسلامی بینکاری کے ارتقاء میں قائدانہ کردار ادا کرنے کے اپنے پختہ عزم پر قائم ہے۔ ہماری حکمت عملی حکومت کی اسلامی مالیات سے متعلق پالیسی ترجیحات سے مکمل طور پر ہم آہنگ ہے اور عزت مآب وفاقی شرعی عدالت کی ہدایت کے مطابق مکمل طور پر شرعی اصولوں پر مبنی مالیاتی نظام کی طرف منتقلی کے تقاضوں پر عمل پیرا ہے۔ ہماری ترقیاتی حکمت عملی محتاط توازن برقرار رکھنے، کلیدی شعبوں میں تنوع پیدا کرنے اور مالیاتی استحکام کے لیے ریگولیٹری معیار سے مسلسل بہتر کارکردگی دکھانے پر مرکوز ہے۔ ہم اپنی موجودگی کو طبعی برانچز اور ڈیجیٹل پلیٹ فارمز کے ذریعے وسعت دے رہے ہیں، اور خاص طور پر اعلیٰ معیار کی ڈیجیٹل خدمات کی فراہمی پر توجہ دے رہے ہیں تاکہ انڈسٹری میں اپنی قیادت مزید مستحکم کی جاسکے۔

اس سال بینک کو کئی نئے چیلنجوں کا سامنا ہے، جن میں کم پالیسی ریٹ کے اثرات، سیونگ ڈپازٹس پر کم از کم منافع کی شرح (Minimum Deposit Rate) کا نفاذ، اور بلند ٹیکس شرح کا ماحول شامل ہے۔ ان چیلنجوں کے جواب میں، بینک نے یہ دیا متوازن کرنے کے لیے بنیادی ڈپازٹس کے فروغ کو ترجیحی حکمت عملی کے طور پر اپنایا ہے۔

ہم اسٹیٹ بینک آف پاکستان (SBP)، وزارت خزانہ اور سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) کو ملک میں ایک مستحکم اسلامی مالیاتی نظام کے قیام کے لیے کی گئی ان کی مسلسل کوششوں اور وابستگی کے لیے خراج تحسین پیش کرتے ہیں۔ سال کے دوران ہماری امتیازی کامیابیاں ہمارے متنوع صارفین کے فعال تعاون کے بغیر ممکن نہیں ہو سکتی تھیں۔، جس کے لیے ہم ان کے ممنون احسان ہیں۔ ہم بورڈ آف ڈائریکٹرز، شریعہ بورڈ کے ممبران، ہمارے حصص یافتگان، اضافی Tier I صکوک اور ثانوی صکوک (Tier II) کو خراج تحسین پیش کرتے ہوئے ان کی معاونت کے لیے اظہار تشکر کرتے ہیں جنہوں نے میزان بینک کو ملک کا اولین اور ممتاز ترین اسلامی بینک کے لیے مسلسل سرپرستی کی ہے۔

بورڈ اپنی پر عزم اور مخلص ٹیم کے ہر رکن کو اسلامی بینکاری کا مشن آگے بڑھانے میں ان کی مثالی کاوشوں اور غیر متزلزل وابستگی پر دل کی گہرائی سے خراج تحسین پیش کرتا ہے۔ سب سے بڑھ کر ہم اللہ سبحانہ و تعالیٰ کے شکر گزار ہیں کہ اس کی مسلسل رحمت کے باعث ہم اس قلیل عرصے میں اتنی شاندار کامیابیوں کے حصول کے قابل ہو سکے ہیں اور ہم دعا گو ہیں کہ اللہ سبحانہ و تعالیٰ ہمیں حوصلہ اور دانائی عطا کرے کہ ہم اسلامی بینکاری کو پہلا انتخاب بنانے کا اپنا خواب تعبیر کی بلندیوں تک پہنچا سکیں۔ آمین۔



عرفان صدیقی

پریزیڈنٹ اینڈ سی ای او



ریاض اہس۔ اے۔ اے۔ اور میس

چیئرمین

اسلام آباد:

13 اگست، 2025

INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE MEMBERS OF MEEZAN BANK LIMITED

Report on review of Interim Financial Statements

Introduction

We have reviewed the accompanying unconsolidated condensed interim statement of financial position of Meezan Bank Limited ("the Bank") as at June 30, 2025 and the related unconsolidated condensed interim statement of profit and loss account, the unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim statement of changes in equity, and unconsolidated condensed interim cash flow statement, and notes to the unconsolidated condensed interim financial statements for the half year then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other Matter

Pursuant to the requirement of Section 237 (1) (b) of the Companies Act, 2017, only cumulative figures for the half year, presented in the second quarter accounts are subject to a limited scope review by the statutory auditors of the Bank. Accordingly, the figures of the unconsolidated condensed interim statement of profit and loss account and unconsolidated condensed interim statement of comprehensive income for the quarters ended June 30, 2025 and June 30, 2024 have not been reviewed by us.

The engagement partner on the audit resulting in this independent auditor's report is **Shahbaz Akbar**.

A. F. Ferguson & Co.

Chartered Accountants

Place: Karachi

Dated: August 26, 2025

UDIN: RR202510068NzECMJ2PS

CONDENSED INTERIM UNCONSOLIDATED

STATEMENT OF FINANCIAL POSITION (UNAUDITED)

AS AT JUNE 30, 2025

	Note	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
ASSETS			
Rupees in '000			
Cash and balances with treasury banks	6	284,370,870	260,734,258
Balances with other banks	7	30,745,623	13,424,950
Due from financial institutions	8	69,151,189	34,964,299
Investments	9	2,390,257,608	1,870,535,620
Islamic financing and related assets	10	1,145,053,902	1,514,755,936
Property and equipment	11	48,687,039	46,847,734
Right-of-use assets	12	20,718,134	21,230,197
Intangible assets	13	3,354,906	2,896,880
Deferred tax assets		-	-
Other assets	14	146,210,045	136,683,257
Total Assets		4,138,549,316	3,902,073,131
LIABILITIES			
Bills payable	15	94,275,613	112,605,407
Due to financial institutions	16	515,035,521	722,286,318
Deposits and other accounts	17	3,042,538,650	2,584,871,300
Lease liability against right-of-use assets	18	26,507,116	25,848,322
Sub-ordinated sukuks	19	16,990,000	20,990,000
Deferred tax liabilities	20	4,354,261	14,211,335
Other liabilities	21	174,409,631	174,276,157
Total Liabilities		3,874,110,792	3,655,088,839
NET ASSETS		264,438,524	246,984,292
REPRESENTED BY			
Share capital		17,947,407	17,947,407
Advance against issue of shares	34.2	417,509	-
Reserves		52,961,053	48,002,267
Surplus on revaluation of assets - net of tax	22	17,579,262	22,141,192
Unappropriated profit		175,533,293	158,893,426
		264,438,524	246,984,292
CONTINGENCIES AND COMMITMENTS	23		

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



Riyadh S. A. A. Edrees
Chairman



Irfan Siddiqui
President & Chief Executive



Mohammad Abdul Aleem
Director



Tariq Mahmood Pasha
Director



Syed Imran Ali Shah
Chief Financial Officer

CONDENSED INTERIM UNCONSOLIDATED

**STATEMENT OF PROFIT AND LOSS ACCOUNT (UNAUDITED)
FOR THE QUARTER AND HALF YEAR ENDED JUNE 30, 2025**

	Note	Quarter ended June 30, 2025	Quarter ended June 30, 2024 (Restated)	Half year ended June 30, 2025	Half year ended June 30, 2024 (Restated)
Rupees					
Profit / return earned on Islamic financing and related assets, investments and placements	24	101,909,368	130,463,215	209,525,897	249,668,053
Profit / return on deposits and other dues expensed	25	37,943,930	60,233,639	83,770,048	112,177,217
Net profit / return		63,965,438	70,229,576	125,755,849	137,490,836
OTHER INCOME					
Fee and commission income	26	5,342,308	4,418,018	10,872,870	9,466,922
Dividend income		177,001	475,901	884,137	918,548
Foreign exchange income		1,642,169	101,614	3,238,067	579,544
Gain on securities	27	658,139	54,692	669,304	114,792
Net gains on derecognition of financial assets measured at amortised cost		-	-	-	-
Other income	28	395,526	273,290	728,567	601,263
Total other income		8,215,143	5,323,515	16,392,945	11,681,069
Total income		72,180,581	75,553,091	142,148,794	149,171,905
OTHER EXPENSES					
Operating expenses	29	15,492,520	21,253,129	34,103,159	41,210,040
Workers welfare fund		1,153,016	1,107,525	2,169,016	2,226,141
Other charges	30	51,123	923	55,729	133,519
Total other expenses		16,696,659	22,361,577	36,327,904	43,569,700
Profit before credit loss allowance / provisions		55,483,922	53,191,514	105,820,890	105,602,205
Credit loss allowance / provisions and write offs / (reversal of provisions / credit loss allowance) - net	31	1,520,212	(935,211)	3,378,592	(672,201)
Extra ordinary / unusual items		-	-	-	-
Profit before taxation		53,963,710	54,126,725	102,442,298	106,274,406
Taxation	32	29,847,504	27,625,217	56,278,494	54,830,223
Profit after taxation		24,116,206	26,501,508	46,163,804	51,444,183
Rupees					
			(Restated)		(Restated)
Basic earnings per share	33	13.44	14.79	25.72	28.72
Diluted earnings per share	34	13.35	14.70	25.57	28.56

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



Riyadh S. A. A. Edrees
Chairman



Irfan Siddiqui
President & Chief Executive



Mohammad Abdul Aleem
Director



Tariq Mahmood Pasha
Director



Syed Imran Ali Shah
Chief Financial Officer

CONDENSED INTERIM UNCONSOLIDATED

STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

FOR THE QUARTER AND HALF YEAR ENDED JUNE 30, 2025

	Quarter ended June 30, 2025	Quarter ended June 30, 2024 (Restated)	Half year ended June 30, 2025	Half year ended June 30, 2024 (Restated)
	Rupees in '000			
Profit after taxation for the period	24,116,206	26,501,508	46,163,804	51,444,183
Other comprehensive income / (loss)				
Items that may be reclassified to statement of profit and loss account in subsequent periods:				
- Movement in surplus / (deficit) on revaluation of debt investments through FVOCI - net of tax	5,013,199	(1,453,038)	(4,357,892)	(2,907,824)
- Gain on sale of debt investments carried at FVOCI – reclassified to the statement of profit and loss account - net of tax	(309,181)	(28,262)	(314,361)	(58,913)
Items that will not be reclassified to the statement of profit and loss account in subsequent periods:				
- Movement in surplus on revaluation of equity investments through FVOCI - net of tax	212,307	518,171	329,136	597,359
Total Comprehensive Income for the period	29,032,531	25,538,379	41,820,687	49,074,805

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



Riyadh S. A. A. Edrees
Chairman



Irfan Siddiqui
President & Chief Executive



Mohammad Abdul Aleem
Director



Tariq Mahmood Pasha
Director



Syed Imran Ali Shah
Chief Financial Officer

CONDENSED INTERIM UNCONSOLIDATED
STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED JUNE 30, 2025

	Share capital	Advance against issue of shares	Capital reserves			Employee share option compensation reserve	Revenue reserve	Surplus / (deficit) on revaluation of		Unappropriated profit	Total
			Share premium	Statutory reserve *	Non-Distributable Capital Reserve - Gain on Bargain Purchase		General reserve	Investments	Non-banking Assets		
Rupees in '000											
Balance as at January 01, 2024 (Audited)	17,912,532	-	2,626,441	30,617,082	3,117,547	654,321	66,766	10,920,597	-	118,992,231	184,907,517
Impact of adoption of IFRS 9 - net of tax	-	-	-	-	-	-	-	1,188,390	-	25,760	1,214,150
Profit after taxation for the half year ended June 30, 2024 - Restated	-	-	-	-	-	-	-	-	-	51,444,183	51,444,183
Other comprehensive income / (loss) for the half year ended June 30, 2024 - net of tax											
- Movement in deficit on revaluation of investments in debt instruments at FVOCI - net of tax	-	-	-	-	-	-	-	(2,907,824)	-	-	(2,907,824)
- Gain on sale of debt investments carried at FVOCI reclassified to statement of profit or loss account - net of tax	-	-	-	-	-	-	-	(58,913)	-	-	(58,913)
- Movement in surplus on revaluation of equity investments carried at FVOCI - net of tax	-	-	-	-	-	-	-	597,359	-	-	597,359
Total other comprehensive loss - net of tax	-	-	-	-	-	-	-	(2,369,378)	-	-	(2,369,378)
Transfer from surplus on revaluation of assets to unappropriated profit - net of tax	-	-	-	-	-	-	-	(152,335)	-	152,335	-
Recognition of share based compensation	-	-	-	-	-	253,272	-	-	-	-	253,272
Other appropriations											
Transfer to statutory reserve*	-	-	-	5,175,311	-	-	-	-	-	(5,175,311)	-
Transactions with owners recognised directly in equity											
Final cash dividend for the year 2023 @ Rs 8 per share	-	-	-	-	-	-	-	-	-	(14,330,026)	(14,330,026)
First interim cash dividend for the year 2024 @ Rs 7 per share	-	-	-	-	-	-	-	-	-	(12,538,773)	(12,538,773)
Advance received against issue of 3,487,520 shares under the Employees share option scheme (note 34.2)	-	258,888	-	-	-	-	-	-	-	(26,868,799)	(26,868,799)
Balance as at June 30, 2024 (Unaudited) - restated	17,912,532	258,888	2,626,441	35,792,393	3,117,547	907,593	66,766	9,587,274	-	138,570,399	208,839,833
Profit after taxation for the half year ended December 31, 2024	-	-	-	-	-	-	-	-	-	50,063,341	50,063,341
Other comprehensive income / (loss) for the half year ended December 31, 2024 - net of tax											
- Movement in surplus on revaluation of investments in debt instruments at FVOCI - net of tax	-	-	-	-	-	-	-	12,999,512	-	-	12,999,512
- Gain on sale of debt investments carried at FVOCI reclassified to statement of profit or loss account - net of tax	-	-	-	-	-	-	-	(1,554,567)	-	-	(1,554,567)
- Remeasurement loss on defined benefit obligations - net of tax	-	-	-	-	-	-	-	-	-	(208,738)	(208,738)
- Movement in surplus on revaluation of equity investments carried at FVOCI - net of tax	-	-	-	-	-	-	-	1,633,776	-	-	1,633,776
Total other comprehensive income - net of tax	-	-	-	-	-	-	-	13,078,721	-	(208,738)	12,869,983
Transfer from surplus on revaluation of assets to unappropriated profit - net of tax	-	-	-	-	-	-	-	(524,803)	-	524,803	-
Recognition of share based compensation	-	-	-	-	-	337,505	-	-	-	-	337,505
Other appropriations											
Transfer to statutory reserve*	-	-	-	4,975,441	-	-	-	-	-	(4,975,441)	-
Transactions with owners recognised directly in equity											
Second interim cash dividend for the year 2024 @ Rs 7 per share	-	-	-	-	-	-	-	-	-	(12,563,185)	(12,563,185)
Third interim cash dividend for the year 2024 @ Rs 7 per share	-	-	-	-	-	-	-	-	-	(12,563,185)	(12,563,185)
Issue of 3,487,520 shares under the Employees share option scheme (note 34.2)	34,875	(258,888)	477,812	-	-	(299,231)	-	-	-	(25,126,370)	(25,126,370)
Balance as at December 31, 2024 (Audited)	17,947,407	-	3,104,253	40,767,834	3,117,547	945,867	66,766	22,141,192	-	158,893,426	246,984,292

