

# مَشْعَلُ رَاهٍ

The Guiding Light of  
Islamic Banking



HALF YEARLY REPORT  
JUNE 30, 2025

faysalbank



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# Corporate Information

## Board of Directors

Mian Muhammad Younis	Chairman
Mr. Ahmed Abdulrahim Mohamed Abdulla Bucheery	Vice Chairman
Mr. Abdulelah Ebrahim Mohamed AlQasimi	Non-Executive Director
Mr. Imtiaz Ahmad Pervez	Non-Executive Director
Mr. Juma Hasan Ali Abul	Non-Executive Director
Mr. Mohamed Ahmed Bucheerei	Non-Executive Director
Mr. Ali Munir	Independent Director
Ms. Fatima Asad Khan	Independent Director
Mr. Mohsin Tariq	Independent Director
Ms. Sadia Khan	Independent Director
Mr. Yousaf Hussain	President & CEO

## Board Audit & Corporate Governance Committee

Mr. Ali Munir	Chairman
Mr. Ahmed Abdulrahim Mohamed Abdulla Bucheery	Member
Mr. Juma Hasan Ali Abul	Member
Mr. Mohsin Tariq	Member

## Board Risk Management Committee

Mr. Imtiaz Ahmad Pervez	Chairman
Mr. Abdulelah Ebrahim Mohamed AlQasimi	Member
Mr. Ali Munir	Member
Mr. Mohamed Ahmed Bucheerei	Member
Mr. Yousaf Hussain	Member

## Recruitment Nomination and Remuneration Committee

Mr. Ahmed Abdulrahim Mohamed Abdulla Bucheery	Chairman
Ms. Fatima Asad Khan	Member
Mr. Juma Hasan Ali Abul	Member
Mr. Mohsin Tariq	Member
Ms. Sadia Khan	Member

## Board Strategy Committee

Mian Muhammad Younis	Chairman
Mr. Ahmed Abdulrahim Mohamed Abdulla Bucheery	Member
Ms. Fatima Asad Khan	Member
Mr. Imtiaz Ahmad Pervez	Member
Mr. Juma Hasan Ali Abul	Member
Mr. Yousaf Hussain	Member

## Board IT Committee

Ms. Sadia Khan	Chairperson
Mr. Abdulelah Ebrahim Mohamed AlQasimi	Member
Mr. Mohamed Ahmed Bucheerei	Member
Mr. Yousaf Hussain	Member

# Corporate Information

## Board Sustainability & Development Committee

Mian Muhammad Younis  
Mr. Abdulelah Ebrahim Mohamed AlQasimi  
Ms. Fatima Asad Khan  
Ms. Sadia Khan  
Mr. Yousaf Hussain

Chairman  
Member  
Member  
Member  
Member

## Shariah Board

Mufti Muhammad Mohib-ul-Haq Siddiqui  
Dr. Mufti Khalil Ahmad Aazami  
Mufti Muhammad Najeeb Khan  
Dr. Mufti Hassan Ashraf Usmani  
Mufti Muhammad Uzair Qasim  
Mufti Abdul Basit

Chairperson Shariah Board  
Member Shariah Board  
Member Shariah Board  
Member Shariah Board  
Member Shariah Board  
Resident Shariah Board Member

## Syed Majid Ali

## Chief Financial Officer

## Mr. Aurangzeb Amin

## Company Secretary & Head of Legal

## M/s. KPMG Taseer Hadi & Co., Chartered Accountants

## Auditors

## M/s. Mohsin Tayebaly & Co, Advocate

## Legal Advisors

## Registered Office

Faysal Bank Limited  
Faysal House, St-02, Commercial Lane,  
Main Shahrah-e-Faisal,  
Karachi, Pakistan

UAN : (92-21) 111-747-747  
Tel : (92-21) 3279-5200  
Fax : (92-21) 3279-5226  
Website : [www.faysalbank.com](http://www.faysalbank.com)

## Share Registrar

CDC Share Registrar Services Limited  
CDC House, 99-B, Block-B,  
SMCHS, Main Shahrah-e-Faisal,  
Karachi-74400

Tel : (92-21) 111-111-500  
Fax : (92-21) 34326053  
Email : [info@cdcsrcsl.com](mailto:info@cdcsrcsl.com)

Note: The State Bank of Pakistan has accorded the Fit & Proper approval to the above-mentioned Members of the Board of Directors and accordingly, the said Directors have assumed their responsibilities as the directors.

# DIRECTORS' REVIEW

## Unconsolidated Financial Statements

On behalf of the Board of Directors, we are pleased to present the unaudited condensed interim financial statements of Faysal Bank Limited ("FBL" or "the Bank") for the half year ended June 30, 2025.

### Company Profile

FBL was incorporated in Pakistan on October 03, 1994, as a public limited company and its shares are listed on Pakistan Stock Exchange. FBL offers a wide range of Islamic banking services to all customer segments, i.e., Retail, Small & Medium Sized Enterprises, Commercial, Agri-based, and Corporate.

The Bank surrendered its conventional banking license on 31 December 2022 and effective 01 January 2023 began its fully shariah-compliant operations under an Islamic Banking License issued by the State Bank of Pakistan (SBP). Its footprint spreads over 340 cities across the country with 855 branches offering sharia-compliant banking services.

### Holding Company

Ithmaar Bank B.S.C (closed), a banking entity regulated by the Central Bank of Bahrain, is the parent company holding directly and indirectly 66.78% (2024: 66.78%) of the Bank's shares. Ithmaar Bank B.S.C. (closed) is a wholly owned subsidiary of Ithmaar Holdings B.S.C. Dar Al-Maal Al-Islami Trust (DMIT) is the holding entity of Ithmaar Holding B.S.C. and the ultimate parent Company of the Bank. DMIT was formed by an indenture under the laws of the Commonwealth of The Bahamas for the purpose of conducting business affairs in conformity with Islamic laws, principles, and traditions.

### Economic Update

Pakistan's economy performed resiliently in the 2nd quarter of 2025 despite mounting geopolitical tensions and spillover impact on international commodities. During the fiscal year ended June 2025, Pakistan achieved a GDP growth of 2.7%. This growth was led by strong performance in the industrial sector which expanded by 4.77% and the services sector grew by 2.91%, supported by improved manufacturing activities and lower interest rates.

However, the agriculture sector faced challenges and due to weak crop yields, grew by only 0.56%. The Large-Scale Manufacturing (LSM) sector continued to face headwinds in Q2 2025 and contracted by 2.86% year-on-year; highlighting the need for targeted industrial support and policy clarity to sustain growth momentum.

Inflation eased to 4.5% for the fiscal year 2025, aided by lower global commodity prices and reduced electricity tariffs. Inflationary pressures remained contained, offering relief to consumers and providing room for continued policy flexibility.

The KSE-100 Index posted a strong performance in Q2 2025, rising by over 6.5% to close at 125,627 points, reflecting improved investor confidence post-budget and on signs of macroeconomic stability.

The fiscal deficit was at 2.4% of GDP during the first three quarters of the fiscal year, indicating prudent fiscal management. Revenue collection showed promising trends, with tax collections increasing by 26% to Rs. 9.1 trillion. Total revenues stood at Rs. 13.4 trillion, reflecting the

government’s efforts to enhance revenue generation. Pakistan continued its fiscal consolidation trajectory in last quarter of fiscal year FY25, supported by disciplined spending and improved revenue mobilization.

State Bank of Pakistan’s (SBP) reduced policy rate by over 1,000 basis points to 11% in FY2025 and maintained the policy rate in June to balance growth and stability.

A current account surplus of \$2.1 billion was recorded in FY25, driven by robust remittance inflows and stronger exports. Remittances have played a vital role in supporting the external account, highlighting the importance of diaspora contributions to the economy.

Pakistan’s economy continues to show signs of cautious recovery. However, external vulnerabilities including widening trade deficit and global uncertainties pose risks. Going forward, sustaining momentum will depend on consistent policies, foreign inflows, and structural reforms. If inflation remains contained and external buffers are preserved, broader and more inclusive growth may follow.

Bank’s Performance

A detailed review of the Bank’s performance is given in the following paragraphs:

Financial Performance  
Key Balance Sheet Numbers

	30 June ‘25	31 December ‘24	Growth %
	PKR in million		
Investment	701,039	677,372	3.5
Financing	719,395	633,910	13.5
Total Assets	1,678,909	1,562,668	7.4
Deposits	1,243,569	1,044,279	19.1

	H1 June ‘25	H1 June ‘24	Growth %
	PKR in million		
Total Revenue	45,025	47,442	(5.1)
Total Expenses	(26,681)	(22,417)	19.0
Profit before tax and provisions	18,344	25,025	(26.7)
Net provision reversal	3,510	801	338.0
Profit before tax	21,854	25,826	(15.4)
Tax	(11,848)	(12,560)	(5.7)
Profit after tax	10,006	13,266	(24.6)
Earnings per share (Rupees)	6.59	8.74	(24.6)
Gain on equity securities directly realized in equity (net of tax)	882	239	269.0

On a standalone basis, Profit Before Tax (PBT) is at PKR 21.9 billion, reflecting resilient performance despite a challenging macro-economic environment. Profit After Tax (PAT) stood at PKR 10 billion, impacted by an increase in the tax rate from 49% to 53%. Earnings Per Share decreased from PKR 8.74 to PKR 6.59.

Total revenue stood at PKR 45 billion in H1'25, while this represents a decline of 5.1% over H1'24, it also reflects the Bank's ability to maintain strong topline momentum despite a sharp reduction in policy rates and introduction of Minimum Deposit Rate (MDR) on savings deposits effective January 1, 2025. Net spreads earned were PKR 34.4 billion, with the impact of margin compression partially offset by strong growth in current deposits, which increased by PKR 151 billion (39.6%) YoY.

Non-fund income remained a key source of revenue, growing by 17.9% over the same period last year and is at PKR 10.6 billion in H1'25. Fee income has a robust growth of 26.0%, reaching PKR 6.5 billion, while foreign exchange income remained resilient, growing by 32.7%, to PKR 3.7 billion. Additionally, the Bank realized gain (net of tax) of PKR 0.9 billion on equity securities booked in equity during H1'25, compared to PKR 0.2 billion in H1'24.

The Bank's total expenses increased by 19% over H1'24, driven by inflation and the full year impact of an expanded branch network. There is, however, a net reversal of PKR 3.5 billion in provisions compared to PKR 0.8 billion in H1'24. Asset quality continued to improve with the NPL ratio declining to 3.0% as compared to 3.6% as at Dec'24. The total coverage stands at 97.3%.

FBL's total assets continued to grow, reaching PKR 1.7 trillion, driven by strong deposit mobilization. The upward trend in Current Accounts seen over the past few years continued, taking them to PKR 532 billion i.e. 30.4% growth over December 2024. Total deposits also increased by 19.1% over December 2024 and are at PKR 1.2 trillion. Current Account (CA) mix improved to 42.8% from 39.1% in December 2024 and CASA ratio improved to 88.5% from 85.5%. FBL's net financing increased by 13.5% to PKR 719 billion and ADR moderated to 57.8% as at Jun'25 from 60.7% at Dec'24. Investments increased by 3.5% and reached PKR 701 billion.

## Outlook

Looking ahead, we are cognizant of the intense competition and spreads compression due to decline in the policy rate and introduction of Minimum Deposit Rate (MDR) on saving accounts of Islamic banks. Despite these emerging challenges, we are confident that, through FBL's prudent financial management and strategic foresight, the Bank will, Insha'Allah, continue to navigate the evolving environment effectively and sustain its growth trajectory.

As part of our strategic vision, we are committed to expanding our branch network to strengthen deposit mobilization and improve customer reach. Simultaneously, we are focusing on improving customer experience through streamlining processes and investing in digital solutions that will elevate our digital offerings and enrich overall customer experience.

In line with our focus on long-term sustainability, we will continue to invest in our workforce, fostering an environment that upholds our core values of Faith, Integrity, Teamwork, Innovation, and Care. Our sustainability agenda also includes minimizing our environmental impact and making meaningful contributions to the communities we serve. By prioritizing these principles, we aim to strengthen our position in the market and serve the evolving needs of our customers.