**CONDENSED INTERIM UNCONSOLIDATED
STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED JUNE 30, 2025**

	Share capital	Advance against issue of shares	Capital reserves				Revenue reserve	Surplus / (deficit) on revaluation of		Unappropriated profit	Total
			Share premium	Statutory reserve *	Non-Distributable Capital Reserve - Gain on Bargain Purchase	Employee share option compensation reserve	General reserve	Investments	Non-banking Assets		
Rupees in '000											
Balance as at December 31, 2024 (Audited)	17,947,407	-	3,104,253	40,767,834	3,117,547	945,867	66,766	22,141,192	-	158,893,426	246,984,292
Profit after taxation for the half year ended June 30, 2025	-	-	-	-	-	-	-	-	-	46,163,804	46,163,804
Other comprehensive income / (loss) for the half year ended June 30, 2025 - net of tax											
-Movement in deficit on revaluation of investments in debt instruments at FVOCI - net of tax	-	-	-	-	-	-	-	(4,357,892)	-	-	(4,357,892)
-Gain on sale of debt investments at FVOCI reclassified to statement of profit or loss - net of tax	-	-	-	-	-	-	-	(314,361)	-	-	(314,361)
-Movement in surplus on revaluation of investments in equity instruments at FVOCI - net of tax	-	-	-	-	-	-	-	329,136	-	-	329,136
Total other comprehensive loss - net of tax	-	-	-	-	-	-	-	(4,343,117)	-	-	(4,343,117)
Transfer from surplus on revaluation of assets to unappropriated profit - net of tax	-	-	-	-	-	-	-	(218,813)	-	218,813	-
Recognition of share based compensation	-	-	-	-	-	342,406	-	-	-	-	342,406
Other appropriations											
Transfer to statutory reserve*	-	-	-	4,616,380	-	-	-	-	-	(4,616,380)	-
Transactions with owners recognised directly in equity											
Final cash dividend for the year 2024 @ Rs 7 per share	-	-	-	-	-	-	-	-	-	(12,563,185)	(12,563,185)
First interim cash dividend for the year 2025 @ Rs 7 per share	-	-	-	-	-	-	-	-	-	(12,563,185)	(12,563,185)
Advance received against issue of 5,813,938 shares under the Employees shares option scheme (note 34.2)	-	417,509	-	-	-	-	-	-	-	-	417,509
Balance as at June 30, 2025 (Unaudited)	<u>17,947,407</u>	<u>417,509</u>	<u>3,104,253</u>	<u>45,384,214</u>	<u>3,117,547</u>	<u>1,288,273</u>	<u>66,766</u>	<u>17,579,262</u>	<u>-</u>	<u>175,533,293</u>	<u>264,438,524</u>

*This represents reserve created under section 21(i)(b) of the Banking Companies Ordinance, 1962.

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



Riyadh S. A. A. Edrees
Chairman



Irfan Siddiqui
President & Chief Executive



Mohammad Abdul Aleem
Director



Tariq Mahmood Pasha
Director



Syed Imran Ali Shah
Chief Financial Officer

CONDENSED INTERIM UNCONSOLIDATED

CASH FLOW STATEMENT (UNAUDITED)

FOR THE HALF YEAR ENDED JUNE 30, 2025

	Note	Half year ended June 30, 2025	Half year ended June 30, 2024 (Restated)
Rupees in '000			
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before taxation		102,442,298	106,274,406
Less: Dividend income		(884,137)	(918,548)
		101,558,161	105,355,858
Adjustments:			
Depreciation	29	3,373,054	2,786,186
Net profit / return		(127,772,404)	(139,280,216)
Amortisation	29	394,075	334,544
Depreciation on right-of-use assets	29	1,418,699	1,229,332
Amortisation of lease liability against right-of-use assets	25	2,016,555	1,789,380
Credit loss allowance / provisions and write offs / (reversal of provisions / credit loss allowance) - net	31	3,378,592	(672,201)
Share based compensation expense		342,406	253,272
Unrealised (gain) / loss - FVTPL	27	(450)	4,755
Gain on sale of property and equipment	28	(320,565)	(233,040)
		(117,170,038)	(133,787,988)
		(15,611,877)	(28,432,130)
Decrease / (increase) in operating assets			
Due from financial institutions		(34,186,910)	-
Islamic financings and related assets		365,602,217	(160,652,041)
Other assets (excluding advance taxation and profit receivable)		(8,727,832)	(8,880,624)
		322,687,475	(169,532,665)
Increase / (decrease) in operating liabilities			
Bills payable		(18,329,794)	30,826,369
Due to financial institutions		(205,400,507)	18,838,807
Deposits and other accounts		457,667,350	197,404,325
Other liabilities (excluding current taxation and profit payable)		(8,106,296)	9,499,466
		225,830,753	256,568,967
		532,906,351	58,604,172
Net profit / return received		209,781,509	246,632,309
Net profit / return paid		(86,362,849)	(110,885,432)
Income tax paid		(48,669,723)	(46,501,424)
Net cash generated from operating activities		607,655,288	147,849,625
CASH FLOW FROM INVESTING ACTIVITIES			
Net (investments) / divestments in amortised cost securities		(67,627,222)	36,736
Net investments in securities classified as FVOCI		(464,947,608)	(75,856,114)
Net investments in securities classified as FVTPL		3,353,741	4,929,879
Net redemption in associates		-	(14,032)
Investment in subsidiaries		-	(1,000,000)
Dividends received		812,982	584,854
Investments in property and equipment		(5,275,970)	(8,155,012)
Investments in intangible assets		(852,101)	(832,277)
Proceeds from sale of property and equipment		664,801	392,922
Net cash used in investing activities		(533,871,377)	(79,913,044)
CASH FLOW FROM FINANCING ACTIVITIES			
Payment of lease liability against right-of-use assets	18	(2,264,397)	(1,944,169)
Redemption of subordinated sukuks		(4,000,000)	-
Advance received against issue of shares	34.2	417,509	258,888
Dividend paid		(25,119,633)	(27,695,656)
Net cash used in financing activities		(30,966,521)	(29,380,937)
Net Increase in cash and cash equivalents			
		42,817,390	38,555,644
Cash and cash equivalents at the beginning of the period		272,075,918	251,384,492
Expected credit loss allowance on cash and cash equivalents - net	31	(9,815)	(50,760)
Cash and cash equivalents at the end of the period	35	272,066,103	251,333,732
		314,883,493	289,889,376

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


Riyadh S. A. A. Edrees
Chairman


Irfan Siddiqui
President & Chief Executive


Mohammad Abdul Aleem
Director


Tariq Mahmood Pasha
Director


Syed Imran Ali Shah
Chief Financial Officer

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM UNCONSOLIDATED
FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2025**

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** Meezan Bank Limited (the Bank) was incorporated in Pakistan on January 27, 1997, as a public limited company under the provisions of the repealed Companies Ordinance, 1984 (now the Companies Act, 2017), and its shares are quoted on the Pakistan Stock Exchange Limited. The Bank was registered as an 'Investment Finance Company' on August 8, 1997, and carried on the business of investment banking as permitted under SRO 585(I)/87 dated July 13, 1987, in accordance and in conformity with the principles of Islamic Shariah. A 'Certificate of Commencement of Business' was issued to the Bank on September 29, 1997.
- 1.2** The Bank was granted a 'Scheduled Islamic Commercial Bank' license on January 31, 2002 and formally commenced operations as a Scheduled Islamic Commercial Bank with effect from March 20, 2002, on receiving notification in this regard from the State Bank of Pakistan (the SBP) under section 37 of the State Bank of Pakistan Act, 1956. Currently, the Bank is engaged in corporate, commercial, consumer, investment and retail banking activities.
- 1.3** The Bank was operating through one thousand and fifty seven branches as at June 30, 2025 (December 31, 2024: one thousand and fifty one branches). Its registered office is at Meezan House, C-25, Estate Avenue, SITE, Karachi, Pakistan.
- 1.4** The VIS Credit Rating Company Limited (VIS) has reaffirmed the Bank's medium to long-term rating as 'AAA' and short-term rating as 'A1+' on June 30, 2025 (2024: 'AAA' and 'A1+' dated June 28, 2024).

2 BASIS OF PRESENTATION

The Bank provides Islamic financing and related assets mainly through Murabaha, Istisna, Tijarah, Ijarah, Diminishing Musharakah, Running Musharakah, Bai Muajjal, Musawammah, Service Ijarah, Wakalah, Wakalah Tul Istithmar including under Islamic Export Refinance Scheme and various long term islamic refinancing facilities of the State Bank of Pakistan respectively.

The purchases and sales arising under these arrangements are not reflected in these unconsolidated condensed interim financial statements as such but are restricted to the amount of facility actually utilised and the appropriate portion of profit thereon. The income on such financing is recognised in accordance with the principles of Islamic Shariah. However, income, if any, received which does not comply with the principles of Islamic Shariah is recognised as charity payable if so directed by the Resident Shariah Board Member (RSBM) of the Bank.

3 STATEMENT OF COMPLIANCE

- 3.1** These unconsolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:
- International Accounting Standard - 34 "Interim Financial Reporting", issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017;
 - Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan (ICAP) as are notified under the Companies Act, 2017;
 - Provisions of and directives issued under the Banking Companies Ordinance, 1962 and the Companies Act, 2017; and
 - Directives issued by the State Bank of Pakistan (SBP) and the Securities 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.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM UNCONSOLIDATED
FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2025**

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

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

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

3.3.1 There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Bank's accounting periods beginning on or after January 1, 2025, but are considered not to be relevant or do not have any material effect on the Bank's operations and are therefore not detailed in these unconsolidated condensed interim financial statements. The comparative period has been restated to incorporate the impact of adoption of IFRS 9 as disclosed in note 5.1.1.

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

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Bank's accounting periods beginning on or after January 01, 2026 but are considered not to be relevant or will not have any material effect on the Bank's financial statements except for:

- the new standard - IFRS 18 'Presentation and Disclosure in Financial Statements' (published in April 2024) with applicability date of January 01, 2026 by IASB. IFRS 18 is yet to be adopted in Pakistan. IFRS 18 when adopted and applicable shall impact the presentation of 'Statement of Profit and Loss Account' with certain additional disclosures in the unconsolidated condensed interim financial statements.
- amendments to IFRS 9 'Financial Instruments' which clarify the date of recognition and derecognition of a financial asset or financial liability including settlement of liabilities through banking instruments and channels including electronic transfers. The amendment when applied may impact the timing of recognition and derecognition of financial liabilities.

4. BASIS OF MEASUREMENT

4.1 Accounting Convention

These unconsolidated condensed interim financial statements have been prepared under the historical cost convention, except for certain non banking assets acquired in satisfaction of claims which are stated at revalued amounts, investment classified at fair value through profit or loss and fair value through other comprehensive income, commitments in respect of certain foreign exchange contracts which are measured at fair value, staff retirement benefits and compensated absences which are carried at present value.

4.2 Functional and presentation currency

Items included in these unconsolidated condensed interim financial statements are measured using the currency of the primary economic environment in which the Bank operates. These unconsolidated condensed interim financial statements are presented in Pakistani Rupees, which is the Bank's functional and presentation currency.

4.3 Rounding off

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

4.4 Critical accounting estimates and judgments

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

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM UNCONSOLIDATED
FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2025**

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

5 MATERIAL ACCOUNTING POLICY INFORMATION AND FINANCIAL RISK MANAGEMENT POLICIES

The accounting policies applied in the preparation of these unconsolidated condensed interim financial statements are the same as applied in the preparation of the annual audited unconsolidated financial statements of the Bank for the year ended December 31, 2024. Impacts of adoption of IFRS 9 for the comparative period is disclosed in note 5.1.

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

5.1 IFRS - 'Financial Instruments'

5.1.1 The Bank had adopted IFRS 9 effective from January 01, 2024 with modified retrospective approach for restatement permitted under IFRS 9. The cumulative impact of initial application amounting to Rs. 1,214 million was recorded as an adjustment to equity at the beginning of the previous accounting period.

The Bank, in compliance with extended timelines prescribed in SBP's BPRD Circular Letter No. 16 dated July 29, 2024 and BPRD Circular Letter No. 01 dated January 22, 2025 had incorporated certain IFRS 9 related impacts in the last quarter of 2024. Therefore, the unconsolidated condensed interim statement of profit and loss account for the half year ended June 30, 2024 have been restated to incorporate these impacts. Had the restatement not been incorporated the profit after tax and total comprehensive income for the half year ended June 30, 2024 would have been higher by Rs. 309 million and earnings per share would have been higher by Rs. 0.17.

5.1.2 The SBP has directed the Banks through its BPRD Circular Letter No. 01 dated January 22, 2025 to continue the existing revenue recognition methodology, including the requirements of IFAS 1 and IFAS 2 until further instructions. Had IFRS 9 been adopted in its entirety for revenue recognition from Islamic operations profit / return earned on Islamic financing and related assets in unconsolidated statement of profit and loss account for the period ended June 30, 2025 would have been lower by Rs. 1,930 million and taxation would have been lower by Rs. 1,023 million. Further, unappropriated profit in unconsolidated statement of changes in equity would have been higher by Rs. 4,389 million.

5.1.3 In addition, the SBP in a separate instructions BPRD/RPD/822456/25 dated January 22, 2025 has allowed extension for application of Effective Profit Rate up to December 31, 2025.

	Note	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
6 CASH AND BALANCES WITH TREASURY BANKS			
Rupees in '000			
In hand			
- local currency		58,492,920	54,273,193
- foreign currencies		4,752,087	4,243,363
		63,245,007	58,516,556
With the State Bank of Pakistan in			
- local currency current accounts		120,140,088	147,811,687
- foreign currency current accounts		16,696,412	15,694,215
	6.1	136,836,500	163,505,902
With the National Bank of Pakistan in			
- local currency current accounts		84,295,501	38,694,972
National Prize Bonds	6.2	344	22,945
Less: Credit loss allowance held against cash and balances with treasury banks		(6,482)	(6,117)
Cash and balances with treasury banks - net of credit loss allowance		284,370,870	260,734,258

6.1 These include local and foreign currency amounts required to be maintained by the Bank with the SBP under the Banking Companies Ordinance, 1962 and /or stipulated by the SBP. These accounts are non-remunerative in nature.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM UNCONSOLIDATED
FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2025**

- 6.2** These represent the national prize bonds received from customers for onward surrendering to SBP. The Bank, as a matter of Shariah principle, does not deal in prize bonds.

	Note	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Rupees in '000			
7 BALANCES WITH OTHER BANKS			
In Pakistan			
- in current accounts		14,464,303	10,723,532
Outside Pakistan			
- in current accounts		5,783,608	2,437,740
- in deposit accounts	7.1	10,523,707	280,223
		16,307,315	2,717,963
Less: Credit loss allowance held against balances with other banks		(25,995)	(16,545)
Balances with other banks - net of credit loss allowance		<u>30,745,623</u>	<u>13,424,950</u>

- 7.1** This represents the balance in the remunerative account maintained with financial institutions outside Pakistan. The return on these balances are 2.71% (December 31, 2024: 3.50%) per annum.

	Note	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Rupees in '000			
8 DUE FROM FINANCIAL INSTITUTIONS			
Bai Muajjal receivable - inside Pakistan:			
- from scheduled banks / financial institutions - Secured	8.1	54,962,984	34,964,299
- from other Financial Institution		15,500	15,500
		54,978,484	34,979,799
Musharakah placements - outside Pakistan	8.2	14,188,225	-
		69,166,709	34,979,799
Less: Credit loss allowance held against due from financial institutions	8.3	(15,520)	(15,500)
Due from financial institutions - net of credit loss allowance		<u>69,151,189</u>	<u>34,964,299</u>

- 8.1** The effective average return on this product is 10.72% (December 31, 2024: 12.17%) per annum. The balance amounting to Rs. 34,964 million have maturity in July 2025 and balance amounting to Rs. 20,014 million have maturity in November 2025 (December 31, 2024: July 2025).

- 8.2** The effective average return on this product is 4.08% (December 31, 2024: Nil) per annum. The balance have maturity in July 2025.

	Note	June 30, 2025 (Unaudited)		December 31, 2024 (Audited)	
8.3 Due from financial institutions - particulars of credit loss allowance / provision held		Due from financial institutions	Credit loss allowance held	Due from financial institutions	Credit loss allowance held
Rupees in '000					
Domestic					
Stage 1 / Performing	8.1	69,151,209	20	34,964,299	-
Stage 2 / Under performing		-	-	-	-
Stage 3 / Non-performing					
Substandard		-	-	-	-
Doubtful		-	-	-	-
Loss		15,500	15,500	15,500	15,500
		15,500	15,500	15,500	15,500
Total		<u>69,166,709</u>	<u>15,520</u>	<u>34,979,799</u>	<u>15,500</u>

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM UNCONSOLIDATED
FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2025**

9 INVESTMENTS	Note	June 30, 2025 (Unaudited)				December 31, 2024 (Audited)			
9.1 Investments by type:		Cost / amortised cost	Credit loss allowance	Surplus / (deficit)	Carrying Value	Cost / amortised cost	Credit loss allowance	Surplus / (deficit)	Carrying Value
Rupees in '000									
FVTPL securities									
- Federal Government securities		1,408,396	-	-	1,408,396	4,778,499	-	-	4,778,499
- Units of mutual funds		75,512	-	4,134	79,646	59,150	-	7,483	66,633
- Non Government sukus		933,000	-	4,865	937,865	933,000	-	1,066	934,066
		2,416,908	-	8,999	2,425,907	5,770,649	-	8,549	5,779,198
FVOCI securities									
- Federal Government Securities	9.1.1 and 9.1.3	2,022,639,619	-	31,639,588	2,054,279,207	1,317,019,755	-	37,668,822	1,354,688,577
- Shares		5,541,640	-	5,047,691	10,589,331	6,323,475	-	4,817,853	11,141,328
- Non Government sukus	9.2	125,673,446	339,766	(64,130)	125,269,550	126,953,624	344,437	3,711,417	130,320,604
- Foreign securities		8,071,367	629	313	8,071,051	4,028,707	429	(70,608)	3,957,670
		2,161,926,072	340,395	36,623,462	2,198,209,139	1,454,325,561	344,866	46,127,484	1,500,108,179
Amortized cost securities									
- Federal Government securities	9.1.1 and 9.5	187,700,229	-	-	187,700,229	362,725,910	-	-	362,725,910
In related parties									
Associates									
- Units of mutual funds		859,283	-	-	859,283	859,283	-	-	859,283
Subsidiaries									
- Shares		1,063,050	-	-	1,063,050	1,063,050	-	-	1,063,050
Total Investments		2,353,965,542	340,395	36,632,461	2,390,257,608	1,824,744,453	344,866	46,136,033	1,870,535,620

9.1.1 During the period, the Bank has changed the classification of financial assets - Federal Government securities (GoP ijarah sukus) amounting to Rs 242.6 billion from amortised cost to fair value through other comprehensive income due to reassessment of business model of the Bank. The reclassification has been made with effect from January 01, 2025. The revaluation gain due to reclassification has been recorded in statement of other comprehensive income.

These sukus were originally classified at amortised cost on January 01, 2024 upon adoption of IFRS 9. The above reclassification has no effect on the financial statements of the Bank except for the change mentioned above. Further, capital adequacy ratio has been increased from 22.35% to 22.39% as on the date of reclassification (January 01, 2025).

9.1.2 Details of investment in subsidiaries and associates

	Percentage of holding %	June 30, 2025					
		Assets	Liabilities	Revenue	Profit after taxation	Total comprehensive income	Market value / net asset share
Rupees in '000							
Subsidiaries (unlisted)							
Al Meezan Investment Management Limited	65.00%	8,928,935	2,947,148	4,093,375	1,514,233	1,514,233	3,888,161
Meezan Exchange Company (Private) Limited	100.00%	1,076,010	25,798	94,131	19,612	19,612	1,050,212
Associates (open ended - listed)							
Meezan Balanced Fund	13.28%	3,546,920	152,678	238,560	157,892	157,892	450,779
Al Meezan Mutual Fund	7.11%	13,261,696	335,843	1,114,338	874,980	874,980	918,502
Meezan Islamic Fund	3.68%	44,831,890	1,020,790	2,899,538	2,011,568	2,011,568	1,613,811
Meezan Sovereign Fund*	-	29,569,895	907,007	3,914,048	2,821,862	2,821,862	521
Meezan Gold Fund	4.66%	5,451,809	80,269	862,965	808,669	808,669	250,175
KSE Meezan Index Fund	6.27%	5,503,859	801,896	152,700	97,215	97,215	295,044
Meezan Cash Fund*	-	229,976,823	4,705,699	10,198,502	8,988,818	8,988,818	5,040
Meezan Islamic Income Fund	0.02%	22,665,946	1,113,416	1,572,554	1,227,283	1,227,283	5,013
		354,808,838	9,117,598	20,953,205	16,988,287	16,988,287	3,538,885

* Nil percentage due to round off

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM UNCONSOLIDATED
FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2025**

December 31, 2024

	Percentage of holding %	Assets	Liabilities	Revenue	Profit after taxation	Total comprehensive income	Market value / net asset share
— Rupees in '000 —							
Subsidiaries (unlisted)							
Al Meezan Investment Management Limited	65.00%	8,130,073	2,662,520	7,137,629	2,943,580	2,943,580	3,550,660
Meezan Exchange Company (Private) Limited	100.00%	1,057,295	23,447	150,306	33,848	33,848	1,033,848
Associates (open ended - listed)							
Meezan Balanced Fund	13.40%	3,606,799	257,557	1,060,056	954,492	954,492	448,919
Al Meezan Mutual Fund	8.42%	10,430,810	235,289	4,113,019	3,883,772	3,883,772	858,463
Meezan Islamic Fund	3.55%	44,842,591	1,115,789	17,625,926	16,655,792	16,655,792	1,550,276
Meezan Sovereign Fund*	-	272,303,981	2,755,188	23,900,940	22,176,692	22,176,692	572
Meezan Gold Fund	7.49%	2,787,923	20,177	478,263	430,402	430,402	207,304
KSE Meezan Index Fund	4.49%	6,804,275	115,925	2,249,888	2,166,786	2,166,786	300,253
Meezan Cash Fund	0.01%	90,343,436	423,819	12,858,463	11,994,400	11,994,400	5,429
Meezan Islamic Income Fund	0.01%	46,775,350	516,945	4,850,189	4,453,056	4,453,056	2,793
		<u>477,895,165</u>	<u>5,440,689</u>	<u>67,136,744</u>	<u>62,715,392</u>	<u>62,715,392</u>	<u>3,374,009</u>

Subsidiaries and associates are incorporated / registered in Pakistan. The shares in subsidiaries are placed in custody account with Central Depository Company of Pakistan Limited and cannot be sold without the prior approval of the SECP in accordance with the SECP's circular No. 9 of 2006 dated June 15, 2006.

* Nil percentage due to round off

9.1.3 Investments given as collateral

	June 30, 2025 (Unaudited)		December 31, 2024 (Audited)	
	Cost / amortised cost	Market value	Cost / amortised cost	Market value
— Rupees in '000 —				
Federal Government securities				
- GoP Ijarah sukuks	<u>269,500,000</u>	<u>273,587,350</u>	<u>485,500,000</u>	<u>503,414,750</u>

9.2 Particulars of credit loss allowance / provision for diminution in value of investments

	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
	— Rupees in '000 —	
	Note	
Opening balance	344,866	2,632,709
Impact of adoption of IFRS 9 - reversal of provision held against shares	-	(2,562,068)
Impact of adoption of IFRS 9 - credit loss allowance	-	52,035
	-	(2,510,033)
(Reversal) / charge		
ECL charge for the period / year	363	239,996
ECL reversal for the period / year (including cash recovery)	(4,834)	(17,806)
	(4,471)	222,190
Closing balance	340,395	344,866

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM UNCONSOLIDATED
FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2025**

9.3 Particulars of credit loss allowance / provision against debt securities	June 30, 2025 (Unaudited)		December 31, 2024 (Audited)	
	Investment - Cost / amortised cost	Credit loss allowance	Investment - Cost / amortised cost	Credit loss allowance
Rupees in '000				
Domestic				
Performing - Stage 1	9,320,600	4,489	5,604,416	5,216
Under performing - Stage 2	-	-	-	-
Non-performing - Stage 3				
Substandard	-	-	-	-
Doubtful	-	-	-	-
Loss	335,906	335,906	339,650	339,650
	335,906	335,906	339,650	339,650
	9,656,506	340,395	5,944,066	344,866

9.4 The debt securities amounting to Rs 2,210,339 million (December 31, 2024: Rs 1,679,746 million) and Rs 124,078 million (December 31, 2024: Rs 125,038 million) pertains to Government securities and Government guaranteed exposure respectively. The exposure is exempted for the calculation of ECL by the SBP.

9.5 The market value of securities classified as amortised cost as at June 30, 2025 amounted to Rs 188,183 million (December 31, 2024: Rs 364,085 million).

10 ISLAMIC FINANCING AND RELATED ASSETS	Note	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
		Rupees in '000	
In Pakistan:			
Murabaha financing and related assets			
- Murabaha financing	10.1	7,019,198	5,552,574
- Financing under Islamic Export Refinance - Murabaha	10.1	90,804	303,924
- Financing against Islamic SME Asaan Finance - Murabaha	10.1	980,743	1,818,265
- Advances against Murabaha		14,261,806	22,450,689
- Murabaha inventory		1,422,234	1,484,181
- Advance against Islamic SME Asaan Finance - Murabaha		163,016	354,722
- Advance against Islamic Export Refinance - Murabaha		893,016	770,105
- Inventory under Islamic SME Asaan Finance - Murabaha		-	2,852
		24,830,817	32,737,312
Running Musharakah financing			
- Running Musharakah financing		374,829,001	676,407,577
- Financing under Islamic Export Refinance - Running Musharakah		29,371,812	36,943,954
		404,200,813	713,351,531
Istisna financing and related assets			
- Istisna financing		54,550,565	24,178,898
- Advances against Istisna		48,187,014	75,741,840
- Istisna inventory		14,306,262	57,719,292
- Financing under Islamic Export Refinance - Istisna		137,737	419,234
- Advances under Islamic Export Refinance - Istisna		10,621,996	10,612,565
- Inventory under Islamic Export Refinance - Istisna		3,669,639	4,193,560
		131,473,213	172,865,389

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM UNCONSOLIDATED
FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2025**

	Note	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Rupees in '000			
Tijarah financing and related assets			
- Tijarah financing		4,644,875	4,876,050
- Tijarah inventory		11,871,790	14,434,733
- Financing under Islamic Export Refinance - Tijarah		1,692,400	1,086,970
- Inventory under Islamic SME Asaan Finance - Tijarah		150,446	311,241
- Inventory under Islamic Export Refinance - Tijarah		856,253	855,201
		19,215,764	21,564,195
Musawammah financing and related assets			
- Musawammah financing	10.2	16,565,068	23,777,208
- Financing under Islamic Export Refinance - Musawammah	10.2	389,110	669,459
- Financing under SBP's Islamic Financing Facility for Renewable Energy (IFRE) - Musawammah	10.2	435,728	428,575
- Financing against Islamic SME Asaan Finance - Musawammah	10.2	6,833	26,508
- Advances against Musawammah		16,780,771	12,317,484
- Musawammah Inventory		8,587,537	13,320,611
- Advance against Islamic SME Asaan Finance - Musawammah		-	11,853
- Advances under Islamic Export Refinance - Musawammah		270,847	879,245
- Inventory under Islamic Export Refinance - Musawammah		114,000	28,000
		43,149,894	51,458,943
Salam Financing and related assets			
- Salam Financing		2,329,449	1,569,320
- Advances against Salam		22,244,429	25,511,879
- Salam Inventory		2,306,582	2,625,049
		26,880,460	29,706,248
Financing against bills			
- Financing against bills - Salam		1,659,990	1,196,715
- Advance against bills - Salam		1,738	1,738
		1,661,728	1,198,453
- Bai Muajjal financing	10.3	12,142,168	43,662,372
Ijarah financing and related assets			
- Net investment in Ijarah		48,368	48,758
- Net book value of assets / investment in Ijarah under IFAS 2	10.4	74,300,904	61,624,855
		74,349,272	61,673,613
- Advances against Ijarah		13,819,745	7,857,788
		88,169,017	69,531,401
Diminishing Musharakah financing and related assets			
- Diminishing Musharakah financing		242,243,698	219,903,211
- Diminishing Musharakah financing - housing		17,059,870	16,873,015
- Diminishing Musharakah financing - SBP's Islamic Financing Facility for Storage of Agricultural Produce (IFFSAP)		870,286	399,281
- Diminishing Musharakah financing - SBP's Islamic Financing Facility for Renewable Energy (IFRE)		14,779,309	15,153,734
- Diminishing Musharakah financing - SBP's Islamic Refinance Facility for Combating COVID - 19 (IRFCC)		60,721	107,606
- Diminishing Musharakah financing - SBP's Islamic SME Asaan Finance (I-SAAF) Scheme		3,490,781	3,190,659
- Diminishing Musharakah financing - SBP's Islamic Long Term Financing Facility (ILTF) for Plant & Machinery		16,807,305	16,898,044
- Diminishing Musharakah financing - SBP's Islamic Temporary Economic Refinance Facility (ITERF)		11,950,126	12,790,555
- Diminishing Musharakah financing - under SBP's Islamic Refinance Facility for Modernisation of SMEs (IRFMS)		185,883	190,903
- Diminishing Musharakah financing - SBP's Islamic Refinance and Credit Guarantee Scheme for Women Entrepreneurs (IRCGSWE)		18,608	10,327
- Advances against Diminishing Musharakah		42,123,120	55,505,976
- Advances against Diminishing Musharakah under SBP's IFFSAP		279,187	693,503
- Advances against Diminishing Musharakah under SBP's IFRE		1,490,913	2,228,906
- Advances against Diminishing Musharakah under SBP's IRFCC		72,686	109,029
- Advances against Diminishing Musharakah under SBP's ISAAF		352,475	560,712
- Advances against Diminishing Musharakah under SBP's ITERF		427,230	427,647
- Advances against Diminishing Musharakah under SBP's IRFMS		265,727	14,903
- Advances against Diminishing Musharakah under SBP's IRCGSWE		13,192	5,000
- Advances against Diminishing Musharakah under SBP's ILTF		1,420,829	3,151,948
		353,911,946	348,214,959

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM UNCONSOLIDATED
FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2025**

	Note	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
		Rupees in '000	
- Musharakah financing		1,300,000	1,300,000
- Wakalah Tul Istithmar financing		28,051,956	-
- Advances against Wakalah Tul Istithmar		-	30,602,133
- Advances against Service Ijarah		43,165,039	30,508,677
- Qard financing under SBP's IRFCC		47,591	114,803
- Labbaik (Qard for Hajj and Umrah)		3,814	5,547
- Staff financing (including under SBP's IFRE)	10.5	8,919,922	8,321,137
- Other financing		2,334,867	1,219,218
Gross Islamic Financing and Related Assets	10.6	1,189,459,009	1,556,362,318
Less: Credit loss allowance against Islamic financing and related assets			
Stage 1	10.7.1	(2,281,439)	(2,609,888)
Stage 2	10.7.1	(3,401,258)	(1,511,416)
Less: Credit loss allowance / provision against non-performing Islamic financing and related assets - Specific / Stage 3	10.7.1	(25,122,410)	(23,885,078)
Less: Provision against non-performing Islamic financing and related assets - General	10.7.1	(13,600,000)	(13,600,000)
Islamic financing and related assets - net of credit loss allowance / provision		1,145,053,902	1,514,755,936
10.1 Murabaha receivable - gross	10.1.1	8,473,293	8,091,467
Less: Deferred murabaha income	10.1.3	(193,701)	(145,025)
Profit receivable shown in other assets		(188,847)	(271,679)
Murabaha financing	10.1.2	8,090,745	7,674,763
10.1.1 Murabaha Sale Price		8,473,293	8,091,467
Murabaha Purchase Price		(8,090,745)	(7,674,763)
		382,548	416,704
10.1.2 The movement in Murabaha financing during the period / year is as follows:			
Opening balance		7,674,763	7,177,526
Sales during the period / year		26,428,742	53,863,021
Adjusted during the period / year		(26,012,760)	(53,365,784)
Closing balance		8,090,745	7,674,763
10.1.3 Deferred murabaha income			
Opening balance		145,025	248,064
Arising during the period / year		1,678,973	3,416,239
Recognised during the period / year		(1,630,297)	(3,519,278)
Closing balance		193,701	145,025
10.2 Musawammah financing - gross		18,085,566	26,413,197
Less: Deferred income		(404,842)	(627,968)
Profit receivable shown in other assets		(283,985)	(883,479)
Musawammah financing		17,396,739	24,901,750
10.3 Bai Muajjal financing - gross		12,920,970	45,392,716
Less: Deferred income		(715,272)	(1,103,526)
Profit receivable shown in other assets		(63,530)	(626,818)
Bai Muajjal financing		12,142,168	43,662,372
10.4 Net book value of assets / investments in Ijarah under IFAS 2 is net of depreciation of Rs 54,443 million (December 31, 2024: Rs 51,119 million).			