Credit Rating:

VIS Credit Rating Company Limited (VIS) has upgraded the entity rating, while Pakistan Credit Rating Agency Limited (PACRA) have re-affirmed the rating as follows:

	VIS	PACRA
Long Term	AA+	AA
Short Term	A1+	A1+

VIS has assigned a 'Stable' outlook, while PACRA has upgraded the outlook to 'Positive'.

Dividend

The Board of Directors, in their meeting held on August 28, 2025, declared an interim cash dividend of Rs 1.5 per share (15%). This is an addition to Rs 1.5 per share already paid during the period bringing the total dividend for the period to Rs 3.0 per share (June' 24 : Rs 3.0).

Heartfelt Thanks: Acknowledging Our Pillars of Strength

On behalf of the Board and the Management, we extend gratitude to our esteemed shareholders for their unwavering support. We are indebted to our customers for their continuous confidence and trust. We also would like to place on record our appreciation for the Government of Pakistan, the State Bank of Pakistan and the Securities and Exchange Commission of Pakistan for their continued support and guidance and for developing and strengthening the banking and financial services sector through continuous improvement in the regulatory and governance framework.

As always, we would also like to express sincere appreciation for the Shariah Board. We would also like to take this opportunity to recognize and commend the unwavering commitment and exceptional efforts extended by our employees in driving the growth of FBL. We extend our heartfelt thanks to them for their relentless dedication and hard work.

Approval

In compliance with the requirement of the Companies Act, 2017, this Directors' Report with the recommendations of the Board Audit and Corporate Governance Committee has been approved by the Directors in their meeting held on August 28, 2025 and signed by the Chief Executive Officer and Chairman.

President & CEO

Karachi  
Dated: August 28, 2025

Chairman



## ڈیویڈنڈ

بورڈ آف ڈائریکٹرز نے 28 اگست 2025 کو منعقد ہونے والے اجلاس میں 30 جون 2025 کو ختم ہونے والی ششماہی کے لیے 1.5 روپے فی شیئر (15%) کے عبوری نقد منافع منقسمہ کا اعلان کیا ہے۔ یہ سال کے دوران ادا کر دیئے گئے 1.5 روپے کے علاوہ ہے اور اس طرح سال کا کل ڈیویڈنڈ 3 روپے فی شیئر ہو گیا (30 جون 2024: 3 روپے)۔

## ہماری طاقت کے ستونوں کے لیے دلی اظہارِ تشکر

بورڈ اور انتظامیہ کی جانب سے، ہم اس موقع پر شیئر ہولڈرز کا شکریہ ادا کرتے ہیں کہ انہوں نے ہم پر غیر متزلزل اعتماد کیا ہے۔ ہم اپنے صارفین کے تہہ دل سے مشکور ہیں، جنہوں نے اپنے کاروبار کو پختہ یقین کے ساتھ ہم پر اعتماد کو مسلسل جاری رکھا۔ ہم ریگولیٹری اور گورننس فریم ورک میں مسلسل بہتری کے ذریعے مینٹنگ اور فنانشل سروسز سیکٹر کے فروغ کے لیے ان کے مسلسل تعاون اور رہنمائی پر اپنے ریگولیٹرز اور حکومت پاکستان، بالخصوص اسٹیٹ بینک آف پاکستان اور سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے بھی شکر گزار ہیں۔

ہمیشہ کی طرح، ہم شریعہ بورڈ کے مشکور ہیں اور بینک کی ترقی کے لیے اپنے ملازمین کی کوششوں کو تسلیم کرتے ہیں اور ان کی انتھک لگن اور محنت کو دل سے سراہتے ہیں۔

## منظوری

کمپنیز ایکٹ، 2017 کے تقاضوں کے مطابق، بورڈ کی آڈٹ اور کارپوریٹ گورننس کمیٹی کی سفارشات کے ساتھ ڈائریکٹرز کی اس رپورٹ کو ڈائریکٹرز نے 28 اگست 2025 کو ہونیوالے اپنے اجلاس میں منظور کیا اور اس پر چیف ایگزیکٹو آفیسر اور چیئرمین نے دستخط کئے ہیں۔

چیئرمین

صدر اور سی ای او

کراچی

تاریخ: 28 اگست 2025

## مستقبل پر نظر

ہم اس حقیقت سے بخوبی آگاہ ہیں کہ اسلامی بینکاری شعبے کو پالیسی ریٹ میں کمی اور MDR کے نفاذ کے باعث بڑھتے ہوئے مقابلے اور اسپریدز کے دباؤ کا سامنا ہے۔ تاہم، ہم پُر امید ہیں کہ فیصل بینک اپنی محتاط مالی حکمت عملی اور دور اندیشی والی قیادت کی بدولت ان چیلنجز کا کامیابی سے مقابلہ کرتا رہے گا اور ترقی کی راہ پر گامزن رہے گا، ان شاء اللہ۔

ہمارے اسٹریٹجک وژن کے ایک حصے کے طور پر، بینک اپنے برانچ نیٹ ورک کو وسعت دینے کے لیے پرعزم ہے تاکہ ڈپازٹ مولائزیشن کو مضبوط کیا جاسکے اور صارفین کی پہنچ کو بہتر بنایا جاسکے۔ اس کے ساتھ ہی، باسہولت پروسیس اور جدید ترین ڈیجیٹل سلوشنز میں سرمایہ کاری کر کے صارفین کے تجربے کو بہتر بنانے پر توجہ مرکوز کر رہے ہیں جو ہماری ڈیجیٹل آفرنگ کو بلند کریں گے اور مجموعی طور پر کسٹمر کے تجربے کو بہتر سے بہتر اور باسہولت بنائیں گے۔

طویل مدتی پائیداری پر ہماری توجہ کے مطابق، ہم اپنی افرادی قوت میں سرمایہ کاری جاری رکھنے کے ساتھ، ایسے ماحول کو فروغ دیں گے جو ایمانداری، دیانت، ٹیم ورک، جدت اور توجہ کی ہماری بنیادی اقدار کو برقرار رکھے۔ پائیداری پر ہماری توجہ ہمارے ماحولیاتی اثرات کو کم کرنے کے ساتھ ساتھ ان آبادیوں میں مثبت تبدیلی لانے میں کوشاں ہے جہاں ہم خدمت کرتے ہیں۔ ان اصولوں کو ترجیح دیتے ہوئے، ہمارا مقصد مارکیٹ میں اپنی پوزیشن کو مضبوط بنانا اور آنے والے سالوں میں اپنے صارفین کی ابھرتی ہوئی ضروریات کو بہتر طریقے سے پورا کرنا ہے۔

## کریڈٹ ریٹنگ:

VIS کریڈٹ ریٹنگ کمپنی لمیٹڈ (VIS) اور پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے درج ذیل درجہ بندی کی دوبارہ تصدیق کی ہے:

PACRA	VIS	
AA	AA +	طویل مدتی
A1+	A1+	قلیل مدتی

VIS نے بینک کو ”مستحکم“ آؤٹ لک تفویض کیا ہے جبکہ PACRA نے آؤٹ لک کو ”مثبت“ قرار دیا ہے۔

انفرادی بنیاد پر بینک کا قبل از ٹیکس منافع 21.9 ارب روپے رہا، جو ایک مشکل معاشی ماحول کے باوجود مضبوط کارکردگی کا ثبوت ہے۔ بعد از ٹیکس منافع 10 ارب روپے رہا، جس میں ٹیکس کی شرح میں اضافے 49% سے 53% کا اثر بھی شامل ہے۔ فی حصص آمدنی 8.74 روپے سے کم ہو کر 6.59 روپے رہی۔

بینک کی کل آمدنی 25 ارب روپے کی پہلی ششماہی میں 45 ارب روپے رہی جو کہ پالیسی ریٹ میں واضح کمی اور یکم جنوری 2025 سے نافذ کیے گئے اسلامی سیونگز سرٹیفیکیٹس پر کم از کم ڈپازٹ ریٹ (MDR) کے باوجود، ٹاپ لائن میں مضبوطی کا ثبوت ہے۔ نیٹ اسپریڈز 34.4 ارب روپے رہے، جن پر مارجن کمپریشن کا دباؤ تھا، لیکن کرنٹ ڈپازٹس کی مضبوط نمو (151 ارب روپے، 39.6 فیصد) سے کچھ حد تک تلافی ہوئی۔

نان فنڈڈ آمدنی میں 17.9 فیصد اضافہ دیکھنے میں آیا جو 2025 کی پہلی ششماہی میں 10.6 ارب روپے تک پہنچی۔ فیس آمدنی 26.0 فیصد ترقی کے ساتھ 6.5 ارب روپے جبکہ زر مبادلہ آمدنی میں 32.7 فیصد اضافہ کے ساتھ 3.7 ارب روپے حاصل ہوئے۔ اس کے علاوہ، بینک نے رواں سال کی پہلی ششماہی میں ایکویٹی سیکیورٹیز پر 0.9 ارب روپے (بعد از ٹیکس) منافع حاصل کیا جو H1'24 میں 0.2 ارب روپے تھا۔

کل اخراجات میں 19 فیصد اضافہ دیکھا گیا، جس کی بڑی وجہ مہنگائی اور برانچ نیٹ ورک میں اضافہ کے اثرات تھے۔ تاہم، گزشتہ سال کے مقابلے میں پروویژن میں خالص ریورسل 3.5 ارب روپے رہا (2024 کی پہلی ششماہی میں 0.8 ارب روپے)۔ NPL کا تناسب بہتری کے ساتھ 3.0 فیصد ہو گیا، جو دسمبر 2024 میں 3.6% تھا، جبکہ مجموعی کوریج 97.3 فیصد پر رہی۔

مضبوط ڈپازٹ موبلائزیشن سے بینک نے اثاثہ جات کو بڑھا کر 1.7 کھرب روپے تک پہنچا دیا۔ کرنٹ اکاؤنٹس کا بڑھتا ہوا رجحان جاری رہا اور یہ 532 ارب روپے تک جا پہنچے، یعنی دسمبر 2024 کے مقابلے میں 30.4 فیصد اضافہ ہوا۔ مجموعی ڈپازٹس میں 19.1 فیصد اضافہ ہوا جو 1.2 ٹریلین روپے تک پہنچ گئے۔ کرنٹ اکاؤنٹس کا تناسب 39.1 فیصد سے بڑھ کر 42.8 فیصد ہو گیا، جبکہ CASA تناسب 88.5 فیصد ہو گیا (دسمبر 2024: 85.5 فیصد)۔ بینک کی نیٹ فنانسنگ 13.5 فیصد اضافے کے ساتھ 719 ارب روپے تک جا پہنچی جبکہ ADR کم ہو کر 57.8 فیصد ہو گیا (دسمبر 2024: 60.7 فیصد)۔ سرمایہ کاری میں 3.5 فیصد اضافہ ہو کر 701 ارب روپے ہو گئی۔

## بینک کی کارکردگی

بینک کی کارکردگی کا تفصیلی جائزہ درج ذیل پیرا گرافس میں دیا جا رہا ہے:

### مالیاتی کارکردگی:

بیلنس شیٹ کے نمایاں اعداد و شمار

نمو %	۳۱ دسمبر ۲۰۲۲ء	۳۰ جون ۲۰۲۵ء
	(ملین روپے)	
3.5	677,372	701,039
13.5	633,910	719,395
7.4	1,562,668	1,678,909
19.1	1,044,279	1,243,569

سرمایہ کاری

فنانسنگ

کل اثاثہ جات

ڈپازٹس

نمو %	۳۰ جون ۲۰۲۲ء	۳۰ جون ۲۰۲۵ء
	(ملین روپے)	
	پہلی ششماہی	پہلی ششماہی

### نفع اور نقصان اکاؤنٹ

(5.1)	47,442	45,025
19.0	(22,417)	(26,681)
(26.7)	25,025	18,344
338.0	801	3,510
(15.4)	25,826	21,854
(5.7)	(12,560)	(11,848)
(24.6)	13,266	10,006
(24.6)	8.74	6.59
269.0	239	882

مجموعی آمدنی

آپریٹنگ اور دیگر اخراجات

منافع قبل از ٹیکس اور پروویژن

نیٹ پروویژن

منافع قبل از ٹیکس

ٹیکسز

منافع بعد از ٹیکس

فی حصص آمدن (روپے)