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM UNCONSOLIDATED
FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2025**

10.5 This includes Rs 1,009 million (December 31, 2024: Rs 973 million) representing profit free financing to staff advanced under the Bank's Human Resource Policies.

	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Rupees in '000		
10.6 Particulars of financing - Gross		
- in local currency	1,125,594,896	1,464,872,537
- in foreign currencies	63,864,113	91,489,781
	1,189,459,009	1,556,362,318

10.7 Islamic financing and related assets include Rs 29,783 million (December 31, 2024: Rs 25,243 million) which have been placed under non-performing status (stage 3 under IFRS 9) as detailed below:

Category of classification	June 30, 2025 (Unaudited)		December 31, 2024 (Audited)	
	Non-performing amount	Credit loss allowance	Non-performing amount	Credit loss allowance
Rupees in '000				
Domestic				
Other Assets Especially Mentioned	16,840	6,934	388	176
Substandard	7,223,631	4,000,746	962,362	763,303
Doubtful	4,700,592	3,761,375	4,765,274	4,001,247
Loss	17,841,722	17,353,355	19,515,149	19,120,352
Total	29,782,785	25,122,410	25,243,173	23,885,078

10.7.1 Particulars of credit loss allowance against Islamic financing and related assets:

	June 30, 2025 (Unaudited)						December 31, 2024 (Audited)						
	Note	Expected credit loss			Specific	General	Total	Expected credit loss			Specific	General	Total
		Stage 1	Stage 2	Stage 3				Stage 1	Stage 2	Stage 3			
	Rupees in '000												
Opening balance		2,609,888	1,511,416	23,885,078	-	13,600,000	41,606,382	-	-	-	16,107,097	14,247,354	30,354,451
Implementation of IFRS 9		-	-	-	-	-	-	-	-	-	16,107,097	(16,107,097)	-
Impact adoption of IFRS 9 - credit loss allowance		-	-	-	-	-	2,419,726	1,034,559	550,553	-	-	-	4,004,838
Impact of adoption of IFRS 9 - reversal of provision		-	-	-	-	-	-	-	-	-	-	(647,354)	(647,354)
		-	-	-	-	-	2,419,726	1,034,559	550,553	-	-	(647,354)	3,357,484
Exchange adjustment for the period / year		-	-	10,720	-	10,720	-	-	(6,806)	-	-	-	(6,806)
Net ECL Charge / (reversal) for the period / year:		-	-	-	-	-	-	-	-	-	-	-	-
Charge for the period / year	10.7.2	792,446	2,324,730	3,514,128	-	-	6,631,304	1,114,242	1,023,586	10,070,673	-	-	12,208,501
Less: Reversals for the period / year		(1,120,895)	(434,888)	(2,287,516)	-	-	(3,843,299)	(924,080)	(546,729)	(1,904,128)	-	-	(3,749,937)
		(328,449)	1,889,842	1,226,612	-	-	2,788,005	190,162	476,857	8,166,545	-	-	8,833,564
Transfer to other liabilities		-	-	-	-	-	-	-	-	(749,988)	-	-	(749,988)
Amount written off		-	-	-	-	-	-	-	-	(182,323)	-	-	(182,323)
Closing balance		2,281,439	3,401,258	25,122,410	-	13,600,000	44,405,107	2,609,888	1,511,416	23,885,078	-	13,600,000	41,606,382

10.7.2 It includes reversal on account of settlement of exposure amounting to Rs 244 million (December 31, 2024: Rs 590 million) against acquisition of non-banking asset amounting to Rs 281 million (December 31, 2024: Rs 471 million).

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM UNCONSOLIDATED
FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2025**

	Note	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Rupees in '000			
11. PROPERTY AND EQUIPMENT			
Capital work-in-progress	11.1	10,990,330	12,577,705
Property and equipment		37,996,709	34,570,029
		<u>48,987,039</u>	<u>47,147,734</u>
Less: Provision against capital work-in-progress		<u>(300,000)</u>	<u>(300,000)</u>
		<u>48,687,039</u>	<u>46,847,734</u>
11.1 Capital work-in-progress			
Advances to suppliers and contractors for:			
- civil works		7,630,824	7,967,486
- computer hardware		618,203	1,074,750
- purchase of vehicles		482,960	731,613
- office machines		1,787,852	2,045,000
- furniture and fixtures		470,491	758,856
		<u>10,990,330</u>	<u>12,577,705</u>
11.2 Additions / transfers to property and equipment			
The following additions have been made to property and equipment during the period:			
Capital work-in-progress		(1,587,375)	1,281,824
Property and equipment			
Leasehold land		231,188	699,181
Building on leasehold land*		1,328,095	436,380
Leasehold improvements		1,074,094	970,449
Furniture and fixture		597,650	164,617
Electrical, office and computer equipment		2,356,541	3,646,976
Vehicles		1,556,402	955,585
		<u>7,143,970</u>	<u>6,873,188</u>
		<u>5,556,595</u>	<u>8,155,012</u>
*It includes transfer from non-banking assets.			
11.3 Disposal of property and equipment			
The net book value of property and equipment disposed off during the period is as follows:			
Leasehold improvements		391	18,275
Furniture and fixture		96	472
Electrical, office and computer equipment		2,752	3,278
Vehicles		340,997	137,857
		<u>344,236</u>	<u>159,882</u>
12. RIGHT-OF-USE ASSETS			
	Note	June 30, 2025 (Unaudited)	
		Cost	Accumulated Depreciation
		Rupees in '000	
At January 1,		33,624,561	(12,394,364)
Additions during the period		906,636	-
Derecognition during the period		-	-
Depreciation Charge	29	-	(1,418,699)
At June 30,		<u>34,531,197</u>	<u>(13,813,063)</u>
			<u>20,718,134</u>

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM UNCONSOLIDATED
FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2025**

		December 31, 2024 (Audited)		
		Cost	Accumulated Depreciation	Net Book Value
		Rupees in '000		
At January 1,		29,812,340	(10,240,488)	19,571,852
Additions during the year		4,280,598	-	4,280,598
Depreciation Charge		-	(2,622,253)	(2,622,253)
Derecognition during the year		(468,377)	468,377	-
At December 31,		<u>33,624,561</u>	<u>(12,394,364)</u>	<u>21,230,197</u>
12.1	These rental agreements mainly pertain to the branches that are operated throughout Pakistan.			
13. INTANGIBLE ASSETS		June 30, 2025 (Unaudited)	December 31, 2024 (Audited)	
		Rupees in '000		
Computer Software		2,388,695	2,227,368	
Advance against computer software		966,211	669,512	
		<u>3,354,906</u>	<u>2,896,880</u>	
13.1 Additions to intangible assets		June 30, 2025 (Unaudited)	June 30, 2024 (Unaudited)	
		Rupees in '000		
The following additions have been made to intangible assets during the period:				
Computer software (including advances) - directly purchased		852,101	832,277	
	Note	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)	
		Rupees in '000		
14 OTHER ASSETS				
Profit / return accrued in local currency		86,083,014	86,337,594	
Profit / return accrued in foreign currencies		769,355	770,387	
Acceptances		29,249,918	28,322,450	
Advances, deposits, and other prepayments		14,354,592	12,243,159	
Non-banking assets acquired in satisfaction of claims		521,392	521,392	
Mark to market gain on forward foreign exchange contracts		1,337,048	1,661,801	
Dividends receivable		71,416	261	
Stamps		28,457	28,644	
Security deposits		559,439	556,929	
Receivable under Alternate Delivery Channel (ADC)		4,332,337	1,772,365	
Receivable from State Bank of Pakistan under home remittance		9,221,832	4,261,218	
Other		556,544	551,790	
		<u>147,085,344</u>	<u>137,027,990</u>	
Less: Credit loss allowance / provision held against other assets	14.1 & 14.1.1	<u>(875,299)</u>	<u>(344,733)</u>	
Other Assets (net of credit loss allowance / provision held)		<u>146,210,045</u>	<u>136,683,257</u>	

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM UNCONSOLIDATED
FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2025**

14.1 Particulars against expected credit loss allowance / provision held against other assets	Note	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Rupees in '000			
Credit loss allowance against other assets			
Profit / return accrued & Others		102,747	101,252
Acceptances		576,384	45,127
		679,131	146,379
Provision against other assets			
Non-banking assets acquired in satisfaction of claims		22,942	22,942
Others		173,226	175,412
		196,168	198,354
		875,299	344,733
14.1.1 Movement in credit loss allowance / provision held against other assets			
Opening balance		344,733	152,364
Impact of adoption of IFRS 9		-	162,964
Charge for the period / year (including ECL)		616,138	164,222
Reversals for the period / year		(66,479)	(107,145)
Amount adjusted / written off		(19,093)	(27,672)
Closing balance		875,299	344,733
15 BILLS PAYABLE			
In Pakistan		94,275,613	112,605,407
16 DUE TO FINANCIAL INSTITUTIONS			
In Pakistan	16.1	515,035,521	722,286,318
16.1 Details of due to financial institutions - secured / unsecured			
Secured			
With State Bank of Pakistan			
Musharakah under Islamic Export Refinance Scheme		49,497,085	58,932,838
Investment under Islamic Long Term Financing Facility		17,880,187	19,743,040
Investment under Islamic Refinance Facility for Combating COVID-19		180,998	331,437
Investment under Islamic Financing for Renewal Energy		16,466,627	17,508,943
Investment under Islamic Temporary Economic Refinance Facility for Plant and Machinery		11,905,026	12,742,132
Investment under Islamic Refinance Scheme for storage of agriculture produce		1,046,281	896,789
Investment under Islamic Refinance and Credit Guarantee Scheme for Women Entrepreneurs (IRCGSWE)		28,871	10,327
Investment under Islamic Refinance Scheme for modernization of SMEs (IRFMS)		339,002	181,818
Investment under Islamic Refinance Scheme for SME Asaan Finance	16.1.1	5,274,932	6,192,179
Investment under Shariah Compliant Open Market Operations	16.1.1	52,994,482	390,321,306
Investment under Shariah Compliant Standing Ceiling Facility	16.1.1	210,204,533	47,627,464
Total secured		365,818,024	554,488,273
With Scheduled Bank	16.1.2	10,000,000	60,500,000
Other financial institutions		7,904,497	6,434,755
Total secured		383,722,521	621,423,028
Unsecured			
Overdrawn nostro accounts		233,000	2,083,290
Musharakah with scheduled banks / financial institutions	16.1.3	131,080,000	98,780,000
Total Unsecured		131,313,000	100,863,290
		515,035,521	722,286,318

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM UNCONSOLIDATED
FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2025**

- 16.1.1** These represent acceptance of funds by the Bank on Mudarabah basis which has been invested in special pools of the Bank and are secured against lien of the Bank's investment in Federal Government securities. The expected average return on Open Market Operations is 11.13% (December 31, 2024: 13.08%) per annum and Standing Ceiling Facility is 12.00% (December 31, 2024: 14.00%) per annum.
- 16.1.2** These represent acceptance of funds by the Bank on Musharakah basis which are secured against lien of the Bank's investment in Federal Government securities. The expected average return on these Musharakah is around 11.10% (December 31, 2024: 13.25%) per annum. These balances have maturity in July 2025 (December 31, 2024: January 2025).
- 16.1.3** These represent acceptance of funds by the Bank on Musharakah basis. The expected average return on these Musharakah is around 11.32% (December 31, 2024: 12.23%) per annum. These balances have maturity in July 2025 (December 31, 2024: January 2025).

17	DEPOSITS AND OTHER ACCOUNTS	June 30, 2025 (Unaudited)			December 31, 2024 (Audited)		
		In Local Currency	In Foreign Currencies	Total	In Local Currency	In Foreign Currencies	Total
Rupees in '000							
Customers							
	- Current accounts - non-remunerative	1,432,157,947	75,574,493	1,507,732,440	1,135,625,316	66,726,436	1,202,351,752
	- Savings deposits	1,221,559,067	84,072,353	1,305,631,420	1,083,985,583	80,885,820	1,164,871,403
	- Fixed deposits	166,092,636	14,678,405	180,771,041	164,386,854	15,146,642	179,533,496
	- Margin deposits	22,793,986	283,397	23,077,383	19,147,349	1,987,535	21,134,884
		2,842,603,636	174,608,648	3,017,212,284	2,403,145,102	164,746,433	2,567,891,535
Financial institutions							
	- Current accounts - non-remunerative	7,339,152	342,100	7,681,252	4,692,359	611,371	5,303,730
	- Savings deposits	15,526,068	18,946	15,545,014	11,539,703	46,492	11,586,195
	- Fixed deposits	2,100,100	-	2,100,100	89,840	-	89,840
		24,965,320	361,046	25,326,366	16,321,902	657,863	16,979,765
		2,867,568,956	174,969,694	3,042,538,650	2,419,467,004	165,404,296	2,584,871,300

18	LEASE LIABILITY AGAINST RIGHT-OF-USE ASSETS	Note	June 30,	December 31,
			2025 (Unaudited)	2024 (Audited)
Rupees in '000				
	As at January 1,		25,848,322	22,093,855
	Additions		906,636	4,280,598
	Amortisation of lease liability against right-of-use assets		2,016,555	3,822,277
	Payments		(2,264,397)	(4,348,408)
	As at June 30 / December 31,		26,507,116	25,848,322

19	SUB-ORDINATED SUKUK		June 30,	December 31,
	Additional Tier I Sukuk	19.1	7,000,000	7,000,000
	Tier II Sukuk	19.2	9,990,000	13,990,000
			16,990,000	20,990,000

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM UNCONSOLIDATED
FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2025**

19.1 In August 2018, the Bank issued regulatory Shariah compliant unsecured, sub-ordinated privately placed Additional Tier I Sukuk based on Mudaraba of Rs. 7,000 million as instrument of redeemable capital under section 66 of the Companies Act, 2017. The brief description of Additional Tier I sukuk is as follows:

Credit Rating	AA+ (Double A Plus) by VIS Credit Rating Company Limited
Issue Date	August 01, 2018
Tenor	Perpetual
Profit payment frequency	Monthly in arrears
Redemption	Perpetual. However, the Bank has call option which can be exercised with prior approval of SBP.
Expected Periodic Profit Amount (Mudaraba Profit Amount) - Non - discretionary subject to actual profit of the pool	The Mudaraba Profit is computed under General Pool on the basis of profit sharing ratio and monthly weightages announced by the Bank under the SBP guidelines of pool management. Last announced profit rate on the Sukuks is 13.85% per annum.
Call Option	The Bank may call Additional Tier I Sukuks with prior approval of SBP on or after five years from the date of issue.
Loss Absorbency	The Additional Tier I Sukuk, at the option of the SBP, will be fully and permanently converted into common shares (variable) upon the occurrence of a point of non-viability trigger event as determined by SBP or for any other reason as may be directed by SBP.
Lock-in-Clause	Profit and/or redemption amount can be held back in respect of the Additional Tier I Sukuk, upon directive of the SBP, if such payment will result in a shortfall in the Bank's minimum capital requirement, capital adequacy ratio requirement or leverage ratio requirement.

19.2 In December 2021, the Bank issued regulatory Shariah compliant unsecured, subordinated privately placed Tier II Sukuks based on Mudaraba of Rs 9,990 million respectively as instrument of redeemable capital under section 66 of the Companies Act, 2017. The brief description of Tier II sukuks is as follows:

Credit Rating	AAA (Triple A) by VIS Credit Rating Company Limited.
Issue Date	December 16, 2021
Tenor	10 years from the issue date
Profit payment frequency	Semi-annually in arrears
Redemption	Bullet payment at the end of the tenth year
Expected Periodic Profit Amount (Mudaraba Profit Amount) - Non-discretionary subject to actual profit of the pool	The Mudaraba Profit is computed under General Pool on the basis of profit sharing ratio and monthly weightages announced by the Bank under the SBP guidelines of pool management. Last announced profit rate on the Sukuks is 11.73% per annum.
Call Option	The Bank may call Tier II Sukuk with prior approval of SBP on or after five years from the date of issue.
Loss Absorbency	The Tier II Sukuk, at the option of the SBP, will be fully and permanently converted into common shares (variable) upon the occurrence of a point of non-viability trigger event as determined by SBP or for any other reason as may be directed by SBP.
Lock-in-Clause	Profit and/or redemption amount can be held back in respect of the Tier II Sukuk upon directive of the SBP, if such payment will result in a shortfall in the Bank's minimum capital requirement, capital adequacy ratio requirement or leverage ratio requirement.

19.2.1 During the period, the Bank exercised Call Option with prior approval of SBP in respect of its regulatory Shariah compliant unsecured, subordinated privately placed Tier II sukuks of Rs 4,000 million issued by the Bank in January 2020. The principal and profit component of these sukuks were paid back to investors in June 2025.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM UNCONSOLIDATED
FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2025**

20 DEFERRED TAX LIABILITIES	Note	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
		Rupees in '000	
Taxable temporary differences on:			
Excess of accounting book values over tax			
written down values of owned assets		891,393	1,128,110
Surplus on revaluation of FVOCI investments		19,044,200	23,986,292
Right-of-use assets		10,773,430	-
Surplus on revaluation of FVTPL investments		4,679	4,616
		30,713,702	25,119,018
Deductible temporary differences on:			
Net credit loss allowance against investments		(177,005)	(179,330)
Lease liability against right-of-use assets		(13,783,700)	-
Income not accrued due to non-culmination of financing		(4,755,250)	(5,759,073)
Net credit loss allowance against non-performing Islamic financing and related assets		(6,994,392)	(4,620,736)
Provision against non-banking assets acquired in satisfaction of claims and others		(649,094)	(348,544)
		(26,359,441)	(10,907,683)
		4,354,261	14,211,335
21 OTHER LIABILITIES			
Return on deposits and other dues			
- payable in local currency		10,076,466	12,658,579
- payable in foreign currencies		309,271	319,959
Unearned income		5,402,790	4,301,617
Accrued expenses	21.1	29,859,026	40,269,608
Current taxation (provision less payments)		30,221,052	17,450,552
Acceptances		29,249,918	28,322,450
Dividend payable (including unclaimed dividend)		48,111	41,374
Payable to defined benefit plan		1,716,045	2,153,351
Credit loss allowance / provision against off-balance sheet obligations	21.2	331,653	302,882
Charity payable		13,711	31,527
Security deposits against Ijarah		27,408,515	20,777,476
Payable on account of credit murabaha / ijarah / musawammah		1,458,769	662,558
Security deposits against lockers		244,744	232,090
Mark to market loss on forward foreign exchange commitments		754,654	2,347,221
Withholding taxes payable		164,744	461,208
Workers Welfare Fund payable		16,062,035	13,893,019
Payable under Alternate Delivery Channel (ADC)		17,300,559	26,625,633
Others		3,787,568	3,425,053
		174,409,631	174,276,157
21.1	During the period, the Bank reversed Rs. 10,900 million on account of an estimate for variable remuneration relating to prior years based on the assessment finalised during the current period.		
21.2	Credit loss allowance against off-balance sheet obligations		
Opening balance		302,882	55,167
Impact of adoption of IFRS 9		-	269,835
Charge for the period / year		216,316	169,393
Reversals for the period / year		(187,545)	(191,513)
Closing balance		331,653	302,882

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM UNCONSOLIDATED
FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2025**

	Note	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
		Rupees in '000	
22 SURPLUS ON REVALUATION OF ASSETS - NET OF TAX			
Surplus on revaluation of:			
- Securities measured at FVOCI - Debt	9.1	31,575,771	41,309,631
- Securities measured at FVOCI - Equity	9.1	5,047,691	4,817,853
		<u>36,623,462</u>	<u>46,127,484</u>
Less: Deferred tax surplus on revaluation of:			
- Securities measured at FVOCI - Debt		(16,419,401)	(21,481,008)
- Securities measured at FVOCI - Equity		(2,624,799)	(2,505,284)
		<u>(19,044,200)</u>	<u>(23,986,292)</u>
		<u>17,579,262</u>	<u>22,141,192</u>
23 CONTINGENCIES AND COMMITMENTS			
- Guarantees	23.1	90,052,854	78,286,827
- Commitments	23.2	2,144,396,498	1,810,593,972
- Other contingent liabilities	23.3	1,802,000	1,802,000
		<u>2,236,251,352</u>	<u>1,890,682,799</u>
23.1 Guarantees:			
Financial guarantees		30,395	30,395
Performance guarantees		58,635,734	53,520,467
Other guarantees		31,386,725	24,735,965
		<u>90,052,854</u>	<u>78,286,827</u>
23.2 Commitments:			
Documentary letters of credit		279,319,395	369,351,453
Commitments in respect of:			
- forward foreign exchange transactions	23.2.1	320,526,000	280,886,420
Commitments for acquisition of:			
- property and equipment		872,032	799,899
- intangible assets		1,072,652	904,732
Other commitments	23.2.2	1,542,606,419	1,158,651,468
		<u>2,144,396,498</u>	<u>1,810,593,972</u>
23.2.1 Commitments in respect of forward foreign exchange contracts			
Purchase		186,151,363	163,944,780
Sale		134,374,637	116,941,640
		<u>320,526,000</u>	<u>280,886,420</u>
23.2.2 Other Commitments			
Commitments in respect of financing (including irrevocable commitments)		<u>1,542,606,419</u>	<u>1,158,651,468</u>

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM UNCONSOLIDATED
FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2025**

23.3 Other contingent liabilities

The Income Tax Department amended the deemed assessment orders of the Bank for prior years including the tax year 2024. The additions / disallowances were mainly due to allocation of expenses relating to dividends and capital gain, allowability of provision against Islamic financing and related assets, provision against investments and provision against other assets. In the amended order for tax year 2015, additional issues with respect to the taxability of gain on bargain purchase, non-adjustment of loss pertaining to HSBC Bank Middle East – Pakistan Branches and the levy of super tax were also raised. The matter has been decided in Bank's favour by Appellate Tribunal Inland Revenue. Both the Bank and the tax department filed a reference with the High Court of Sindh in respect of the aforementioned matters.

The management of the Bank, in consultation with its tax advisors, is confident that the decision in respect of the above matters would be in Bank's favour and accordingly no provision has been made in these unconsolidated condensed interim financial statements with respect thereto. The additional tax liability in respect of gain on bargain purchase and non-adjustment of loss pertaining to HSBC Bank Middle East – Pakistan Branches is Rs 1,096 million and Rs 706 million respectively.

	Note	June 30, 2025 (Unaudited)	June 30, 2024 (Unaudited) (Restated)
		Rupees in '000	
24	PROFIT / RETURN EARNED ON ISLAMIC FINANCING AND RELATED ASSETS, INVESTMENTS AND PLACEMENTS		
	Profit / return earned on:		
	- Financing	24.1 80,018,705	91,301,080
	- Investments	126,895,200	156,302,331
	- Deposits / placements with financial institutions	2,611,992	2,064,642
		209,525,897	249,668,053
24.1	The income on Ijarah under IFAS 2 is net of takaful of Rs 1,415 million (June 30, 2024: Rs 894 million) recovered from customers.		
		June 30, 2025 (Unaudited)	June 30, 2024 (Unaudited) (Restated)
24.2	Profit / return recorded on financial assets measured at:	Rupees in '000	
	- Fair Value through Profit and Loss	85,903	321,415
	- Fair value through other comprehensive income	121,377,794	130,993,852
	- Amortised cost	88,062,200	118,352,786
		209,525,897	249,668,053
25	PROFIT / RETURN ON DEPOSITS AND OTHER DUES EXPENSED		
	Deposits and other accounts	25.1 52,704,956	77,349,155
	Sub-ordinated Sukuk	1,326,528	2,366,258
	Shariah Compliant Open Market Operations and Standing Ceiling Facility from the State Bank of Pakistan	21,250,088	18,034,276
	Other Musharakahs / Mudarabas	6,471,921	12,638,148
	Amortisation of lease liability against right-of-use assets	2,016,555	1,789,380
		83,770,048	112,177,217
25.1	This includes conversion cost of Rs 891 million (June 30, 2024: conversion cost of Rs 2,085 million) against foreign currency deposits.		

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM UNCONSOLIDATED
FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2025**

	Note	June 30, 2025 (Unaudited)	June 30, 2024 (Unaudited)
Rupees in '000			
26 FEE AND COMMISSION INCOME			
Trade related fees and commissions	26.1	2,963,024	2,416,496
Commission on guarantees		200,274	112,347
Branch banking customer fees	26.1	1,897,675	1,680,733
Credit related fees		55,738	47,782
Debit card related fees	26.1	4,206,142	4,008,604
Investment banking related fees		443,156	209,728
Commission on cash management		273,227	220,870
Commission on home remittances		278,167	185,462
Wealth management fees		552,395	561,173
Others		3,072	23,727
		<u>10,872,870</u>	<u>9,466,922</u>
26.1 Trade related income pertains to corporate, commercial and SME segments. Branch banking fees pertain to retail banking segment while debit card fees pertain to alternative delivery channel segment.			
	Note	June 30, 2025 (Unaudited)	June 30, 2024 (Unaudited) (Restated)
Rupees in '000			
27 GAIN ON SECURITIES			
Realised - net	27.1	668,854	119,547
Unrealised measured at FVTPL - net	27.2	450	(4,755)
		<u>669,304</u>	<u>114,792</u>
27.1 Realised gain on:			
Federal Government securities		668,854	115,516
Associates		-	4,031
		<u>668,854</u>	<u>119,547</u>
27.2 Net gain on financial assets measured at FVTPL			
- designated upon initial recognition		-	-
- mandatorily measured at FVTPL		450	(4,755)
Net gain on financial assets measured at FVOCI		<u>668,854</u>	<u>115,516</u>
		<u>669,304</u>	<u>110,761</u>
28 OTHER INCOME			
Gain on termination of Islamic financing		406,320	364,781
Gain on sale of property and equipment		320,565	233,040
Others		1,682	3,442
		<u>728,567</u>	<u>601,263</u>
29 OPERATING EXPENSES			
Total compensation expense	21.1	13,348,603	24,896,610
Property expense			
Depreciation on right-of-use assets		1,418,699	1,229,332
Rent and taxes		76,958	107,418
Utilities cost (including electricity and diesel)		1,258,540	1,451,731
Security (including guards)		1,078,784	946,352
Repair and maintenance (including janitorial charges)		812,168	631,216
Depreciation		682,245	632,671
Others (including takaful expense)		28,525	34,002
		<u>5,355,919</u>	<u>5,032,722</u>
Information technology expenses			
Software maintenance		1,566,375	1,203,749
Hardware maintenance		310,719	231,620
Depreciation		1,017,493	806,061
Amortisation		394,075	334,544
Network charges		208,317	181,468
		<u>3,496,979</u>	<u>2,757,442</u>

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM UNCONSOLIDATED
FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2025**

		June 30, 2025 (Unaudited)	June 30, 2024 (Unaudited)
		Rupees in '000	
Other operating expenses			
Stationery and printing (including debit card related cost)		1,090,698	951,000
Repairs and maintenance		1,025,328	409,081
Local transportation and car running		1,031,631	979,898
Depreciation on vehicles, equipment etc.		1,673,316	1,347,454
Legal and professional charges		73,702	67,119
NIFT and other clearing charges		179,190	139,619
Marketing, advertisement and publicity		1,772,961	1,126,310
Security charges - cash transportation		934,174	769,175
Communication (including courier)		2,360,186	1,272,884
Travelling and conveyance		187,496	178,469
Training and development		71,458	60,783
Donations		-	4,416
Fees, subscription and other charges		612,727	392,791
Brokerage and bank charges		236,022	171,419
Office supplies		338,425	315,187
Entertainment		57,875	46,088
Takaful expense		141,073	185,139
Outsourced services costs		14,843	16,006
Auditors' remuneration		35,600	21,035
Fees and allowances to Shariah Board		33,268	35,933
Directors' fee and allowances		29,620	33,190
Others		2,065	270
		11,901,658	8,523,266
		34,103,159	41,210,040
	Note	June 30, 2025 (Unaudited)	June 30, 2024 (Unaudited)
		Rupees in '000	
30 OTHER CHARGES			
Penalties imposed by the State Bank of Pakistan		55,729	133,519
31 CREDIT LOSS ALLOWANCE / PROVISIONS AND WRITE OFFS / (REVERSAL OF PROVISIONS / CREDIT LOSS ALLOWANCE) - NET			
Net credit loss allowance / reversal of provisions against non-performing Islamic financing and related assets	10.7.1	2,788,005	(943,476)
Net reversal of provisions / credit loss allowance against investments	9.2	(4,471)	71,305
Net credit loss allowance against cash and balance with treasury banks		365	(8,752)
Net credit loss allowance against due from financial institution		20	-
Net credit loss allowance against balances with other banks		9,450	23,185
Net credit loss allowance against other assets	14.1.1	549,659	59,789
Net credit loss allowance against off-balance sheet obligations and other liabilities		71,889	126,636
Recovery of written off financing		(36,325)	(888)
		3,378,592	(672,201)
32 TAXATION			
Current	32.1	57,963,388	55,714,006
Prior years		3,230,088	-
Deferred		(4,914,982)	(883,783)
		56,278,494	54,830,223

32.1 The super tax amounting to Rs 11,408 million (June 30, 2024: Rs 11,022 million) has been recorded by the Bank based on taxable income for the period.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM UNCONSOLIDATED
FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2025**

	Note	June 30, 2025 (Unaudited)	June 30, 2024 (Unaudited) (Restated)
33 BASIC EARNINGS PER SHARE		Rupees in '000	
Profit for the period		<u>46,163,804</u>	<u>51,444,183</u>
		(Number)	
Weighted average number of ordinary shares		<u>1,794,740,700</u>	<u>1,791,253,194</u>
		(Rupees)	
Basic earnings per share		<u>25.72</u>	<u>28.72</u>
34 DILUTED EARNINGS PER SHARE		Rupees in '000	
Profit for the period		<u>46,163,804</u>	<u>51,444,183</u>
		(Number)	
Weighted average number of ordinary shares (adjusted for effects of all dilutive potential ordinary shares)	34.1	<u>1,805,487,803</u>	<u>1,801,255,411</u>
		(Rupees)	
Diluted earnings per share		<u>25.57</u>	<u>28.56</u>
34.1 Reconciliation of basic and diluted earning per share		(Number)	
Weighted average number of ordinary shares		<u>1,794,740,700</u>	1,791,253,194
Add: Diluted impact of Employee stock option scheme		<u>10,747,103</u>	10,002,217
Dilutive potential ordinary shares		<u>1,805,487,803</u>	<u>1,801,255,411</u>
34.2		The Bank has received advance against issue of 5,813,938 (June 30, 2024: 3,487,520) shares amounting to Rs 417.509 million (June 30, 2024: 258.89 million) under employees share option scheme. These shares were issued subsequent to the period end.	
35 CASH AND CASH EQUIVALENTS		Rupees in '000	
Cash and balances with treasury banks	6	<u>284,370,870</u>	273,320,214
Balances with other banks	7	<u>30,745,623</u>	16,932,866
Over Drawn Nostros	16.1	<u>(233,000)</u>	(363,704)
		<u>314,883,493</u>	<u>289,889,376</u>
36 FAIR VALUE MEASUREMENTS			

Fair value measurement defines fair value as the price that would be received from the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of quoted securities other than those classified as amortised cost, is based on quoted market price. Quoted debt securities classified as amortised cost are carried at cost. The fair value of unquoted equity securities, other than investments in associates and subsidiaries, is determined on the basis of valuation methodologies. The fair value of fixed term financings, other assets, other liabilities, fixed term deposits and due to financial institutions 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.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM UNCONSOLIDATED
FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2025**

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 financings and deposits, are frequently repriced.