ایکویٹی سیکیورٹیز سے حاصل کردہ منافع (بعد از ٹیکس)

تاہم 2025 کی دوسری سہ ماہی میں زرعی شعبہ مشکلات کا شکار رہا اور فصلوں کی کم پیداوار کی وجہ سے محض 0.56 فیصد کی شرح حاصل کر سکا۔ لارج اسکیل مینوفیکچرنگ (LSM) مسلسل چیلنجز کا سامنا کرتی رہی اور سال بہ سال 2.86 فیصد کی کمی ریکارڈ کی گئی، جو صنعتی پالیسیوں کی بہتری اور مخصوص تعاون کی ضرورت کو اجاگر کرتی ہے۔

مہنگائی کی شرح مالی سال 2025 میں کم ہو کر 4.5 فیصد تک آگئی، جس میں عالمی سطح پر اجناس کی قیمتوں میں کمی اور بجلی کے نرخوں میں کمی کا اہم کردار رہا۔ صارفین کو ریلیف ملا اور پالیسی سازوں کو مالیاتی نرمی کے لیے گنجائش ملی۔

کراچی اسٹاک ایکسچینج کا KSE-100 انڈیکس دوسری سہ ماہی میں 6.5 فیصد سے زائد اضافہ کے ساتھ 125,627 پوائنٹس پر بند ہوا، جو بجٹ کے بعد سرمایہ کاروں کے اعتماد اور معاشی استحکام کی نشاندہی کرتا ہے۔

مالی خسارہ مالی سال کے ابتدائی تین سہ ماہیوں میں جی ڈی پی کے 2.4 فیصد پر رہا، جو بہتر مالی نظم و ضبط کا ثبوت ہے۔ محصولات میں خاطر خواہ بہتری دیکھی گئی، اور ٹیکس وصولی میں 26 فیصد اضافے کے ساتھ 9.1 ٹریلین روپے کا ہدف حاصل کیا گیا۔ کل محصولات 13.4 ٹریلین روپے رہے، جو حکومت کی آمدنی میں اضافے کی کوششوں کو ظاہر کرتے ہیں۔ مالی سال 2025 کی آخری سہ ماہی میں پاکستان نے مالیاتی نظم و ضبط کو برقرار رکھتے ہوئے مستحکم مالی پوزیشن اختیار کی۔

اسٹیٹ بینک آف پاکستان نے مالی سال 2025 میں پالیسی ریٹ میں 1,000 بیسیس پوائنٹس سے زائد کمی کرتے ہوئے اسے 11 فیصد کر دیا اور جون میں اسے برقرار رکھا تاکہ ترقی اور استحکام کے درمیان توازن قائم رکھا جاسکے۔

ملک کا کرنٹ اکاؤنٹ مالی سال 2025 میں 2.1 ارب ڈالر سرپلس میں رہا، جس کا ریڈیٹ ترسیلات زر اور برآمدات میں اضافے کو جاتا ہے۔ بیرون ملک پاکستانیوں کی ترسیلات نے معیشت کو سہارا دینے میں کلیدی کردار ادا کیا۔

پاکستان کی معیشت بتدریج سنبھل رہی ہے، تاہم بیرونی خطرات، جیسا کہ تجارتی خسارہ اور عالمی غیر یقینی صورت حال بدستور موجود ہیں۔ مستقبل کی ترقی کے لیے پالیسیوں میں تسلسل، بیرونی سرمایہ کاری، اور اسٹرکچرل ریفارمز کا نفاذ ناگزیر ہو گا۔ اگر مہنگائی کی شرح کو قابو میں رکھا گیا اور زر مبادلہ کے ذخائر محفوظ رہے تو مزید جامع اور وسیع البند ترقی کی راہ ہموار ہو سکتی ہے۔

## ڈائریکٹرز کا جائزہ ان کنسولٹیڈ میٹ مالیاتی نتائج

ہم بورڈ آف ڈائریکٹرز کی جانب سے، فیصل بینک لمیٹڈ ("FBL" یا "بینک") کے 30 جون 2025 کو ختم شدہ ششماہی کے لیے غیر آڈٹ شدہ منجمد عبوری مالیاتی نتائج پیش کرتے ہوئے اظہار مسرت کرتے ہیں۔

### کمپنی پر وفاسل:

FBL کا قیام پاکستان میں 3 اکتوبر 1994 کو ایک پبلک لمیٹڈ کمپنی کے طور پر عمل میں آیا اور اس کے حصص پاکستان اسٹاک ایکسچینج میں درج ہیں۔ FBL صارفین کے تمام طبقات جیسے ریٹیل، چھوٹے اور متوسط درجے کے کاروباری ادارے، کمرشل، ایگری بیسڈ اور کارپوریٹ کو اسلامی بینکنگ خدمات کی ایک وسیع رینج پیش کرتا ہے۔

بینک نے 31 دسمبر 2022 کو اپنا کنوینشل بینکنگ لائسنس واپس کیا اور یکم جنوری 2023 کو اسٹیٹ بینک آف پاکستان کی جانب سے جاری کردہ مکمل اسلامی بینکاری لائسنس کے تحت آپریشنز کا آغاز کیا۔ بینک کی ملک بھر کے 340 شہروں میں 855 شاخیں شرعی اصولوں کے عین مطابق خدمات فراہم کر رہی ہیں۔

### ہولڈنگ کمپنی

الائٹ مار بینک B.S.C. (کلوزڈ)، ایک بینکنگ ادارہ ہے جو مرکزی بینک آف بحرین کے ذریعے ریگولیٹ کیا جاتا ہے، یہ مرکزی کمپنی ہے، جو فیصل بینک لمیٹڈ میں بالواسطہ یا بلاواسطہ 66.78% (2024: 66.78%) حصص کی حامل ہے۔ الائٹ مار بینک B.S.C. (کلوزڈ) الائٹ مار ہولڈنگز B.S.C. کا ملکیتی ذیلی ادارہ دارالmaal الاسلامی ٹرسٹ (DMIT) الائٹ مار ہولڈنگ B.S.C. کی ہولڈنگ کمپنی اور گروپ کی سرپرست ہے۔ DMIT کو معاہدے کے ذریعے دولت مشترکہ بہاماس کے قوانین کے تحت اسلامی قوانین، اصولوں اور روایات کے مطابق کاروباری امور کو سرانجام دینے کے مقصد سے تشکیل دیا گیا تھا۔

### معاشی اپڈیٹ

2025 کی دوسری سہ ماہی میں پاکستان کی معیشت نے علاقائی، جغرافیائی، سیاسی تناؤ اور اجناس کی بین الاقوامی قیمتوں میں اتار چڑھاؤ کے باوجود حوصلہ افزاء کارکردگی دکھائی۔ مالی سال 2025 کے اختتام تک، ملکی جی ڈی پی میں 2.7 فیصد اضافہ ہوا۔ یہ بہتری صنعتی شعبے کی 4.77 فیصد ترقی اور سروسز کے شعبے کی 2.91 فیصد کی بدولت تھی، جس کی بنیاد بہتر پیداواری سرگرمیاں اور کم شرح سود تھی۔

# INDEPENDENT AUDITOR'S REVIEW REPORT

**To the members of Faysal Bank Limited**

**Report on review of Condensed Interim Unconsolidated Financial Statements**

## Introduction

We have reviewed the accompanying condensed interim unconsolidated statement of financial position of **Faysal Bank Limited** ("the Bank") as at 30 June 2025 and the related condensed interim unconsolidated profit and loss account and condensed interim unconsolidated statement of comprehensive income, condensed interim unconsolidated statement of changes in equity, and condensed interim unconsolidated cashflow statement and notes to the condensed interim unconsolidated 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 is 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 condensed interim unconsolidated profit and loss account and condensed interim unconsolidated statement of comprehensive income for the quarter ended 30 June 2025 have not been reviewed by us.

The engagement partner on the engagement resulting in this independent auditor's review report is Zeeshan Rashid.

**KPMG Taseer Hadi & Co.**  
Chartered Accountants

Dated: **29 August 2025**

Karachi

UDIN: **RR202510188KxPMzib0h**

# Condensed Interim Unconsolidated Statement of Financial Position

As at June 30, 2025

	Note	(Un-audited) June 30, 2025	(Audited) December 31, 2024
----- Rupees in '000 -----			
<b>ASSETS</b>			
Cash and balances with treasury banks	9	95,979,411	102,537,577
Balances with other banks	10	1,310,917	5,539,464
Due from financial institutions	11	3,499,999	-
Investments	12	701,038,857	677,372,396
Islamic financing and related assets	13	719,394,780	633,909,548
Property and equipment	14	49,581,528	44,711,052
Right-of-use assets	15	13,797,872	13,289,601
Intangible assets	16	2,489,486	2,600,358
Deferred tax assets		-	-
Other assets	17	91,815,956	82,707,643
		1,678,908,806	1,562,667,639
<b>LIABILITIES</b>			
Bills payable	18	32,140,484	39,169,649
Due to financial institutions	19	210,823,376	280,442,540
Deposits and other accounts	20	1,243,569,054	1,044,278,507
Lease liabilities	21	16,675,788	15,546,893
Subordinated sukuk		-	-
Deferred tax liabilities	22	7,906,018	12,983,960
Other liabilities	23	57,465,787	61,884,721
		1,568,580,507	1,454,306,270
		110,328,299	108,361,369
<b>NET ASSETS</b>			
<b>REPRESENTED BY</b>			
Share capital		15,176,965	15,176,965
Reserves		18,851,623	17,866,357
Surplus on revaluation of assets - net of tax	24	19,886,741	22,771,883
Unappropriated profit		56,412,970	52,546,164
		110,328,299	108,361,369
<b>CONTINGENCIES AND COMMITMENTS</b>			
	25		

The annexed notes 1 to 43 form an integral part of these condensed interim unconsolidated financial statements.

PRESIDENT & CEO

CHIEF FINANCIAL OFFICER

CHAIRMAN

DIRECTOR

DIRECTOR



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

For the half year ended June 30, 2025

	Note	Quarter ended		Half year ended	
		June 30, 2025	June 30, 2024 (Restated)	June 30, 2025	June 30, 2024 (Restated)
		----- Rupees in '000 -----			
Profit / return earned	27	41,878,783	59,796,010	83,965,732	120,220,722
Profit / return expensed	28	24,656,469	40,145,209	49,548,552	81,777,697
Net profit / return		17,222,314	19,650,801	34,417,180	38,443,025
<b>OTHER INCOME</b>					
Fee and commission income	29	3,384,094	2,567,262	6,480,927	5,141,782
Dividend income		200,247	189,837	235,410	260,409
Foreign exchange income		1,969,367	1,178,448	3,686,406	2,779,006
(Loss) / income from derivatives		(21,657)	12,008	(6,171)	(5,947)
Gain on securities - net	30	171,528	332,824	222,129	667,927
Net loss on derecognition of financial assets measured at amortised cost	17.1	(81,628)	(165,256)	(165,256)	(165,256)
Other income	31	37,214	142,119	154,691	321,158
Total other income		5,659,165	4,257,242	10,608,136	8,999,079
Total income		22,881,479	23,908,043	45,025,316	47,442,104
<b>OTHER EXPENSES</b>					
Operating expenses	32	13,118,234	11,091,215	26,232,698	21,853,028
Workers welfare fund		217,582	268,896	444,366	527,063
Other charges	33	3,648	32,442	4,234	36,897
Total other expenses		13,339,464	11,392,553	26,681,298	22,416,988
Profit before credit loss allowance		9,542,015	12,515,490	18,344,018	25,025,116
Reversal of credit loss allowance and write offs - net	34	(1,199,521)	(833,449)	(3,509,941)	(801,341)
Extra ordinary / unusual items		-	-	-	-
<b>PROFIT BEFORE TAXATION</b>		10,741,536	13,348,939	21,853,959	25,826,457
Taxation	35	5,882,641	6,595,435	11,847,745	12,560,112
<b>PROFIT AFTER TAXATION</b>		4,858,895	6,753,504	10,006,214	13,266,345
----- Rupees -----					
<b>Basic and diluted earnings per share</b>	36	3.20	4.45	6.59	8.74

The annexed notes 1 to 43 form an integral part of these condensed interim unconsolidated financial statements.

PRESIDENT & CEO

CHIEF FINANCIAL OFFICER

CHAIRMAN

DIRECTOR

DIRECTOR

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

For the half year ended June 30, 2025

	Quarter ended		Half year ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
----- Rupees in '000 -----				
Profit after taxation for the period	4,858,895	6,753,504	10,006,214	13,266,345
<b>Other comprehensive income / (loss)</b>				
<b>Items that may be reclassified to the profit and loss account in subsequent periods:</b>				
Movement in surplus / (deficit) on revaluation of debt investments through FVOCI - net of tax	1,883,437	(572,328)	(2,403,436)	(1,285,048)
<b>Items that will not be reclassified to the profit and loss account in subsequent periods:</b>				
Movement in surplus / (deficit) on revaluation of equity investments - net of tax	371	(23,895)	(150,293)	201,352
Movement in surplus on revaluation of property and equipment - net of tax	522	-	40,059	-
Movement in deficit on revaluation of non-banking assets - net of tax	(317,140)	-	(316,820)	-
	(316,247)	(23,895)	(427,054)	201,352
<b>Total comprehensive income</b>	<b>6,426,085</b>	<b>6,157,281</b>	<b>7,175,724</b>	<b>12,182,649</b>

The annexed notes 1 to 43 form an integral part of these condensed interim unconsolidated financial statements.

# Condensed Interim Unconsolidated Statement of Changes in Equity

For the half year ended June 30, 2025

	Share capital	Reserves					Surplus / (deficit) on revaluation of			Unappropriated profit	Total
		Capital reserves			Statutory reserve	Total	Investments	Property and equipment / non-banking assets	Total		
		Share premium	Non-distributable capital reserve (NCR) - gain on bargain purchase	Reserve arising on amalgamation							
Rupees in '000											
Balance as at December 31, 2023	15,176,965	10,131	188,301	23,952	15,393,804	15,616,188	3,349,029	11,802,042	15,151,071	44,254,137	90,198,361
Impact of adopting IFRS 9 as at January 1, 2024 - net of tax	-	-	-	-	-	-	(895,105)	-	(895,105)	(2,858,732)	(3,753,837)
Restated balance as at January 1, 2024 (Audited)	15,176,965	10,131	188,301	23,952	15,393,804	15,616,188	2,453,924	11,802,042	14,255,966	41,395,345	86,444,464
Profit after taxation for the half year ended June 30, 2024	-	-	-	-	-	-	-	-	-	13,266,345	13,266,345
Other comprehensive (loss) / income											
Movement in surplus on revaluation of investments - net of tax	-	-	-	-	-	-	201,352	-	201,352	-	201,352
Movement in deficit on revaluation of non-banking assets - net of tax	-	-	-	-	-	-	(1,285,048)	-	(1,285,048)	-	(1,285,048)
Total other comprehensive loss - net of tax	-	-	-	-	-	-	(1,083,696)	-	(1,083,696)	-	(1,083,696)
Gain on sale of equity instruments classified as FVOCI - net of tax	-	-	-	-	-	-	(238,609)	-	(238,609)	238,609	-
Transfer to statutory reserve	-	-	-	-	1,326,634	1,326,634	-	-	-	(1,326,634)	-
Transfer from surplus on revaluation of property and equipment to unappropriated profit - net of tax	-	-	-	-	-	-	-	(71,873)	(71,873)	71,873	-
Amortisation of intangible assets - customer relationship - net of tax	-	-	(20,943)	-	-	(20,943)	-	-	-	-	(20,943)
Transaction with owners, recorded directly in equity											
Final cash dividend declared on February 7, 2024 at Rs 2 per share	-	-	-	-	-	-	-	-	-	(3,035,394)	(3,035,394)
First interim cash dividend declared on April 25, 2024 at Re 1 per share	-	-	-	-	-	-	-	-	-	(1,517,697)	(1,517,697)
Restated balance as at June 30, 2024 (Un-audited)	15,176,965	10,131	167,358	23,952	16,720,438	16,921,879	1,131,619	11,730,169	12,861,788	49,092,447	94,053,079
Profit after taxation for the six months period ended December 31, 2024	-	-	-	-	-	-	-	-	-	9,761,848	9,761,848
Other comprehensive income / (loss)											
Movement in surplus on revaluation of debt investments through FVOCI - net of tax	-	-	-	-	-	-	7,528,643	-	7,528,643	-	7,528,643
Movement in surplus on revaluation of equity investments through FVOCI - net of tax	-	-	-	-	-	-	2,578,199	-	2,578,199	-	2,578,199
Remeasurement loss on defined benefit obligations - net of tax	-	-	-	-	-	-	-	-	-	(44,500)	(44,500)
Movement in deficit on revaluation of property and equipment - net of tax	-	-	-	-	-	-	-	(170,430)	(170,430)	-	(170,430)
Movement in deficit on revaluation of non-banking assets - net of tax	-	-	-	-	-	-	-	(1,824)	(1,824)	-	(1,824)
Total other comprehensive income / (loss) - net of tax	-	-	-	-	-	-	10,106,842	(172,254)	9,934,588	(44,500)	9,890,088
Gain on sale of equity instruments classified as FVOCI - net of tax	-	-	-	-	-	-	29,761	-	29,761	(29,761)	-
Transfer to statutory reserve	-	-	-	-	976,185	976,185	-	-	-	(976,185)	-
Transfer from surplus on revaluation of property and equipment to unappropriated profit - net of tax	-	-	-	-	-	-	-	(54,254)	(54,254)	54,254	-
Amortisation of intangible assets - customer relationship - net of tax	-	-	(31,707)	-	-	(31,707)	-	-	-	-	(31,707)
Transaction with owners, recorded directly in equity											
Second interim cash dividend declared on August 28, 2024 at Rs 2 per share	-	-	-	-	-	-	-	-	-	(3,035,394)	(3,035,394)
Third interim cash dividend declared on October 24, 2024 at Rs 1.5 per share	-	-	-	-	-	-	-	-	-	(2,276,545)	(2,276,545)
Balance as at December 31, 2024 (Audited)	15,176,965	10,131	135,651	23,952	17,696,623	17,866,357	11,268,222	11,503,661	22,771,883	52,546,164	108,361,369
Impact of adopting IFRS 9 as at January 1, 2025 - net of tax	-	-	-	-	-	-	877,347	-	877,347	-	877,347
Restated balance as at January 1, 2025	15,176,965	10,131	135,651	23,952	17,696,623	17,866,357	12,145,569	11,503,661	23,649,230	52,546,164	109,238,716
Profit after taxation for the half year ended June 30, 2025	-	-	-	-	-	-	-	-	-	10,006,214	10,006,214
Other comprehensive income / (loss)											
Movement in deficit on revaluation of debt investments through FVOCI - net of tax	-	-	-	-	-	-	(2,403,436)	-	(2,403,436)	-	(2,403,436)
Movement in surplus on revaluation of equity investments through FVOCI - net of tax	-	-	-	-	-	-	(150,293)	-	(150,293)	-	(150,293)
Movement in surplus on revaluation of property and equipment - net of tax	-	-	-	-	-	-	-	40,059	40,059	-	40,059
Movement in surplus on revaluation of non-banking assets - net of tax	-	-	-	-	-	-	-	(316,820)	(316,820)	-	(316,820)
Total other comprehensive loss - net of tax	-	-	-	-	-	-	(2,553,729)	(276,761)	(2,830,490)	-	(2,830,490)
Gain on sale of equity instruments classified as FVOCI - net of tax	-	-	-	-	-	-	(881,942)	-	(881,942)	881,942	-
Transfer to statutory reserve	-	-	-	-	1,000,621	1,000,621	-	-	-	(1,000,621)	-
Transfer from surplus on revaluation of property and equipment to unappropriated profit - net of tax	-	-	-	-	-	-	-	(50,057)	(50,057)	50,057	-
Amortisation of intangible assets - customer relationship - net of tax	-	-	(15,355)	-	-	(15,355)	-	-	-	-	(15,355)
Transaction with owners, recorded directly in equity											
Final cash dividend declared on February 20, 2025 at Rs 2.5 per share	-	-	-	-	-	-	-	-	-	(3,794,241)	(3,794,241)
First interim cash dividend declared on April 24, 2025 at Rs 1.5 per share	-	-	-	-	-	-	-	-	-	(2,276,545)	(2,276,545)
Balance as at June 30, 2025 (Un-audited)	15,176,965	10,131	120,296	23,952	18,697,244	18,851,623	8,709,898	11,176,843	19,866,741	56,412,970	110,328,259

The annexed notes 1 to 43 form an integral part of these condensed interim unconsolidated financial statements.

PRESIDENT & CEO

CHIEF FINANCIAL OFFICER

CHAIRMAN

DIRECTOR

DIRECTOR

# Condensed Interim Unconsolidated Cash Flow Statement (Un-audited)

For the half year ended June 30, 2025

	Note	June 30, 2025	June 30, 2024
----- Rupees in '000 -----			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before taxation		21,853,959	25,826,457
Less: dividend income		(235,410)	(260,409)
		21,618,549	25,566,048
<b>Adjustments:</b>			
Net profit / return income		(34,417,180)	(38,443,025)
Depreciation on owned property and equipment	32	2,344,918	1,425,280
Depreciation on right-of-use assets	32	1,213,235	996,712
Depreciation on non-banking assets	32	1,185	1,378
Amortisation of intangible assets	32	291,298	200,748
Workers welfare fund		444,366	527,063
Reversal of credit loss allowance and write offs - net	34	(3,509,941)	(801,341)
Net loss on derecognition of financial assets measured at amortised cost	17.1	165,256	165,256
Gain on sale of property and equipment - net	31	(17,860)	(10,510)
Gain on termination of leases (IFRS 16)	31	(16,830)	(47,140)
Charge for defined benefit plan		276,385	176,694
Loss from derivative contracts		6,171	5,947
		(33,218,997)	(35,802,938)
		(11,600,448)	(10,236,890)
<b>(Increase) / decrease in operating assets</b>			
Due from financial institutions		(3,500,000)	-
Securities classified as FVTPL		1,637,961	2,852,232
Islamic financing and related assets		(82,917,609)	9,518
Others assets (excluding advance taxation)		(16,417,408)	1,685,507
		(101,197,056)	4,547,257
<b>Increase / (decrease) in operating liabilities</b>			
Bills Payable		(7,029,165)	1,202,998
Due to financial institutions		(69,619,164)	10,546,861
Deposits		199,290,547	55,812,846
Other liabilities (excluding current taxation)		(2,172,978)	(7,917,859)
		120,469,240	59,644,846
Income tax paid		(12,031,984)	(15,927,679)
Profit / return received		87,337,861	113,252,077
Profit / return paid		(48,829,427)	(79,525,584)
Contribution to gratuity fund		(370,912)	(85,888)
<b>Net cash generated from operating activities</b>		33,777,274	71,668,139
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Net divestments / (investments) in amortized cost securities		2,081,127	(1,015,511)
Net investments in securities classified as FVOCI		(31,818,339)	(40,738,343)
Net investments in subsidiary		-	(1,000,000)
Net divestments in associates		-	1,514,509
Dividends received		204,144	224,076
Investment in property and equipment		(7,477,730)	(5,556,422)
Investment in intangible assets		(218,443)	(254,353)
Disposal proceeds of property and equipment		276,837	11,726
<b>Net cash used in investing activities</b>		(36,952,404)	(46,814,318)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Payment of lease liabilities against right-of-use assets		(1,633,332)	(1,467,994)
Dividend paid		(5,978,251)	(11,191,378)
<b>Net cash used in financing activities</b>		(7,611,583)	(12,659,372)
<b>(Decrease) / Increase in cash and cash equivalents during the period</b>		(10,786,713)	12,194,449
Cash and cash equivalents at the beginning of the period		108,550,258	83,590,685
Effect of exchange rate changes on cash and cash equivalents		(473,217)	124,967
<b>Cash and cash equivalents at the beginning of the period</b>		108,077,041	83,715,652
<b>Cash and cash equivalents at the end of the period</b>		97,290,328	95,910,101

The annexed notes 1 to 43 form an integral part of these condensed interim unconsolidated financial statements.