36.1 Fair value of financial instruments

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

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

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

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

The table below analyses financial instruments measured as at June 30, 2025 and December 31, 2024 by the level in the fair value hierarchy into which the fair value measurement is categorised.

June 30, 2025 (Unaudited)					
Carrying value	Level 1	Fair value		Level 3	Total
		Level 2			
		Rupees in '000			
On balance sheet financial instruments					
Financial assets - measured at fair value					
Investments					
- Federal Government securities	2,055,687,603	893,643,069	1,160,636,138	1,408,396	2,055,687,603
- Shares / units of mutual funds	10,668,977	9,939,541	79,646	649,790	10,668,977
- Non Government Sukuks	126,207,415	114,258,995	2,176,625	9,771,795	126,207,415
- Foreign Securities	8,071,051	-	8,060,662	10,389	8,071,051
	<u>2,200,635,046</u>	<u>1,017,841,605</u>	<u>1,170,953,071</u>	<u>11,840,370</u>	<u>2,200,635,046</u>
Financial assets - disclosed but not measured at fair value					
Investments					
- Federal Government securities	187,700,229	-	82,046,641	106,137,172	188,183,813
	<u>187,700,229</u>	<u>-</u>	<u>82,046,641</u>	<u>106,137,172</u>	<u>188,183,813</u>
	<u>2,388,335,275</u>	<u>1,017,841,605</u>	<u>1,252,999,712</u>	<u>117,977,542</u>	<u>2,388,818,859</u>
Off-balance sheet financial instruments - measured at fair value					
Carrying value	Level 1	Fair value		Level 3	Total
		Level 2			
		Rupees in '000			
Forward purchase of foreign exchange	1,268,685	-	1,268,685	-	1,268,685
Forward sale of foreign exchange	686,291	-	686,291	-	686,291

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM UNCONSOLIDATED
FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2025**

	December 31, 2024 (Audited)				
	Carrying value	Level 1	Fair value		Total
			Level 2	Level 3	
	Rupees in '000				
On balance sheet financial instruments					
Financial assets - measured at fair value					
Investments					
- Federal Government securities	1,359,467,076	555,352,527	799,336,050	4,778,499	1,359,467,076
- Shares / units of mutual funds	11,197,572	10,513,112	66,633	617,827	11,197,572
- Non Government Sukuks	131,254,670	118,045,677	2,897,726	10,311,267	131,254,670
- Foreign Securities	3,968,059	-	3,957,670	10,389	3,968,059
	<u>1,505,887,377</u>	<u>683,911,316</u>	<u>806,258,079</u>	<u>15,717,982</u>	<u>1,505,887,377</u>
Financial assets - disclosed but not measured at fair value					
Investments					
- Federal Government securities	362,725,910	-	343,031,635	21,053,574	364,085,209
	<u>362,725,910</u>	<u>-</u>	<u>343,031,635</u>	<u>21,053,574</u>	<u>364,085,209</u>
	<u>1,868,613,287</u>	<u>683,911,316</u>	<u>1,149,289,714</u>	<u>36,771,556</u>	<u>1,869,972,586</u>

	Carrying value	Level 1	Fair value		Total
			Level 2	Level 3	
		Rupees in '000			
Off-balance sheet financial instruments - measured at fair value					
Forward purchase of foreign exchange	2,038,729	-	2,038,729	-	2,038,729
Forward sale of foreign exchange	1,353,309	-	1,353,309	-	1,353,309

36.2 Fair value of non-financial assets

	June 30, 2025 (Unaudited)				
	Carrying value	Level 1	Fair value		Total
			Level 2	Level 3	
	Rupees in '000				
Non-banking assets acquired in satisfaction of claims	498,450	-	-	498,450	498,450
	<u>498,450</u>	<u>-</u>	<u>-</u>	<u>498,450</u>	<u>498,450</u>
	December 31, 2024 (Audited)				
	Carrying value	Level 1	Fair value		Total
			Level 2	Level 3	
	Rupees in '000				
Non-banking assets acquired in satisfaction of claims	498,450	-	-	498,450	498,450
	<u>498,450</u>	<u>-</u>	<u>-</u>	<u>498,450</u>	<u>498,450</u>

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM UNCONSOLIDATED
FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2025**

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.

36.2.1 Valuation techniques used in determination of fair values

Item	Valuation approach and input used
Listed Securities	The valuation has been determined through closing rates of Pakistan Stock Exchange.
Government of Pakistan (GoP) Ijarah Sukuks	The fair value of GoP Ijarah sukuks listed on Pakistan Stock Exchange has been determined through closing rates of Pakistan Stock Exchange. The fair value of other GoP Ijarah sukuks are derived using PKISRV rates. The PKISRV rates are announced by FMA (Financial Market Association) through Reuters. The rates announced are simple average of quotes received from eight different pre-defined / approved dealers / brokers.
Foreign Sukuk	These are measured at fair value using the rates published by the valuation expert (Bloomberg).
Forward foreign exchange contracts	The valuation has been determined by interpolating the mid rates announced by SBP.
Non-banking assets acquired in satisfaction of claims	NBAs are valued by professionally qualified valuers as per the accounting policy disclosed in the unconsolidated condensed interim financial statements of the Bank for the year ended December 31, 2024.
Mutual Funds	The valuation has been determined based on net asset values declared by respective funds.
Unquoted Equity Securities	The value of unquoted equity securities are determined by using different methods for different securities, as applicable. Fair value of investment in Sapphire Electric Company Limited has been determined by Dividend Discount Model (DDM) by using constant dividends streams of the entity by using various key assumptions considering economic and market conditions. Key assumptions include discount rate and terminal growth rate (if applicable).
Corporate sukuks	The valuation has been determined through closing rates announced by FMA (Financial Market Association) through Reuters.

36.2.2 Fair value of financial assets

(a) Financial instruments in level 1

Financial instruments included in level 1 comprises of investments in ordinary shares of listed companies, listed GoP ijarah sukuks and listed non government debt securities traded at Pakistan Stock Exchange.

(b) Financial instruments in level 2

Financial instruments included in level 2 comprises of units of open ended mutual fund, GoP ijarah sukuks, foreign sukuks and non government debt securities which are valued through MUFAP.

(c) Financial instruments in level 3

Financial instruments included in level 3 comprises of unlisted ordinary shares, Islamic Naya Pakistan Certificates, non government debt securities, Bai muajjal and foreign shares. Valuation techniques are mentioned in the table above.

The fair value of Federal Government securities classified at amortised cost, 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.

36.2.3 The Bank's policy is to recognise transfers into and out of the different fair value hierarchy levels at the date the event or change in circumstances that caused the transfer occurred.

There were no transfers between levels 1 and 2 during the period.

The valuation of non-banking assets acquired in satisfaction of claims, mentioned above, is conducted by the valuation expert appointed by the Bank which is also on the panel of the Pakistan Banks' Association (PBA). The valuation expert uses a market based approach to arrive at the fair value of the Bank's non-banking asset acquired in satisfaction of claims. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable or similar properties. This value is adjusted to reflect the current condition of the property. The effect of changes in the unobservable inputs used in the valuation cannot be determined with certainty, accordingly a quantitative disclosure of sensitivity has not been presented in these unconsolidated condensed interim financial statements.

The sensitivity analysis of the fair value measurement of unquoted equity securities due to changes in observable inputs has not been disclosed as the amount is not material and significant.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM UNCONSOLIDATED
FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2025**

37 SEGMENT INFORMATION

37.1 Segment Details with respect to Business Activities

	2025					Total
	Corporate and Commercial banking	Retail Banking	Trading & Sales	Others	Inter-segment Eliminations	
	Rupees in '000					
Statement of profit and loss account for the half year ended June 30, 2025 (Unaudited)						
External Funded Revenue	74,491,216	6,425,614	128,609,067	-	-	209,525,897
External Non funded Revenue	3,787,820	3,012,124	4,787,709	4,805,292	-	16,392,945
Inter segment revenue - net	-	161,578,220	-	148,619	-	-
Total Income	78,279,036	171,015,958	133,396,776	4,953,911	(161,726,839)	225,918,842
External cost of funds	3,626,933	55,277,740	24,865,375	-	-	83,770,048
Segment direct expenses	843,990	30,074,012	1,031,266	4,378,636	-	36,327,904
Inter segment expense allocation	63,078,344	-	98,648,495	-	(161,726,839)	-
Total expenses	67,549,267	85,351,752	124,545,136	4,378,636	(161,726,839)	120,097,952
(Reversal of provisions / credit loss allowance) / credit loss allowance / provisions and write offs - net	3,410,812	(85,155)	9,649	43,286	-	3,378,592
Profit before tax	7,318,957	85,749,361	8,841,991	531,989	-	102,442,298
Statement of financial position as at June 30, 2025 (Unaudited)						
Cash and Bank balances	16,281,319	285,509,101	-	13,326,073	-	315,116,493
Due from financial institutions	-	-	69,151,189	-	-	69,151,189
Investments	11,947,790	-	2,378,309,818	-	-	2,390,257,608
Net inter segment lending	-	2,846,018,383	-	3,424,442	(2,849,442,825)	-
Islamic financings and related assets	1,040,556,145	104,497,757	-	-	-	1,145,053,902
Others	47,175,803	91,868,853	75,307,841	4,617,627	-	218,970,124
Total Assets	1,115,961,057	3,327,894,094	2,522,768,848	21,368,142	(2,849,442,825)	4,138,549,316
Due to financial institutions	96,744,838	13,778,669	404,512,014	-	-	515,035,521
Deposits and other accounts	-	3,042,538,650	-	-	-	3,042,538,650
Subordinated Sukuks	16,990,000	-	-	-	-	16,990,000
Net inter segment borrowing	892,611,430	-	1,956,831,395	-	(2,849,442,825)	-
Others	38,308,861	240,786,638	229,518	20,221,604	-	299,546,621
Total liabilities	1,044,655,129	3,297,103,957	2,361,572,927	20,221,604	(2,849,442,825)	3,874,110,792
Equity	71,305,928	30,790,137	161,195,921	1,146,538	-	264,438,524
Total Equity and liabilities	1,115,961,057	3,327,894,094	2,522,768,848	21,368,142	(2,849,442,825)	4,138,549,316
Contingencies and Commitments	1,911,978,668	3,746,684	320,526,000	-	-	2,236,251,352
	2024					Total
	Corporate and Commercial banking	Retail Banking	Trading & Sales	Others	Inter-segment Eliminations	
	Rupees in '000					
Statement of profit and loss account for the half year ended June 30, 2024 (Unaudited)						
External Funded Revenue	87,590,171	5,276,708	156,801,174	-	-	249,668,053
External Non funded Revenue	2,917,888	2,557,104	1,613,813	4,592,264	-	11,681,069
Inter segment revenue - net	-	229,153,620	-	-	(229,153,620)	-
Total Income	90,508,059	236,987,432	158,414,987	4,592,264	(229,153,620)	261,349,122
External Cost of funds	8,092,794	79,623,231	24,461,192	-	-	112,177,217
Segment direct expenses	1,401,696	39,004,374	634,902	2,528,728	-	43,569,700
Inter segment expense allocation	75,494,564	-	153,618,350	40,706	(229,153,620)	-
Total expenses	84,989,054	118,627,605	178,714,444	2,569,434	(229,153,620)	155,746,917
(Reversal of provisions / credit loss allowance) / credit loss allowance / provisions and write offs - net	(839,874)	978,616	(992,638)	181,695	-	(672,201)
Profit before tax	6,358,879	117,381,211	(19,306,819)	1,841,135	-	106,274,406
Statement of financial position as at December 31, 2024 (Audited)						
Cash and Bank balances	2,701,418	259,368,426	-	12,089,364	-	274,159,208
Due from financial institutions	-	-	34,964,299	-	-	34,964,299
Investments	13,208,564	-	1,857,327,056	-	-	1,870,535,620
Net inter segment lending	-	2,447,246,228	-	16,951,471	(2,464,197,699)	-
Islamic financings and related assets	1,432,227,514	82,528,422	-	-	-	1,514,755,936
Others	51,394,838	92,412,523	61,919,007	1,931,700	-	207,658,068
Total assets	1,499,532,334	2,881,555,599	1,954,210,362	30,972,535	(2,464,197,699)	3,902,073,131
Due to financial institutions	109,871,661	13,102,601	599,312,056	-	-	722,286,318
Deposits and other accounts	-	2,584,871,300	-	-	-	2,584,871,300
Subordinated Sukuks	20,990,000	-	-	-	-	20,990,000
Net inter segment borrowing	1,236,635,856	-	1,227,561,843	-	(2,464,197,699)	-
Others	37,120,929	256,091,800	3,643,429	30,085,063	-	326,941,221
Total liabilities	1,404,618,446	2,854,065,701	1,830,517,328	30,085,063	(2,464,197,699)	3,655,088,839
Equity	94,913,888	27,489,898	123,693,034	887,472	-	246,984,292
Total Equity and liabilities	1,499,532,334	2,881,555,599	1,954,210,362	30,972,535	(2,464,197,699)	3,902,073,131
Contingencies and Commitments	1,522,044,807	87,751,572	280,886,420	-	-	1,890,682,799

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM UNCONSOLIDATED
FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2025**

38 RELATED PARTY TRANSACTIONS

38.1 Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions and includes subsidiary companies, associated companies, retirement benefit funds, directors, and key management personnel and their close family members.

38.2 The Banks enter 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 and other benefit to the key management personnel is determined in accordance with the terms of their appointment.

38.3 Subsidiary companies

- Al Meezan Investment Management Limited
- Meezan Exchange Company (Private) Limited

38.4 Associates

Associates include mutual funds managed by Al Meezan Investment Management Limited and entities having common directorship with the Board. However, entities are not considered related party only if common director is an independent director working on both the Boards.