PRESIDENT & CEO

CHIEF FINANCIAL OFFICER

CHAIRMAN

DIRECTOR

DIRECTOR

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

For the half year ended June 30, 2025

## 1 STATUS AND NATURE OF BUSINESS

- 1.1 Faysal Bank Limited (the Bank) was incorporated in Pakistan on October 3, 1994 as a public limited company under the provisions of the repealed Companies Ordinance, 1984 (now the Companies Act, 2017). Its shares are listed on the Pakistan Stock Exchange Limited. The Bank is engaged in Shariah compliant modern Corporate, Commercial and Consumer banking activities. The Bank is operating through 855 branches (December 31, 2024: 855 branches) including 2 sub-branches (December 31, 2024: 2 sub-branches).

The Registered Office of the Bank is located at Faysal House, ST-02, Shahrah-e-Faisal, Karachi.

Ithmaar Bank B.S.C (closed), a fully owned subsidiary of Ithmaar Holdings B.S.C is the parent company of the Bank, holding directly and indirectly 66.78% (December 31, 2024: 66.78%) of the shareholding of the Bank. Dar Al-Maal Al-Islami Trust (DMIT), (ultimate parent of the Bank) is the holding company of Ithmaar Holdings B.S.C.

- 1.2 Based on the financial statements of the Bank for the year ended December 31, 2024, the VIS Credit Rating Company Limited has upgraded the Bank's medium to long-term as 'AA+' and reaffirmed the short-term rating as 'A1+' on June 30, 2025. The Pakistan Credit Rating Agency Limited (PACRA) have reaffirmed the Bank's long-term rating as 'AA' and the short term rating as 'A1+' on June 24, 2025.

## 2 BASIS OF PRESENTATION

- 2.1 The Bank provides financing mainly through Murabaha, Musawammah, Istisna and other Islamic modes as briefly explained in note 6.8 to the annual audited unconsolidated financial statements for the year ended December 31, 2024.

The purchases and sales arising under these arrangements are not reflected in these condensed interim unconsolidated financial statements as such but are restricted to the amount of facility actually utilized 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 Shariah Board of the Bank.

- 2.2 The Bank has controlling interest in Faysal Asset Management Limited (FAML) and Faysal Islami Currency Exchange Company (Private) Limited and is required to prepare consolidated financial statements under the provisions of the Companies Act, 2017. These condensed interim financial statements represent the unconsolidated results of the Bank and a separate set of condensed interim consolidated financial statements are also being presented by the Bank.

## 3 STATEMENT OF COMPLIANCE

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Islamic Financial Accounting standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as are notified under the Companies Act, 2017;
- Provisions of, and directives issued under the Banking Companies Ordinance, 1962 and the Companies Act, 2017; and

Directives issued by the State Bank of Pakistan (SBP) and the Securities and Exchange Commission of Pakistan (SECP).

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

The State Bank of Pakistan (SBP) has adopted requirements of IFRS 9 along with the application instructions through BPRD Circular No. 07 of 2023, dated April 13, 2023, but deferred certain requirements. Islamic banking institutions have been allowed to follow Islamic Financial Accounting Standards (IFAS) 1 & 2 where

Notes to the Condensed Interim Unconsolidated Financial Statements (un-audited)  
For the half year ended June 30, 2025

applicable and continue existing accounting practices for other Islamic products until further instructions. The impact of profit of financing in advance stage is Rs. 1,449 million excluding any Effective yield rate (EIR) effect as the Bank has received deferment of recording income and expense at EIR via letter from SBP till December 31, 2025. Consequently, these deferred requirements of IFRS 9 have not been considered in the preparation of these condensed interim unconsolidated financial statements.

**3.2** As per the directive of the SBP through its letter BPRD (R&P-02)/625-99/2011/3744 dated March 28, 2011, gain arising on bargain purchase of Pakistan operations of Royal Bank of Scotland (ex-RBS Pakistan) was credited directly into equity as Non-distributable Capital Reserve (NCR). The SBP allowed the Bank to adjust the amortisation of intangible assets against the portion of reserve which arose on account of such assets identified as a result of such acquisition. Accordingly, during the period ended June 30, 2025, the Bank has adjusted amortisation of intangible assets net of tax amounting to Rs. 15.355 million (period ended June 30, 2024: Rs. 20.943 million) from the NCR.

**3.3** These condensed interim unconsolidated financial statements do not include all the information and disclosures required in the annual audited unconsolidated financial statements, and are limited based on the format prescribed by the State Bank of Pakistan through BPRD Circular Letter No. 2 of 2023 dated February 9, 2023 and IAS 34 and should be read in conjunction with the annual unconsolidated financial statements for the financial year ended December 31, 2024.

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

**3.4.1** There are certain new and amended standards, interpretations and amendments that are mandatory for the Bank's accounting periods beginning on January 1, 2025 but are considered not to be relevant or do not have any significant effect on the Bank's operations are therefore not detailed in these condensed interim unconsolidated financial statements.

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

SECP vide S.R.O. 742 (I)/2025 (dated April 16, 2025) notified that International Financial Reporting Standard (IFRS)-7, 'Financial Instruments: Disclosures' shall be followed by Banks, for the preparation of financial statements, from the annual reporting periods beginning on or after January 1, 2026 (earlier application is permitted).

**3.5.1** The following revised standards, amendments and interpretations with respect to the accounting and reporting standards would be effective from the dates mentioned below against the respective standards, amendments or interpretations:

Standards, interpretations or amendments	Effective date (annual periods beginning on or after)
- Amendments to IFRS 9 Financial Instruments	January 1, 2026
- Amendments to IFRS 10 and IAS 28 - Sale or contribution of assets between an investor and its associates or joint venture	January 1, 2026
- Amendments to IFRS 7 Financial Instruments : Disclosures and accompanying guidance on implementing IFRS 7	January 1, 2026

The management of the Bank is assessing the impact of the changes in the above mentioned standards on the Bank's financial statements.

**3.5.2** As required under SBP Letter No. BPRD/LD-01/850/28853/2022-13054, the details of the net conventional funded portfolio as at June 30, 2025 are as follows:

	Note	Rupees in '000
<b>Assets</b>		
Investments		1,593,031
Financing - net		501,727
<b>Liabilities</b>		
Deposits and other accounts		2,354,757
Other Liabilities	23	667,803

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

## For the half year ended June 30, 2025

All efforts are being put in to convert or dispose-off the residual portfolio and appropriate monitoring mechanisms are in place. Quarterly progress report on the status of the residual portfolio is shared with the Bank's Board of Directors, the Shariah Board and the State Bank of Pakistan.

### 4 MATERIAL ACCOUNTING POLICY INFORMATION

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

#### 4.1 Fair valuation of unquoted Equity Securities

The fair value of unquoted equity instruments is determined by applying the income approach method. All fair value adjustments are recognized in Other Comprehensive Income (OCI) and accumulated within equity, in accordance with IFRS 9. The cumulative impact of application in current period amounting to PKR 877.347 million net of tax has been recorded as an adjustment to equity at the beginning of the current period.

#### 4.2 IFRS 9 'Financial Instruments' – Restatement of corresponding figures of the current period due to subsequent adjustments on adoption of IFRS 9

The Bank, in accordance with the requirements of SBP's BPRD Circular Letter No.16 dated 29 July 2024 has incorporated IFRS 9 requirements related to subsidized staff and SBP financing and modification accounting. Accordingly, the condensed interim unconsolidated statement of profit and loss account (un-audited) for the half year ended June 30, 2024, has been restated to reflect the impact of subsidized staff and SBP financing. However, other impacts were not material and hence have not been disclosed in these condensed interim unconsolidated statement of profit and loss account (un-audited) for the half year ended June 30, 2024.

The effect of the above restatements on the financial statements is summarized below:

Condensed Interim Unconsolidated Statement of Profit and Loss Account	June 30,2024			Description
	Previously reported	Restatement	As re-stated	
----- Rupees in '000 -----				
Profit / return earned	118,833,693	1,387,029	120,220,722	Impact of subsidized staff and SBP financing
Profit / return expensed	80,610,472	1,167,225	81,777,697	Impact of subsidized SBP financing
Other Income	212,935	108,223	321,158	Impact of subsidized SBP financing
Operating expenses	21,525,001	328,027	21,853,028	Impact of subsidized staff financing

#### 4.3 Change in useful life of certain property and equipment

During the period, the Bank has reviewed the useful life of certain assets which are classified as office equipment. This review has resulted in a change in the useful life of these assets which is more reflective of the consumption pattern of these assets. These revisions have been accounted for as a change in accounting estimate in accordance with the requirements of IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors, with effect from January 1, 2025. Had this change in accounting estimate not been made, the depreciation expense would have been higher by PKR 128.3 million.

### 5 BASIS OF MEASUREMENT

These condensed interim unconsolidated financial statements have been prepared under the historical cost convention except for certain property and equipment and non-banking assets acquired in satisfaction of claims which have been carried at revalued amounts, certain investments and derivative contracts which have been marked to market and are carried at fair value, obligations in respect of staff retirement benefits and lease liabilities which have been carried at present value and right-of-use assets which are initially measured at an amount equal to the corresponding lease liabilities (adjusted for any lease payments and costs) and depreciated over the respective lease terms.

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

For the half year ended June 30, 2025

## 6 FUNCTIONAL AND PRESENTATION CURRENCY

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

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

## 7 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The basis for accounting estimates adopted in the preparation of these condensed interim unconsolidated financial statements is the same as that applied in the preparation of the unconsolidated financial statements of the Bank for the year ended December 31, 2024 except for fair valuation of unlisted equity securities and change in useful life of certain property and equipment.

## 8 FINANCIAL RISK MANAGEMENT

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

## 9 CASH AND BALANCES WITH TREASURY BANKS

	Note	(Un-audited) June 30, 2025	(Audited) December 31, 2024
----- Rupees in '000 -----			
In hand			
local currency		28,510,309	28,945,425
foreign currencies		2,517,809	3,244,750
		31,028,118	32,190,175
With State Bank of Pakistan in			
local currency current accounts		47,736,321	62,834,348
foreign currency current accounts		2,639,010	2,367,675
foreign currency deposit accounts		4,534,576	3,841,612
	9.1	54,909,907	69,043,635
With National Bank of Pakistan in			
local currency current accounts		10,042,963	1,304,011
Prize bonds	9.2	-	1,443
Less: Credit loss allowance held against cash and balances with treasury banks		(1,577)	(1,687)
Cash and balances with treasury banks - net of credit loss allowance		95,979,411	102,537,577

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

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

## 10 BALANCES WITH OTHER BANKS

		(Un-audited) June 30, 2025	(Audited) December 31, 2024
----- Rupees in '000 -----			
In Pakistan			
in current accounts		9,698	13,906
Outside Pakistan			
in current accounts		1,301,220	5,525,561
Less: Credit loss allowance held against balances with other banks		(1)	(3)
Balances with other banks - net of credit loss allowance		1,310,917	5,539,464



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

For the half year ended June 30, 2025

	Note	(Un-audited) June 30, 2025	(Audited) December 31, 2024
----- Rupees in '000 -----			
<b>11 DUE FROM FINANCIAL INSTITUTIONS</b>			
Musharka Placements		3,500,000	-
Less: Credit loss allowance	11.1	(1)	-
Due from financial institutions - net of credit loss allowance		<u>3,499,999</u>	<u>-</u>

11.1 Due from financial institutions - Particulars of credit loss allowance

(Un-audited) June 30, 2025		(Audited) December 31, 2024	
Due from financial institutions	Credit loss allowance held	Due from financial institutions	Credit loss allowance held
----- Rupees in '000 -----			
<b>Domestic</b>			
Performing	Stage 1	3,500,000	1
		<u>-</u>	<u>-</u>