38.5 Key management personnel

- President and Chief Executive Officer
- Deputy Chief Executive Officer

38.6 Details of transactions with related parties during the period / year and balances with them (other than those disclosed in respective notes) as at the period / year end as are follows:

	Total		Subsidiaries		Associates		Directors and close family members		Key management personnel and close family members		Other related parties	
	June 30, 2025 (Unaudited)	Dec 31, 2024 (Audited)	June 30, 2025 (Unaudited)	Dec 31, 2024 (Audited)	June 30, 2025 (Unaudited)	Dec 31, 2024 (Audited)	June 30, 2025 (Unaudited)	Dec 31, 2024 (Audited)	June 30, 2025 (Unaudited)	Dec 31, 2024 (Audited)	June 30, 2025 (Unaudited)	Dec 31, 2024 (Audited)
Rupees in '000												
Islamic financing and related assets												
At January 1,	82,900	33,002,164	-	-	-	32,914,968	-	-	82,900	87,196	-	-
Addition during the period / year	-	3,522,664	-	-	-	3,522,664	-	-	-	-	-	-
Repayments / maturities during the period / year	(2,241)	(36,441,928)	-	-	-	(36,437,632)	-	-	(2,241)	(4,296)	-	-
At June 30, December 31	80,659	82,900	-	-	-	-	-	-	80,659	82,900	-	-
Investments												
At January 1,	1,922,333	908,302	1,063,050	63,050	859,283	845,252	-	-	-	-	-	-
Addition during the period / year	-	1,015,000	-	1,000,000	-	15,000	-	-	-	-	-	-
Repayment / redemption during the period / year	-	(969)	-	-	-	(969)	-	-	-	-	-	-
At June 30, December 31	1,922,333	1,922,333	1,063,050	1,063,050	859,283	859,283	-	-	-	-	-	-
Deposits	16,014,925	8,477,554	447,141	287,629	11,588,400	6,758,697	194,484	251,138	107,219	75,745	3,677,681	1,104,345
Other Assets												
Profit receivable on financing / investments / placements	33	44	-	-	-	-	-	-	33	44	-	-
Fee, dividend and other receivable	297,147	294,119	208,072	235,786	89,075	58,333	-	-	-	-	-	-
Credit loss allowance / provision held against other assets	42	45	28	32	4	8	-	-	10	5	-	-

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM UNCONSOLIDATED
FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2025**

	Total		Subsidiaries		Associates		Directors and close family members		Key management personnel and close family members		Other related parties	
	June 30, 2025 (Unaudited)	Dec 31, 2024 (Audited)	June 30, 2025 (Unaudited)	Dec 31, 2024 (Audited)	June 30, 2025 (Unaudited)	Dec 31, 2024 (Audited)	June 30, 2025 (Unaudited)	Dec 31, 2024 (Audited)	June 30, 2025 (Unaudited)	Dec 31, 2024 (Audited)	June 30, 2025 (Unaudited)	Dec 31, 2024 (Audited)
Rupees in '000												
Due to financial institutions												
At January 1,	47,130,000	-	-	-	47,130,000	-	-	-	-	-	-	-
Addition during the period / year	175,300,000	643,630,000	-	-	175,300,000	643,630,000	-	-	-	-	-	-
Repayment / redemption during the period / year	(222,430,000)	(596,500,000)	-	-	(222,430,000)	(596,500,000)	-	-	-	-	-	-
At June 30, December 31	-	47,130,000	-	-	-	47,130,000	-	-	-	-	-	-
Sub-ordinated Sukuk												
At January 1,	210,000	210,000	-	-	210,000	210,000	-	-	-	-	-	-
Addition during the period / year	-	-	-	-	-	-	-	-	-	-	-	-
Repayment / redemption / during the period / year	-	-	-	-	-	-	-	-	-	-	-	-
At June 30, December 31	210,000	210,000	-	-	210,000	210,000	-	-	-	-	-	-
Other liabilities												
Payable to defined benefit plan	1,716,045	2,153,351	-	-	-	-	-	-	869,752	808,528	846,293	1,344,823
Accrued Expenses	9,057	4,550	6,600	2,200	2,457	-	-	2,350	-	-	-	-
Profit payable on musharakah acceptance	-	256,364	-	-	-	256,364	-	-	-	-	-	-
Advance against issue of shares under Employee share option	8,491	-	-	-	-	-	-	-	8,491	-	-	-
Contingencies and Commitments												
Letters of Guarantee (unfunded)	2,500,100	100	100	100	2,500,000	-	-	-	-	-	-	-

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM UNCONSOLIDATED
FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2025**

Transactions, income and expenses	Total		Subsidiaries		Associates		Directors and close family members		Key management personnel and close family members		Other related parties	
	June 30, 2025 (Unaudited)	June 30, 2024 (Unaudited)	June 30, 2025 (Unaudited)	June 30, 2024 (Unaudited)	June 30, 2025 (Unaudited)	June 30, 2024 (Unaudited)	June 30, 2025 (Unaudited)	June 30, 2024 (Unaudited)	June 30, 2025 (Unaudited)	June 30, 2024 (Unaudited)	June 30, 2025 (Unaudited)	June 30, 2024 (Unaudited)
	Rupees in '000											
Profit earned on financing / investments / placements	2,033	2,359,285	-	-	-	2,357,134	-	-	2,033	2,151	-	-
Fees and other income earned	569,695	575,017	471,695	247,642	97,809	327,230	11	10	148	95	32	40
Dividend income earned	710,928	595,862	650,000	260,000	60,928	335,862	-	-	-	-	-	-
Return on deposits / acceptance expensed	929,463	1,133,399	5,437	24,092	836,315	1,052,945	2,170	2,088	4,219	7,082	81,322	47,192
Charge for defined benefit plan	846,293	372,933	-	-	-	-	-	-	-	-	846,293	372,933
Contribution to defined contribution plan	516,920	424,769	-	-	-	-	-	-	-	-	516,920	424,769
Contribution to staff benevolent fund	104,717	82,778	-	-	-	-	-	-	-	-	104,717	82,778
(Reversal of provisions / credit loss allowance) / credit loss allowance / provision and write offs - net (including recognised directly in unappropriated profit)	(3)	3,646	(4)	22	(4)	3,613	-	-	5	11	-	-
Fees expensed	16,061	17,153	14,843	16,006	1,218	1,147	-	-	-	-	-	-
Capital gain - net	-	4,031	-	-	-	4,031	-	-	-	-	-	-
Expenses paid on behalf of Meezan Exchange Company Private Limited	15,275	56,474	15,275	56,474	-	-	-	-	-	-	-	-
Purchase of property and equipment	-	32,845	-	-	-	32,845	-	-	-	-	-	-
Remuneration to key management personnel	182,268	243,541	-	-	-	-	-	-	182,268	243,541	-	-
Fee to non-executive directors	29,620	33,190	-	-	-	-	29,620	33,190	-	-	-	-
Proceeds from sale of property and equipment	-	7,261	-	-	-	-	-	-	-	7,261	-	-

Balances pertaining to parties that were related at the beginning of the year but ceased to be related during any part of the current period are not reflected as part of the closing balance. However, new related parties have been added during the period. The same are accounted for through the movement presented above.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM UNCONSOLIDATED
FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2025**

39 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
	Rupees in '000	
Minimum Capital Requirement (MCR)		
Paid-up capital (net of losses)	<u>17,947,407</u>	<u>17,947,407</u>
Capital Adequacy Ratio		
Eligible Common Equity Tier 1 (CET 1) Capital	<u>243,196,563</u>	<u>221,804,077</u>
Eligible Additional Tier 1 (ADT 1) Capital	<u>7,000,000</u>	<u>7,000,000</u>
Total Eligible Tier 1 Capital	<u>250,196,563</u>	<u>228,804,077</u>
Eligible Tier 2 Capital	<u>36,914,547</u>	<u>47,135,239</u>
Total Eligible Capital (Tier 1 + Tier 2)	<u>287,111,110</u>	<u>275,939,316</u>
Risk weighted assets (RWAs):		
Credit Risk	<u>747,622,766</u>	<u>880,323,774</u>
Market Risk	<u>30,478,151</u>	<u>36,391,197</u>
Operational Risk	<u>439,129,711</u>	<u>439,129,711</u>
Total	<u>1,217,230,628</u>	<u>1,355,844,682</u>
Common Equity Tier 1 Capital Adequacy ratio	<u>19.98%</u>	<u>16.36%</u>
Tier 1 Capital Adequacy Ratio	<u>20.55%</u>	<u>16.88%</u>
Total Capital Adequacy Ratio	<u>23.59%</u>	<u>20.35%</u>
Leverage ratio (LR):		
Tier-1 Capital	<u>250,196,563</u>	<u>228,804,077</u>
Total Exposures	<u>4,539,383,745</u>	<u>4,186,333,675</u>
Leverage Ratio	<u>5.51%</u>	<u>5.47%</u>
Liquidity Coverage Ratio (LCR):		
Total High Quality Liquid Assets	<u>1,832,098,075</u>	<u>1,320,749,145</u>
Total Net Cash Outflow	<u>560,831,661</u>	<u>433,217,397</u>
Liquidity Coverage Ratio	<u>327%</u>	<u>305%</u>
Net Stable Funding Ratio (NSFR):		
Total Available Stable Funding	<u>2,935,784,908</u>	<u>2,572,046,020</u>
Total Required Stable Funding	<u>1,148,596,213</u>	<u>1,453,475,186</u>
Net Stable Funding Ratio	<u>256%</u>	<u>177%</u>

40 CORRESPONDING FIGURES

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

40.2 The effects of restatement due to adoption of IFRS 9 is mentioned in note 5.1.1 of these unconsolidated condensed interim financial statements.

41 NON-ADJUSTING EVENT

The Board of Directors in their meeting held on August 13, 2025 has announced interim cash dividend of Rs 7 per share (70%). These unconsolidated condensed interim financial statements do not include the effect of this appropriation which will be accounted for subsequent to the period end.

42 DATE OF AUTHORISATION

These unconsolidated condensed interim financial statements were authorised for issue on August 13, 2025, by the Board of Directors of the Bank.



Riyadh S. A. A. Edrees
Chairman



Irfan Siddiqui
President & Chief Executive



Mohammad Abdul Aleem
Director



Tariq Mahmood Pasha
Director



Syed Imran Ali Shah
Chief Financial Officer

**CONDENSED INTERIM CONSOLIDATED
FINANCIAL STATEMENTS**

**CONDENSED INTERIM CONSOLIDATED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2025**

	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
ASSETS		
Rupees in '000		
Cash and balances with treasury banks	284,461,748	260,873,367
Balances with other banks	31,086,314	13,290,726
Due from financial institutions	69,151,189	34,964,299
Investments	2,399,644,204	1,878,852,841
Islamic financing and related assets	1,145,053,902	1,514,755,936
Property and equipment	49,206,124	47,226,503
Right-of-use assets	21,117,378	21,622,622
Intangible assets	3,409,588	2,960,432
Deferred tax asset	-	-
Other assets	146,370,482	137,641,875
Total Assets	4,149,500,929	3,912,188,601
LIABILITIES		
Bills payable	94,275,613	112,605,407
Due to financial institutions	515,035,521	722,286,318
Deposits and other accounts	3,042,091,510	2,584,583,671
Lease liability against right-of-use assets	26,944,061	26,286,276
Sub-ordinated sukuk	16,990,000	20,990,000
Deferred tax liabilities	5,757,682	15,530,758
Other liabilities	176,680,230	176,275,951
Total Liabilities	3,877,774,617	3,658,558,381
NET ASSETS	271,726,312	253,630,220
REPRESENTED BY		
Share capital	17,947,407	17,947,407
Advance against issue of shares	417,509	-
Reserves	52,985,369	48,026,583
Surplus on revaluation of assets - net of tax	17,579,262	22,141,192
Unappropriated profit	180,691,718	163,601,395
	269,621,265	251,716,577
Non-controlling Interest	2,105,047	1,913,643
	271,726,312	253,630,220

The annexed notes 1 to 3 form an integral part of these consolidated condensed interim financial statements.



Riyadh S. A. A. Edrees
Chairman



Irfan Siddiqui
President & Chief Executive



Mohammad Abdul Aleem
Director



Tariq Mahmood Pasha
Director



Syed Imran Ali Shah
Chief Financial Officer

CONDENSED INTERIM CONSOLIDATED

STATEMENT OF PROFIT AND LOSS ACCOUNT (UNAUDITED) FOR THE QUARTER AND HALF YEAR ENDED JUNE 30, 2025

	Quarter ended June 30, 2025	Quarter ended June 30, 2024 (Restated)	Half year ended June 30, 2025	Half year ended June 30, 2024 (Restated)
Rupees in '000				
Profit / return earned on Islamic financing and related assets, investments and placements	101,915,283	130,474,973	209,535,252	249,679,139
Profit on deposits and other dues expensed	37,956,961	60,225,205	83,794,414	112,175,918
Net profit / return	63,958,322	70,249,768	125,740,838	137,503,221
OTHER INCOME				
Fee and commission income	6,812,895	5,414,732	14,024,872	11,329,710
Dividend income	116,073	473,545	173,209	656,192
Foreign exchange income	1,640,812	101,254	3,238,562	579,184
Gain on securities	658,139	967,776	669,304	1,027,876
Other income	439,989	278,506	804,078	607,776
Total other income	9,667,908	7,235,813	18,910,025	14,200,738
Total income	73,626,230	77,485,581	144,650,863	151,703,959
OTHER EXPENSES				
Operating expenses	16,208,849	21,781,077	35,376,246	42,379,242
Workers Welfare Fund	1,173,651	1,125,476	2,217,630	2,253,945
Other charges	54,119	923	62,882	133,519
Total other expenses	17,436,619	22,907,476	37,656,758	44,766,706
Share of profit of associates	56,189,611	54,578,105	106,994,105	106,937,253
Profit before credit loss allowance / provisions	372,722	(580,560)	711,214	(205,971)
	56,562,333	53,997,545	107,705,319	106,731,282
Credit loss allowance / provisions and write offs / (reversal of provisions / credit loss allowance) - net	1,520,212	(935,211)	3,378,592	(672,201)
Extra ordinary / unusual items	-	-	-	-
Profit Before Taxation	55,042,121	54,932,756	104,326,727	107,403,483
Taxation	30,320,050	27,891,233	57,186,365	55,281,783
Profit After Taxation	24,722,071	27,041,523	47,140,362	52,121,700
Attributable to:				
Shareholders of the Holding company	24,497,477	26,843,171	46,604,314	51,799,458
Non-controlling interest	224,594	198,352	536,048	322,242
	24,722,071	27,041,523	47,140,362	52,121,700
		(Restated)		(Restated)
		Rupees		
Basic earnings per share	13.65	14.99	25.97	28.92
Diluted earnings per share	13.57	14.90	25.81	28.76

The annexed notes 1 to 3 form an integral part of these consolidated condensed interim financial statements.



Riyadh S. A. A. Edrees
Chairman



Irfan Siddiqui
President & Chief Executive



Mohammad Abdul Aleem
Director



Tariq Mahmood Pasha
Director



Syed Imran Ali Shah
Chief Financial Officer

CONDENSED INTERIM CONSOLIDATED

STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED) FOR THE QUARTER AND HALF YEAR ENDED JUNE 30, 2025

	Quarter ended June 30, 2025	Quarter ended June 30, 2024 (Restated)	Half year ended June 30, 2025	Half year ended June 30, 2024 (Restated)
Rupees in '000				
Profit after taxation for the period attributable to:				
Shareholders of the Holding company	24,497,477	26,843,171	46,604,314	51,799,458
Non-controlling interest	224,594	198,352	536,048	322,242
	24,722,071	27,041,523	47,140,362	52,121,700
Other Comprehensive Income / (loss)				
Items that may be reclassified to statement of profit and loss account in subsequent periods:				
- Movement in deficit on revaluation of debt investments through FVOCI - net of tax	5,013,199	(1,143,390)	(4,357,892)	(2,907,824)
- Gain on sale of debt investments carried at FVOCI reclassified to the statement of profit or loss account - net of tax	(309,181)	(28,262)	(314,361)	(58,913)
Items that will not be reclassified to statement of profit and loss account in subsequent periods:				
- Movement in surplus on revaluation of equity investments through FVOCI - net of tax	212,307	518,171	329,136	597,359
- Remeasurement of defined benefit plan - net of tax	15,302	(14,485)	15,302	(14,485)
Total comprehensive income for the period	29,653,698	26,373,557	42,812,547	49,737,837
Attributable to:				
Shareholders of the Holding company	29,423,748	26,180,275	42,271,143	49,420,665
Non-controlling interest	229,950	193,282	541,404	317,172
	29,653,698	26,373,557	42,812,547	49,737,837

The annexed notes 1 to 3 form an integral part of these consolidated condensed interim financial statements.