12 INVESTMENTS

12.1 Investments by type:

		(Un-audited) June 30, 2025			
		Amortised cost	Credit loss allowance	Surplus / (deficit)	Carrying value
----- Rupees in '000 -----					
<b>FVTPL</b>					
Federal Government securities		986,892	-	-	986,892
		986,892	-	-	986,892
<b>FVOCI</b>					
Federal Government securities		622,199,634	-	16,746,179	638,945,813
Shares		4,837,246	-	1,410,885	6,248,131
Non Government debt securities		47,570,932	(1,320,794)	(11,442)	46,238,696
		674,607,812	(1,320,794)	18,145,622	691,432,640
<b>Amortised Cost</b>					
Non Government debt securities		6,133,224	(8,943)	-	6,124,281
		6,133,224	(8,943)	-	6,124,281
<b>Subsidiaries *</b>	12.5				
Faysal Asset Management Limited		1,139,893	-	-	1,139,893
Faysal Islami Currency Exchange Company (Private) Limited		1,000,000	-	-	1,000,000
		2,139,893	-	-	2,139,893
<b>Associates *</b>	12.5				
Faysal Islamic Savings Growth Fund		205,151	-	-	205,151
Faysal Halal Amdani Fund		150,000	-	-	150,000
		355,151	-	-	355,151
<b>Total Investments</b>		<u>684,222,972</u>	<u>(1,329,737)</u>	<u>18,145,622</u>	<u>701,038,857</u>

\* related parties

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

For the half year ended June 30, 2025

(Audited) December 31, 2024			
Amortised cost	Credit loss allowance	Surplus / (deficit)	Carrying value
----- Rupees in '000 -----			
<b>FVTPL</b>			
Federal Government securities	2,624,853	-	2,624,853
	2,624,853	-	2,624,853
<b>FVOCI</b>			
Federal Government securities	586,829,381	20,573,146	607,402,527
Shares	8,389,160	1,770,451	10,159,611
Non Government debt securities	47,570,932	1,631,343	47,881,091
	642,789,473	23,974,940	665,443,229
<b>Amortised Cost</b>			
Non Government debt securities	8,214,351	(1,405,081)	6,809,270
	8,214,351	(1,405,081)	6,809,270
<b>Subsidiaries *</b>			
Faysal Asset Management Limited	1,139,893	-	1,139,893
Faysal Islami Currency Exchange Company (Private) Limited	1,000,000	-	1,000,000
	2,139,893	-	2,139,893
<b>Associates *</b>			
Faysal Islamic Savings Growth Fund	205,151	-	205,151
Faysal Halal Amdani Fund	150,000	-	150,000
	355,151	-	355,151
<b>Total Investments</b>	<u>656,123,721</u>	<u>(2,726,265)</u>	<u>677,372,396</u>

\* related parties

(Un-audited)  
June 30,  
2025

(Audited)  
December 31,  
2024

----- Rupees in '000 -----

## 12.2 Investments given as collateral - at market value

### Federal Government Securities

- Ijarah Sukuk

127,585,000	128,477,500
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## 12.3 Credit loss allowance for diminution in value of investments

Opening balance

2,726,265	3,834,242
-----------	-----------

Impact of adopting IFRS 9 as at January 1,

-	(920,972)
---	-----------

Balance as at January 1,

2,726,265	2,913,270
-----------	-----------

Charge / reversals

- Charge for the period / year

-	99
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- Reversals for the period / year

(373)	(182,783)
-------	-----------

- Reversal on disposals

(1,038,580)	(4,321)
-------------	---------

(1,038,953)	(187,005)
-------------	-----------

Transfers - net

(357,575)	-
-----------	---

Amounts written off

-	-
---	---

Closing Balance

<u>1,329,737</u>	<u>2,726,265</u>
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# Notes to the Condensed Interim Unconsolidated Financial Statements (un-audited)

For the half year ended June 30, 2025

## 12.4 Particulars of credit loss allowance against debt securities

		(Un-audited) June 30, 2025		(Audited) December 31, 2024	
		Outstanding amount	Credit loss allowance	Outstanding amount	Credit loss allowance
Rupees in '000					
<b>Domestic</b>					
Performing	Stage 1	674,161,447	624	639,476,165	996
Underperforming	Stage 2	-	-	-	-
Non-performing	Stage 3				
Substandard		-	-	-	-
Doubtful		-	-	1,214,135	800,905
Loss		1,742,343	1,329,113	1,924,364	1,924,364
		1,742,343	1,329,113	3,138,499	2,725,269
Total		675,903,790	1,329,737	642,614,664	2,726,265

## 12.5 Investment in subsidiaries and associates

Note		As at June 30, 2025 (Un-audited)						
		Country of incorporation	% Holding	Assets	Liabilities	Revenue	Profit after tax	Total comprehensive income
			%	Rupees in '000				
<b>Subsidiaries</b>								
Faysal Asset Management Limited	12.5.1	Pakistan	99.99	3,672,665	513,071	1,748,363	492,506	492,506
Faysal Islami Currency Exchange Company (Private) Limited	12.5.2	Pakistan	100.00	1,029,576	45,738	69,604	(41,597)	(41,597)
<b>Associates</b>								
Faysal Islamic Savings Growth Fund		Pakistan	9.03	2,348,123	77,296	295,150	249,320	249,320
Faysal Halal Amdani Fund		Pakistan	0.35	43,113,086	436,571	9,243,820	8,093,507	8,093,507
		As at June 30, 2024 (Un-audited)						
		Country of incorporation	% Holding	Assets	Liabilities	Revenue	Profit after tax	Total comprehensive income
			%	Rupees in '000				
<b>Subsidiaries</b>								
Faysal Asset Management Limited		Pakistan	99.99	2,661,140	571,185	940,224	309,355	309,355
Faysal Islami Currency Exchange Company (Private) Limited		Pakistan	100.00	1,035,506	10,938	54,281	24,567	24,567
<b>Associates</b>								
Faysal Islamic Savings Growth Fund		Pakistan	17.17	1,266,333	68,850	195,281	170,621	170,621
Faysal Halal Amdani Fund		Pakistan	0.20	75,124,636	1,445,453	6,218,496	5,807,046	5,807,046

**12.5.1** Faysal Asset Management Limited (the Company) was incorporated in Pakistan on August 6, 2003 as an unlisted public limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). It is licensed by the Securities and Exchange Commission of Pakistan (SECP) to operate as a Non-Banking Finance Company (NBFC) and to carry out asset management and investment advisory services under the NBFC (Establishment and Regulation) Rules, 2003 and the NBFC and Notified Entities Regulations, 2008.

**12.5.2** Faysal Islami Currency Exchange Company (Private) Limited was incorporated in Pakistan on January 16, 2024 under the Companies Act, 2017. The Company is licensed by the State Bank of Pakistan to carry out foreign exchange business, with the operational license granted on March 26, 2024. The registered office is located at ST-02, Faysal House, Sharah-e-Faisal, Karachi.

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

For the half year ended June 30, 2025

## 13 ISLAMIC FINANCING AND RELATED ASSETS

Note	Performing		Non-performing		Total	
	(Un-audited) June 30, 2025	(Audited) December 31, 2024	(Un-audited) June 30, 2025	(Audited) December 31, 2024	(Un-audited) June 30, 2025	(Audited) December 31, 2024
Rupees in '000						
<b>Murabaha financing and related assets</b>						
Murabaha financing	105,570,005	16,772,851	137,785	128,898	105,707,790	16,901,749
Advance against Murabaha financing	6,406,461	8,809,831	5,000	14,687	6,411,461	8,824,518
Inventory related to Murabaha	3,170,349	2,558,743	-	-	3,170,349	2,558,743
	115,146,815	28,141,425	142,785	143,585	115,289,600	28,285,010
<b>Running Musharaka</b>						
	177,922,474	235,138,286	-	-	177,922,474	235,138,286
<b>Istisna financing and related assets</b>						
Istisna	41,359,010	34,068,949	1,788,162	1,896,048	43,147,172	35,964,997
Advance against Istisna	11,600,049	23,683,828	289,773	298,335	11,889,822	23,982,163
Inventory related to Istisna	34,021,649	30,242,203	1,051,599	1,122,330	35,073,248	31,364,533
	86,980,708	87,994,980	3,129,534	3,316,713	90,110,242	91,311,693
<b>Tijarah financing and related assets</b>						
Tijarah	17,787,519	3,928,174	496,723	409,720	18,284,242	4,337,894
Advance against Tijarah	2,330,161	3,810,688	-	88,000	2,330,161	3,898,688
Inventory related to Tijarah	19,390,924	10,780,109	-	-	19,390,924	10,780,109
	39,508,604	18,518,971	496,723	497,720	40,005,327	19,016,691
<b>Musawamah financing and related assets</b>						
Musawamah	5,836,004	4,559,401	226,479	184,088	6,062,483	4,743,489
Advance against Musawamah	44,739	735	-	-	44,739	735
Inventory related to Musawamah	2,580	345	-	-	2,580	345
	5,883,323	4,560,481	226,479	184,088	6,109,802	4,744,569
<b>Salam financing and related assets</b>						
Salam	-	-	1,200	1,200	1,200	1,200
Advance against Salam	6,000,000	10,100,000	-	-	6,000,000	10,100,000
Inventory related to Salam	-	-	-	-	-	-
	6,000,000	10,100,000	1,200	1,200	6,001,200	10,101,200
<b>Diminishing Musharaka financing and related assets</b>						
Diminishing Musharaka	261,609,573	230,599,744	6,854,821	6,616,512	268,464,394	237,216,256
Advance against Diminishing Musharaka	13,478,039	9,064,745	35,000	335,000	13,513,039	9,399,745
	275,087,612	239,664,489	6,889,821	6,951,512	281,977,433	246,616,001
<b>Wakala Istithmar</b>						
	5,777,446	6,302,669	-	-	5,777,446	6,302,669
<b>Tawwaruq Musharaka Bai salam</b>						
	21,402,289	18,880,445	144,469	248,336	21,546,758	19,128,781
	-	7,473	-	731	-	8,204
	671,817	579,527	-	-	671,817	579,527
	734,381,088	649,888,746	11,031,011	11,343,885	745,412,099	661,232,631
Other financing	675,876	734,485	11,743,875	12,991,197	12,419,751	13,725,682
Gross Financing	735,056,964	650,623,231	22,774,886	24,335,082	757,831,850	674,958,313
Fair value loss	(16,288,314)	(16,420,585)	-	-	(16,288,314)	(16,420,585)
Credit loss allowance against islamic financing and related assets	718,768,650	634,202,646	22,774,886	24,335,082	741,543,536	658,537,728
Stage 1	(1,445,270)	(906,457)	-	-	(1,445,270)	(906,457)
Stage 2	(693,613)	(2,034,675)	-	-	(693,613)	(2,034,675)
Stage 3	-	-	(20,009,873)	(21,687,048)	(20,009,873)	(21,687,048)
	(2,138,883)	(2,941,132)	(20,009,873)	(21,687,048)	(22,148,756)	(24,628,180)
Islamic Financing and related assets - net of credit loss allowance	716,629,767	631,261,514	2,765,013	2,648,034	719,394,780	633,909,548

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

For the half year ended June 30, 2025

	Note	(Un-audited) June 30, 2025	(Audited) December 31, 2024
Rupees in '000			
13.1	Murabaha receivable - gross	13.1.2 107,184,650	17,675,934
	Less: Deferred murabaha income	13.1.3 (500,931)	(474,640)
	Profit receivable shown in other assets	(975,929)	(299,545)
	Murabaha financings	13.1.1 105,707,790	16,901,749
13.1.1	The movement in Murabaha financing during the period / year is as follows:		
	Opening balance	16,901,749	38,451,305
	Sales during the period / year	223,121,111	158,526,120
	Adjusted during the period / year	(134,315,070)	(180,075,676)
	Closing balance	105,707,790	16,901,749
13.1.2	Murabaha sale price	107,184,650	17,675,934
	Murabaha purchase price	(105,707,790)	(16,901,749)
		1,476,860	774,185
13.1.3	Deferred murabaha income		
	Opening balance	474,640	29,223
	Arising during the period / year	4,791,182	5,058,731
	Less: recognised during the period / year	(4,764,891)	(4,613,314)
	Closing balance	500,931	474,640
13.2	Particulars of Islamic financing and related assets (gross)		
	In local currency	750,135,846	663,438,554
	In foreign currencies	7,696,004	11,519,759
		757,831,850	674,958,313
13.3	Islamic financing and related assets include Rs. 22,774.886 million (December 31, 2024: Rs. 24,335.082 million) which have been placed under non-performing / Stage 3 status as detailed below:		

Category of classification	(Un-audited)		(Audited)	
	June 30, 2025		December 31, 2024	
	Non-performing financing	Credit loss allowance	Non-performing financing	Credit loss allowance
Rupees in '000				
Domestic				
Other assets especially mentioned	334,617	309	300,209	1,545
Substandard	865,594	389,341	1,229,356	637,774
Doubtful	2,511,960	1,547,439	2,615,793	1,593,190
Loss	19,062,715	18,072,784	20,189,724	19,454,539
Total	22,774,886	20,009,873	24,335,082	21,687,048

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

For the half year ended June 30, 2025

## 13.4 Particulars of credit loss allowance against Islamic financing and related assets

	(Unaudited)				(Audited)					
	June 30, 2025				December 31, 2024					
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Specific Provision	General Provision	Total
Rupees in '000										
Opening balance	906,457	2,034,675	21,687,048	24,628,180	-	-	-	19,172,592	877,670	20,050,262
Impact of adopting IFRS 9 as of January 1,	-	-	-	-	936,972	5,264,393	20,954,552	(19,172,592)	(877,670)	7,105,655
Balance as at January 1,	906,457	2,034,675	21,687,048	24,628,180	936,972	5,264,393	20,954,552	-	-	27,155,917
Exchange adjustments	-	-	16,118	16,118	-	-	(9,663)	-	-	(9,663)
Charge for the period / year	1,040,717	151,655	406,735	1,599,107	529,876	990,613	3,373,969	-	-	4,894,458
Reversals during the period / year	(501,904)	(1,492,717)	(1,963,469)	(3,958,090)	(560,391)	(4,220,331)	(2,149,262)	-	-	(6,929,984)
	538,813	(1,341,062)	(1,556,734)	(2,358,983)	(30,515)	(3,229,718)	1,224,707	-	-	(2,035,526)
Amounts written off	-	-	(542)	(542)	-	-	(4,783)	-	-	(4,783)
Amounts charged-off	-	-	(136,017)	(136,017)	-	-	(477,765)	-	-	(477,765)
Closing balance	1,445,270	693,613	20,009,873	22,148,756	906,457	2,034,675	21,687,048	-	-	24,628,180

**13.4.1** Credit loss allowance for Stage 1 and Stage 2 represents credit loss allowance maintained against performing and under-performing portfolio respectively as required under IFRS 9.

**13.4.2** As allowed by the SBP, the Bank has availed benefit of forced sale value (FSV) of collaterals held as security of Rs 1,224.385 million (December 31, 2024: Rs 771.625 million) relating to financing and investment while determining the provisioning requirement against non-performing financing and investment as at June 30, 2025. The additional profit arising from availing the FSV benefit (net of tax) as at June 30, 2025 which is not available for distribution as either cash or stock dividend to shareholders and bonus to employees approximately amounted to Rs 575.461 million (December 31, 2024: Rs 354.947 million).

## 13.5 Islamic financing and related assets - Particulars of credit loss allowance

	(Un-audited)			(Audited)		
	June 30, 2025			December 31, 2024		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Rupees in '000						
Opening balance	906,457	2,034,675	21,687,048	-	-	-
Impact of adopting IFRS 9 as at January 1	-	-	-	936,972	5,264,393	20,954,552
Restated balance as at January 1	906,457	2,034,675	21,687,048	936,972	5,264,393	20,954,552
New Financing / Increase	695,447	112,489	396,232	805,133	191,006	1,725,492
Financing derecognised or repaid	(777,794)	(693,510)	(1,931,597)	(241,527)	(1,670,418)	(2,147,246)
Transfer to stage 1	684,796	(684,796)	-	31	(31)	-
Transfer to stage 2	(10,064)	22,797	(12,733)	(457,946)	459,962	(2,016)
Transfer to stage 3	(2,999)	(7,504)	10,503	(16,394)	(1,872,697)	1,889,091
	589,386	(1,250,524)	(1,537,595)	89,297	(2,892,178)	1,465,321
Amounts written off	-	-	(542)	-	-	(4,783)
Amounts charged off	-	-	(136,017)	-	-	(477,765)
Changes in risk parameters	(50,573)	(90,538)	(19,139)	(119,812)	(337,540)	(240,614)
Exchange adjustments	-	-	16,118	-	-	(9,663)
Closing balance	1,445,270	693,613	20,009,873	906,457	2,034,675	21,687,048

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

For the half year ended June 30, 2025

**13.6** Fair value loss pertains to SBP subsidized financing, subsidized staff financing and modified financing amounting to Rs. 6,537 million , Rs. 6,546 million and 3,205 million respectively.

**13.7 Islamic financing and related assets - Category of classification**

		(Un-audited)		(Audited)	
		June 30, 2025		December 31, 2024	
		Outstanding amount	Credit loss allowance	Outstanding amount	Credit loss allowance
----- Rupees in '000 -----					
<b>Domestic</b>					
Performing	Stage 1	710,949,939	1,445,270	556,637,934	906,457
Underperforming	Stage 2	24,107,025	693,613	93,985,297	2,034,675
Non-Performing	Stage 3				
Other assets especially mentioned		334,617	309	300,209	1,545
Substandard		865,594	389,341	1,229,356	637,774
Doubtful		2,511,960	1,547,439	2,615,793	1,593,190
Loss		19,062,715	18,072,784	20,189,724	19,454,539
Total		757,831,850	22,148,756	674,958,313	24,628,180

		(Un-audited)	(Audited)
		June 30, 2025	December 31, 2024
		----- Rupees in '000 -----	
14	PROPERTY AND EQUIPMENT		
	Capital work-in-progress	14.1 5,399,114	6,661,796
	Property and equipment	44,182,414	38,049,256
		49,581,528	44,711,052
14.1	Capital work-in-progress		
	Civil works	441,387	678,866
	Equipment	3,208,690	3,686,465
	Furniture and fixture	646,416	787,138
	Vehicles	833,759	1,188,023
	Building	268,862	321,304
		5,399,114	6,661,796
		(Un-audited)	
		For the half year ended	
		June 30, 2025	June 30, 2024

**14.2 Additions / transfers to property and equipment**

The following additions / transfers have been made to property and equipment during the period:

<b>Capital work-in-progress - net</b>	(1,262,682)	89,247
<b>Property and equipment</b>		
Freehold land	-	171,559
Leasehold land	2,025,722	402,000
Building on freehold land	-	60,356
Building on leasehold land	153,454	271,376
Furniture and fixture	436,881	161,299
Electrical, office and computer equipment	2,390,553	3,647,288
Vehicles	2,107,640	70,955
Leasehold improvements	1,626,162	682,342
	8,740,412	5,467,175
Total	7,477,730	5,556,422

**14.3 Disposal of property and equipment**

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

Furniture and fixture	1,075	-
Electrical, office and computer equipment	1,695	532
Vehicles	256,611	574
Leasehold improvements	55	110
Total	259,436	1,216

## For the half year ended June 30, 2025

June 30, 2025 | Half Year | 31



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

For the half year ended June 30, 2025

**17.1** This amount represents deferred fair value loss arising from the restructuring of Pakistan International Airlines Corporation Limited (PIACL). SBP through its circular BPRD/BRD/PIAHCL/733688-2024 dated August 01, 2024 has allowed staggering of such fair value impact over a period of 6 years at rates of 5%, 10%, 15%, 20%, 25%, and 25% from year 1 to year 6. Accordingly, an amount of Rs 165.256 million has been amortized during the period.

	(Un-audited) June 30, 2025	(Audited) December 31, 2024
	----- Rupees in '000 -----	

## 17.2 Credit loss allowance held against other assets

Dividend receivable	74,341	74,341
Receivable from customers	51,173	51,173
Security deposits	22,994	22,994
Acceptances	8,163	2,206
Others	290,584	176,439
	<u>447,255</u>	<u>327,153</u>

### 17.2.1 Movement in credit loss allowance held against other assets

Opening balance	327,153	327,580
Impact of adopting IFRS 9 as at January 1,	-	2,575
Balance as at January 1,	327,153	330,155
Charge for the period / year	121,964	-
Reversals during the period / year	(1,862)	(3,002)
	120,102	(3,002)
Closing balance	<u>447,255</u>	<u>327,153</u>

## 18 BILLS PAYABLE

In Pakistan	<u>32,140,484</u>	<u>39,169,649</u>
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## 19 DUE TO FINANCIAL INSTITUTIONS

### Secured

To the State Bank of Pakistan (SBP) under:

Islamic Export Refinance Scheme - part I and II	22,283,385	25,700,039
Islamic financing for Renewable Energy	7,139,964	7,656,474
Islamic Long Term Financing Facility (ILTFF)	8,273,673	9,245,606
Islamic Temporary Economic Refinance Facility (ITERF)	24,968,345	27,139,072
Islamic refinance facility for combating COVID-19	66,111	99,444
Islamic refinance facility for storage of agricultural produce	1,087,742	641,836
Islamic Refinance Facility for Modernization of SMEs (IRFMS)	67,000	-
Islamic Refinance Scheme for Working Capital Financing of Small Enterprises and Low-End Medium Enterprises (IWCF)	25,000	-
Islamic Refinance Scheme For Women Entrepreneurs (IRSWE)	13,000	-
Scheme of Islamic Rupee-based discounting facility under EFS / IERS	676,935	679,690
	<u>64,601,155</u>	<u>71,162,161</u>

Due to SBP under shariah compliant Open Market Operations (OMO) and Mudarabah based Financing Facility (MFF)

	127,307,316	128,110,425
Other financial institutions	4,326,872	2,849,632
Total secured	<u>196,235,343</u>	<u>202,122,218</u>

### Unsecured

Overdrawn nostro accounts	1,775,571	839,944
Musharaka with scheduled banks / financial institutions	19,700,000	85,650,000
Total unsecured	21,475,571	86,489,944
Fair value adjustment	(6,887,538)	(8,169,622)
	<u>210,823,376</u>	<u>280,442,540</u>

## For the half year ended June 30, 2025

(Un-audited)			(Audited)		
June 30, 2025			December 31, 2024		
In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total

Ruppes in '000

Current deposits	404,303,330	32,565,269	436,868,599	298,972,004	33,564,674	332,536,678
Savings deposits	372,141,072	24,023,966	396,165,038	326,085,655	20,015,285	346,100,940
Term deposits	131,330,755	2,939,891	134,270,646	147,345,424	2,983,343	150,328,767
Margin deposits	16,923,534	53,529	16,977,063	11,428,184	22,645	11,450,829
	924,698,691	59,582,655	984,281,346	783,831,267	56,585,947	840,417,214

Current deposits	74,859,336	3,257,570	78,116,906	63,430,479	679,223	64,109,702
Savings deposits	172,709,216	106,586	172,815,802	138,802,511	64,080	138,866,591
Term deposits	8,355,000	-	8,355,000	885,000	-	885,000
	<u>255,923,552</u>	<u>3,364,156</u>	<u>259,287,708</u>	<u>203,117,990</u>	<u>743,303</u>	<u>203,861,293</u>
	1,180,622,243	62,946,811	1,243,569,054	986,949,257	57,329,250	1,044,278,507

Note	(Un-audited) June 30, 2025	(Audited) December 31, 2024
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- Rupees in '000

Outstanding amount at the start of the period / year  
Additions during the period / year  
Lease payments including profit  
Profit expense for the period / year  
Modifications during the period / year  
Termination / deletion during the period / year  
Outstanding amount at the end of the period / year

	15,546,893	12,868,103
	1,765,276	4,891,312
	(1,633,332)	(3,808,291)
28 & 21.2	1,053,221	1,862,095
	(12,973)	2,365
	(43,297)	(268,691)
	<u>16,675,788</u>	<u>15,546,893</u>

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

28,856	39,553
3,329,785	2,991,272
13,317,147	12,516,068
<u>16,675,788</u>	<u>15,546,893</u>

**21.2** This carries average effective charge rate of 13.30% per annum (December 31, 2024: 13.7%).

(Un-audited) June 30, 2025	(Audited) December 31, 2024
----------------------------------	-----------------------------------