Riyadh S. A. A. Edrees
Chairman



Irfan Siddiqui
President & Chief Executive



Mohammad Abdul Aleem
Director



Tariq Mahmood Pasha
Director



Syed Imran Ali Shah
Chief Financial Officer

CONDENSED INTERIM CONSOLIDATED
STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED JUNE 30, 2025

	Share capital	Advance against issue of shares	Capital reserves				Revenue reserve	Surplus / (deficit) on revaluation of		Unappropriated profit	Non controlling interest	Total
			Share premium	Statutory reserve *	Non-Distributable Capital Reserve - Gain on Bargain Purchase	Employee share option compensation reserve	General reserve	Investments	Non-banking Assets			
Rupees in '000												
Balance as at January 01, 2024 (Audited)	17,912,532	-	2,626,441	30,617,082	3,117,547	654,321	91,082	10,920,597	-	122,528,058	1,549,609	190,017,269
Impact of adoption of IFRS 9 - net of tax	-	-	-	-	-	-	-	1,188,390	-	25,760	-	1,214,150
Profit after taxation for the half ended June 30, 2024	-	-	-	-	-	-	-	-	-	51,799,458	322,242	52,121,700
Other comprehensive income / (loss) for the half year ended June 30, 2024 - net of tax	-	-	-	-	-	-	-	-	-	-	-	-
- Movement in deficit on revaluation of investments in debt instruments at FVOCI - net of tax	-	-	-	-	-	-	-	(2,907,824)	-	-	-	(2,907,824)
- Gain on sale of debt investments carried at FVOCI reclassified to profit or loss account - net of tax	-	-	-	-	-	-	-	(58,913)	-	-	-	(58,913)
- Transfer from revaluation of assets to unappropriated profit - net of tax	-	-	-	-	-	-	-	(152,335)	-	152,335	-	-
- Remeasurement of post retirement benefits obligation - net of tax	-	-	-	-	-	-	-	-	-	(9,415)	(5,070)	(14,485)
- Movement in surplus on revaluation of equity investments carried at FVOCI - net of tax	-	-	-	-	-	-	-	597,359	-	-	-	597,359
	-	-	-	-	-	-	-	(2,521,713)	-	142,920	(5,070)	(2,383,863)
Recognition of share based compensation	-	-	-	-	-	253,272	-	-	-	-	-	253,272
Other appropriations	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to statutory reserve*	-	-	-	5,175,311	-	-	-	-	-	(5,175,311)	-	-
Transactions with owners recognised directly in equity	-	-	-	-	-	-	-	-	-	-	-	-
Final cash dividend for the year 2023 @ Rs 8 per share	-	-	-	-	-	-	-	-	-	(14,330,026)	-	(14,330,026)
Frist interim cash dividend for the year 2024 @ Rs 7 per share	-	-	-	-	-	-	-	-	-	(12,538,773)	-	(12,538,773)
Dividend payout by Subsidiary	-	-	-	-	-	-	-	-	-	(26,868,799)	-	(26,868,799)
Advance received against issue of 3,487,520 shares under the Employees shares option scheme (note 34.2)	-	258,888	-	-	-	-	-	-	-	-	(140,000)	(140,000)
Balance as at June 30, 2024 (Unaudited) - restated	17,912,532	258,888	2,626,441	35,792,393	3,117,547	907,593	91,082	9,587,274	-	142,452,086	1,726,781	214,472,617
Profit after taxation for the half year ended December 31, 2024	-	-	-	-	-	-	-	-	-	50,889,623	708,012	51,597,635
Other Comprehensive income for the nine months period ended December 31, 2024 - net of tax	-	-	-	-	-	-	-	-	-	-	-	-
- Movement in surplus on revaluation of investments in debt instruments at FVOCI - net of tax	-	-	-	-	-	-	-	12,999,512	-	-	-	12,999,512
- Gain on sale of debt investments carried at FVOCI reclassified to profit or loss account - net of tax	-	-	-	-	-	-	-	(1,554,567)	-	-	-	(1,554,567)
- Transfer from revaluation of assets to unappropriated profit - net of tax	-	-	-	-	-	-	-	(524,803)	-	524,803	-	-
- Remeasurement loss on valuation of employee retirement benefits	-	-	-	-	-	-	-	-	-	(208,738)	-	(208,738)
- Movement in surplus on revaluation of equity investments carried at FVOCI - net of tax	-	-	-	-	-	-	-	1,633,776	-	-	-	1,633,776
	-	-	-	-	-	-	-	12,553,918	-	316,065	-	12,869,983
Total other comprehensive income / (loss) - net of tax	-	-	-	-	-	-	-	-	-	-	-	337,505
Recognition of share based compensation	-	-	-	-	-	337,505	-	-	-	-	-	-
Other appropriations	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to statutory reserve*	-	-	-	4,975,441	-	-	-	-	-	(4,975,441)	-	-
Transactions with owners recognised directly in equity	-	-	-	-	-	-	-	-	-	-	-	-
Second interim cash dividend for the year 2024 @ Rs 7 per share	-	-	-	-	-	-	-	-	-	(12,563,185)	-	(12,563,185)
Third interim cash dividend for the year 2024 @ Rs 7 per share	-	-	-	-	-	-	-	-	-	(12,563,185)	-	(12,563,185)
Dividend payout by Subsidiary	-	-	-	-	-	-	-	-	-	(25,126,370)	-	(25,126,370)
Issue of 3,487,520 shares under the Employees shares option scheme	34,875	(258,888)	477,812	-	-	(299,231)	-	-	-	45,432	-	-
Balance as at December 31, 2024 (Audited)	17,947,407	-	3,104,253	40,767,834	3,117,547	945,867	91,082	22,141,192	-	163,601,395	1,913,643	253,630,220

**CONDENSED INTERIM CONSOLIDATED
STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED JUNE 30, 2025**

	Share capital	Advance against issue of shares	Capital reserves				Revenue reserves	Surplus / (deficit) on revaluation of		Unappropriated profit	Non controlling interest	Total
			Share premium	Statutory reserve *	Non-Distributable Capital Reserve - Gain on Bargain Purchase	Employee share option compensation reserve	General reserve	Investments	Non-banking Assets			
Rupees in '000												
Balance as at December 31, 2024 (Audited)	17,947,407	-	3,104,253	40,767,834	3,117,547	945,867	91,082	22,141,192	-	163,601,395	1,913,643	253,630,220
Profit after taxation for the half year ended June 30, 2025	-	-	-	-	-	-	-	-	-	46,604,314	536,048	47,140,362
Other comprehensive income / (loss) for the half year ended June 30, 2025 - net of tax	-	-	-	-	-	-	-	-	-	-	-	-
- Movement in deficit on revaluation of investments in debt instruments at FVOCI - net of tax	-	-	-	-	-	-	-	(4,357,892)	-	-	-	(4,357,892)
- Gain on derecognition of Debt investments at FVOCI - reclassified to profit or loss - net of tax	-	-	-	-	-	-	-	(314,361)	-	-	-	(314,361)
- Transfer from revaluation of assets to unappropriated profit - net of tax	-	-	-	-	-	-	-	(218,813)	-	218,813	-	-
- Remeasurement of post retirement benefits obligation - net of tax	-	-	-	-	-	-	-	-	-	9,946	5,356	15,302
- Movement in surplus on revaluation of investments in equity instruments at FVOCI - net of tax	-	-	-	-	-	-	-	329,136	-	-	-	329,136
Total other comprehensive loss - net of tax	-	-	-	-	-	-	-	(4,561,930)	-	228,759	5,356	(4,327,815)
Recognition of share based compensation	-	-	-	-	-	342,406	-	-	-	-	-	342,406
Other appropriations												
Transfer to statutory reserve*	-	-	-	4,616,380	-	-	-	-	-	(4,616,380)	-	-
Transactions with owners recognised directly in equity												
Final cash dividend for the year 2024 @ Rs 7 per share	-	-	-	-	-	-	-	-	-	(12,563,185)	-	(12,563,185)
Frist interim cash dividend for the year 2025 @ Rs 7 per share	-	-	-	-	-	-	-	-	-	(12,563,185)	-	(12,563,185)
Dividend payout by Subsidiary	-	-	-	-	-	-	-	-	-	(25,126,370)	(350,000)	(25,126,370)
Advance received against issue of 5,813,938 shares under the Employees shares option scheme	-	417,509	-	-	-	-	-	-	-	-	-	417,509
Balance as at June 30, 2025 (Unaudited)	17,947,407	417,509	3,104,253	45,384,214	3,117,547	1,288,273	91,082	17,579,262	-	180,691,718	2,105,047	271,726,312

* This represents reserve created under section 21 (i) (b) of the Banking Companies Ordinance, 1962.

The annexed notes 1 to 3 form an integral part of these consolidated condensed interim financial statements.



Riyadh S. A. A. Edrees
Chairman



Irfan Siddiqui
President & Chief Executive



Mohammad Abdul Aleem
Director



Tariq Mahmood Pasha
Director



Syed Imran Ali Shah
Chief Financial Officer

CONDENSED INTERIM CONSOLIDATED
CASH FLOW STATEMENT (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2025

	Half year ended June 30, 2025	Half year ended June 30, 2024 (Restated)
	Rupees in '000	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	104,326,727	107,403,483
Less: Dividend income	(173,209)	(656,192)
	<u>104,153,518</u>	<u>106,747,291</u>
Adjustments for non-cash charges and other items:		
Depreciation	3,440,817	2,829,663
Net profit / return	(127,787,195)	(139,315,394)
Amortization	416,550	355,949
Depreciation on right-of-use-assets	1,472,905	1,272,831
Amortisation of lease liability against right-of-use assets	2,046,357	1,812,173
Credit loss allowance / provisions and write offs / (reversal of provisions / credit loss allowance)-net	3,378,592	(672,201)
Share based compensation expense	342,406	253,272
Gain on sale of property and equipment	(328,871)	(236,100)
Unrealised gain - FVTPL	(450)	4,755
Share of results of associates	(711,214)	205,971
	<u>(117,730,103)</u>	<u>(133,489,081)</u>
	<u>(13,576,585)</u>	<u>(26,741,790)</u>
(Increase) / decrease in operating assets		
Due from financial institutions	(34,186,910)	-
Islamic financing and related assets	365,602,217	(160,652,041)
Other assets (excluding advance taxation and mark-up receivable)	(7,929,651)	(8,718,050)
	<u>323,485,656</u>	<u>(169,370,091)</u>
Increase / (decrease) in operating liabilities		
Bills payable	(18,329,794)	30,826,369
Due to financial institutions	(205,400,507)	16,159,487
Deposits and other accounts	457,507,839	196,933,494
Other liabilities (excluding current taxation and mark-up payable)	(7,553,233)	10,191,311
	<u>226,224,305</u>	<u>254,110,661</u>
	<u>536,133,376</u>	<u>57,998,780</u>
Net profit / return received	209,790,864	246,643,395
Net profit / return paid	(86,387,215)	(110,884,133)
Income tax paid	(49,730,747)	(46,903,167)
Net cash generated from operating activities	<u>609,806,278</u>	<u>146,854,875</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Net investments in amortized cost securities	(67,627,224)	(123,268)
Net investments in securities classified as FVOCI	(464,947,606)	(75,856,114)
Net divestment in securities classified as FVPL	3,353,741	4,929,879
Net investments in associates	(358,164)	(1,984,956)
Dividends received	102,054	322,498
Investments in property and equipment	(5,486,198)	(8,257,977)
Investments in intangible assets	(865,706)	(837,534)
Proceeds from sale of property and equipment	675,255	396,026
Net cash used in investing activities	<u>(535,153,847)</u>	<u>(81,411,446)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Payment of lease liability against right-of-use assets	(2,356,233)	(2,018,623)
Redemption of subordinated sukuk	(4,000,000)	-
Advance received against issue of shares	417,509	258,888
Dividend paid to equity shareholders of the Bank	(25,119,633)	(27,695,656)
Dividend paid to non-controlling interest	(350,000)	(140,000)
Net cash used in financing activities	<u>(31,408,357)</u>	<u>(29,595,391)</u>
Increase in cash and cash equivalents	<u>43,244,074</u>	<u>35,848,038</u>
Expected credit loss allowance on cash and cash equivalents - net	(9,815)	(50,760)
Cash and cash equivalents at the beginning of the period	<u>272,080,803</u>	<u>254,070,476</u>
Cash and cash equivalents at the end of the period	<u>315,315,062</u>	<u>289,867,754</u>

The annexed notes 1 to 3 form an integral part of these consolidated condensed interim financial statements.


Riyadh S. A. A. Edrees
Chairman


Irfan Siddiqui
President & Chief Executive


Mohammad Abdul Aleem
Director


Tariq Mahmood Pasha
Director


Syed Imran Ali Shah
Chief Financial Officer

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM CONSOLIDATED
FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2025**

1 BASIS OF PRESENTATION

- 1.1** These condensed interim consolidated financial statements include the unaudited financial statements of Meezan Bank Limited (MBL) (the holding company), Al-Meezan Investment Management Limited (subsidiary) and Meezan Exchange Company (Private) Limited (subsidiary) collectively referred as the 'Group' and associates namely, Al-Meezan Mutual Fund, Meezan Islamic Fund, Meezan Islamic Income Fund, Meezan Sovereign Fund, KSE Meezan Index Fund, Meezan Balanced Fund, Meezan Islamic Income Fund, Meezan Fixed Term Fund , Meezan Gold Fund, Meezan Cash Fund, Meezan Rozana Amdani Fund, Meezan Pakistan Exchange Traded Fund, Meezan Tahaffuz Pension Fund-Equity, Meezan Tahaffuz Pension Fund-Gold Sub Fund, Meezan Energy Fund and Meezan GOKP Pension Fund.
- 1.2** These condensed interim consolidated financial statements has been prepared in accordance with the requirements of International Accounting Standard (IAS) 34 'Interim Financial Reporting'.
- 1.3** These condensed interim consolidated financial statements comprise of the statement of financial position as at June 30, 2025 and the profit and loss account, statement of comprehensive income, statement of changes in equity and the cash flow statement for the period ended June 30, 2025.

1.4 BASIS OF MEASUREMENT

These condensed interim consolidated financial statements have been prepared under the historical cost convention, except for certain non banking assets acquired in satisfaction of claims which are stated at revalued amounts, investment classified at fair value through profit or loss and fair value through other comprehensive income, commitments in respect of certain foreign exchange contracts which are measured at fair value, staff retirement benefits and compensated absences which are carried at present value.

1.5 Functional and presentation currency

Items included in these condensed interim consolidated financial statements are measured using the currency of the primary economic environment in which the Group operates. These condensed interim consolidated financial statements are presented in Pakistani Rupees, which is the Group's functional and presentation currency.

1.6 Rounding off

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

2 ACCOUNTING POLICIES

- 2.1** The accounting policies and the methods of computation adopted in the preparation of these condensed interim consolidated financial statements are the same as those applied in the preparation of the Group for the year ended December 31, 2024.

3 DATE OF AUTHORISATION

These consolidated condensed interim financial statements were authorized for issue on August 13, 2025 by the Board of Directors of the Holding company.



Riyadh S. A. A. Edrees
Chairman



Irfan Siddiqui
President & Chief Executive



Mohammad Abdul Aleem
Director



Tariq Mahmood Pasha
Director



Syed Imran Ali Shah
Chief Financial Officer



Meezan Bank
The Premier Islamic Bank

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