- Rupees in '000

### Deductible temporary differences on

credit loss allowance investments	(322,684)	(329,087)
credit loss allowance against financing, off balance sheet etc.	(1,989,379)	(2,694,794)
fair value adjustment relating to financing	(219,192)	(134,565)
lease agreements under IFRS 16	(2,329,897)	-
credit loss allowance against other assets	(195,199)	(135,299)
	<u>(5,056,351)</u>	<u>(3,293,745)</u>

- surplus on revaluation of property and equipment
- surplus on revaluation of non-banking assets
- surplus on revaluation of investments
- fair value adjustment relating to net assets acquired upon amalgamation
- accelerated tax depreciation

2,028,889	2,123,177
16,638	16,958
9,435,724	12,706,718
130,321	152,967
1,350,797	1,277,885
12,962,369	16,277,705
7,906,018	12,983,960

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

For the half year ended June 30, 2025

	Note	(Un-audited) June 30, 2025	(Audited) December 31, 2024
----- Rupees in '000 -----			
<b>23 OTHER LIABILITIES</b>			
Profit / return payable in local currency		7,613,135	9,959,755
Profit / return payable in foreign currencies		73,043	47,730
Unearned commission and income on bills discounted		2,089,753	1,860,553
Accrued expenses		4,869,755	8,181,838
Acceptances	17	33,595,176	24,059,259
Dividend payable		557,496	464,961
Unclaimed dividends		4,400	4,400
Mark to market loss on forward foreign exchange contracts		201,905	945,503
Credit loss allowance against off-balance sheet obligations	23.1	164,130	187,485
Charity fund balance		-	27,926
Withholding tax payable		131,048	147,945
Federal excise duty payable		105,088	218,306
Payable to brokers against purchase of shares		10,595	105,647
Fair value of derivative contracts		667,803	982,880
Payable related to credit cards and other products		96,169	60,346
Funds held as security		379,091	361,711
Payable to defined benefit plan		-	94,527
Takaful payable		10,578	11,176
Clearing and settlement accounts		5,001,900	12,875,954
Others		1,894,722	1,286,819
		<u>57,465,787</u>	<u>61,884,721</u>
<b>23.1 Credit loss allowance against off-balance sheet obligations</b>			
Opening balance		187,485	91,297
Impact of adopting IFRS 9 as at January 1,		-	82,603
Balance as at January 1,		187,485	173,900
Charge for the period / year		72,630	13,585
Reversals during the period / year		(95,985)	-
		(23,355)	13,585
Amounts written off		-	-
Closing balance		<u>164,130</u>	<u>187,485</u>
<b>24 SURPLUS ON REVALUATION OF ASSETS - NET OF TAX</b>			
Surplus on revaluation of:			
- Securities measured at FVOCI - Debt		16,734,737	22,204,489
- Securities measured at FVOCI - Equity		1,410,885	1,770,451
- Property and equipment		11,805,405	11,909,691
- Non-banking assets acquired in satisfaction of claims		1,416,965	1,734,105
		31,367,992	37,618,736
Deferred tax on surplus on revaluation of:			
- Securities measured at FVOCI - Debt		(8,702,063)	(11,768,379)
- Securities measured at FVOCI - Equity		(733,661)	(938,339)
- Property and equipment		(2,028,889)	(2,123,177)
- Non-banking assets acquired in satisfaction of claims		(16,638)	(16,958)
		(11,481,251)	(14,846,853)
		<u>19,886,741</u>	<u>22,771,883</u>

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

For the half year ended June 30, 2025

	Note	(Un-audited) June 30, 2025	(Audited) December 31, 2024
----- Rupees in '000 -----			
<b>25 CONTINGENCIES AND COMMITMENTS</b>			
Guarantees	25.1	64,189,564	52,565,820
Commitments	25.2	391,288,994	312,113,009
Other contingent liabilities	25.3	4,122,244	4,122,244
		<u>459,600,802</u>	<u>368,801,073</u>
<b>25.1 Guarantees</b>			
Financial guarantees		6,794,391	4,266,928
Performance guarantees		14,507,585	13,608,155
Other guarantees		42,887,588	34,690,737
		<u>64,189,564</u>	<u>52,565,820</u>
<b>25.2 Commitments</b>			
Documentary credits and short-term trade-related transactions letters of credit		154,783,085	95,392,494
Commitments in respect of:			
- forward foreign exchange contracts	25.2.1	97,037,970	80,620,255
- forward government securities transactions	25.2.2	127,579,300	128,375,400
- derivatives - cross currency swaps (notional principal)	25.2.3	703,169	964,082
- extending credit (irrevocable)	25.5	10,295,203	5,358,314
Commitments for acquisition of:			
- property and equipment		706,907	1,069,179
- intangible assets		183,360	333,285
		<u>391,288,994</u>	<u>312,113,009</u>
<b>25.2.1 Commitments in respect of forward foreign exchange contracts</b>			
Purchase		70,522,466	54,802,453
Sale		26,515,504	25,817,802
		<u>97,037,970</u>	<u>80,620,255</u>
<b>25.2.2 Commitments in respect of forward government securities transactions</b>			
Purchase		127,579,300	128,375,400
<b>25.2.3 Commitments in respect of derivatives</b>			
<b>Cross currency swaps</b>			
Sale	26.1	703,169	964,082

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

For the half year ended June 30, 2025

	Note	(Un-audited) June 30, 2025	(Audited) December 31, 2024
----- Rupees in '000 -----			
<b>25.3 Other contingent liabilities</b>			
Suit filed by a customer for recovery of alleged losses suffered which is pending in the Honorable High Court of Sindh. The Bank's legal advisors are confident that the Bank has a strong position.		2,510,000	2,510,000
Indemnity issued favouring the Honorable High Court in one of the cases		457,543	457,543
Tax liability of gain on bargain purchase on the acquisition of ex-RBS Pakistan		1,154,701	1,154,701
	25.3.1	4,122,244	4,122,244

**25.3.1** Income tax assessments of the Bank have been finalised upto the tax year 2024 (accounting year ended December 31, 2023).

The department and the Bank has disagreement on a matter relating to taxability of gain on bargain purchase on the acquisition of ex-RBS Pakistan. The additional tax liability on the matter amounts to Rs. 1,154.701 million (December 31, 2024: Rs. 1,154.701 million). The Commissioner Inland Revenue (Appeals) [CIR(A)] had deleted the said additional tax liability, however the income tax department had filed an appeal with the Appellate Tribunal Inland Revenue (ATIR) against the order of CIR(A). During tax year 2011, the ATIR passed an order and maintained the decision of the CIR(A) in favour of the Bank that gain on bargain purchase is not taxable. Subsequently, the department has challenged the order in Honorable High Court of Sindh. However, the management of the Bank is confident that the matter will be decided in the Bank's favour and accordingly, no provision has been recorded in these condensed interim unconsolidated financial statements in respect of this matter.

**25.4** There are certain claims against the Bank not acknowledged as debt amounting to Rs 31,805 million (December 31, 2024: Rs 32,754 million). These mainly represent counter claims filed by the borrowers for restricting the Bank from disposal of assets (such as mortgaged / pledged assets kept as security), cases where the Bank was proforma defendant for defending its interest in the underlying collateral kept by it at the time of financing, certain cases filed by ex-employees of the Bank for damages sustained by them consequent to the termination from the Bank's employment and cases for damages towards opportunity losses suffered by the customers due to non-disbursements of running finance facility as per the agreed terms. The above also includes an amount of Rs 25,299 million (December 31, 2024: Rs 25,299 million) in respect of a suit filed against the Bank for declaration, recovery of monies, release of securities, rendition of account and damages.

Based on legal advice and / or internal assessments, the management is confident that the above matters will be decided in the Bank's favour and accordingly no provision has been made in these condensed interim unconsolidated financial statements.

## 25.5 Commitments to extend credits

The Bank makes commitments to extend credit (including to related parties) in the normal course of its business but these being revocable commitments do not attract any significant penalty or expense if the facilities are unilaterally withdrawn except for Rs 10,295.203 million (December 2024: Rs. 5,358.314 million) which are irrevocable in nature.

	(Un-audited) June 30, 2025	(Audited) December 31, 2024
----- Rupees in '000 -----		
<b>26 DERIVATIVE INSTRUMENTS</b>		
Cross currency swaps (notional principal)	703,169	964,082

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

For the half year ended June 30, 2025

## 26.1 Product analysis

Counterparties	June 30, 2025 (Un-audited)	
	Cross currency swaps	
	Notional principal	Mark to market gain / (loss)
Rupees in '000		
<b>With banks for</b>		
Hedging	-	-
Market making	27,606	15,954
<b>With other entities for</b>		
Hedging	-	-
Market making	675,563	(683,757)
<b>Total</b>		
Hedging	-	-
Market making	703,169	(667,803)

Counterparties	December 31, 2024 (Audited)	
	Cross currency swaps	
	Notional principal	Mark to market loss
Rupees in '000		
<b>With banks for</b>		
Hedging	-	-
Market making	140,136	(171,412)
<b>With other entities for</b>		
Hedging	-	-
Market making	823,946	(811,468)
<b>Total</b>		
Hedging	-	-
Market making	964,082	(982,880)

		(Un-audited)
		For the half year ended
	June 30, 2025	June 30, 2024 (Restated)
Rupees in '000		
<b>27 PROFIT / RETURN EARNED</b>		
On:		
Financing	40,066,864	56,146,497
Investments	43,797,321	63,790,870
Due from financial institutions	101,469	281,869
Balances with banks	78	1,486
	83,965,732	120,220,722
<b>27.1 Profit / return recognised on:</b>		
Financial assets measured at amortised cost	3,353,975	2,027,534
Financial assets measured at FVOCI	43,268,812	62,870,580
Financial assets measured at cost	37,286,856	55,203,217
Financial assets measured at FVPL	56,089	119,391
	83,965,732	120,220,722
<b>28 PROFIT / RETURN EXPENSED</b>		
On:		
Deposits	28,407,308	59,014,265
Due to financial institutions	18,100,812	18,639,267
Lease liability against right-of-use assets	1,053,221	820,136
Cost of foreign currency swaps against foreign currency deposits / Due to FIs	1,987,211	3,304,029
	49,548,552	81,777,697

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

For the half year ended June 30, 2025

Note	(Un-audited)	
	For the half year ended	
	June 30, 2025	June 30, 2024
	Rupees in '000	
<b>29 FEE AND COMMISSION INCOME</b>		
Branch banking customer fees	795,133	625,346
Consumer finance related fees	380,478	297,940
Card related fees (debit and credit)	2,941,741	2,216,906
Credit related fees	31,568	32,833
Investment banking fees	329,129	143,792
Commission on trade	747,179	691,988
Commission on guarantees	94,862	75,443
Commission on cash management	81,916	79,197
Commission on remittances including home remittances	711,494	625,640
Commission on bancatakaful	56,655	49,627
Commission on sale of mutual fund units (associates)	255,181	262,196
Others	55,591	40,874
	<u>6,480,927</u>	<u>5,141,782</u>
<b>30 GAIN ON SECURITIES - NET</b>		
Realised	30.1 222,129	667,927
<b>30.1 Realised Gain on:</b>		
Federal Government securities	218,443	92,335
Shares	-	546,897
Associates	3,686	28,695
	<u>222,129</u>	<u>667,927</u>
<b>30.2 Net gain / (loss) on financial assets / liabilities</b>		
Net gain / (loss) on financial assets / liabilities measured at FVTPL:		
Designated upon initial recognition	-	-
Mandatorily measured at FVTPL	(34,493)	530,902
	<u>(34,493)</u>	<u>530,902</u>
Net gain / (loss) on financial assets / liabilities measured at amortised cost	-	-
Net gain / (loss) on financial assets measured at FVOCI	252,936	108,330
	<u>252,936</u>	<u>108,330</u>
Net gain on investments in associates	3,686	28,695
	<u>222,129</u>	<u>667,927</u>
<b>31 OTHER INCOME</b>		
Rent on property	61,991	141,770
Gain on disposal of property and equipment- net	17,860	10,510
Gain on termination of leases (IFRS 16)	16,830	47,140
Staff cost recoveries	5,732	5,244
Government Grant	52,278	108,223
Scrap income	-	8,271
	<u>154,691</u>	<u>321,158</u>

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

For the half year ended June 30, 2025

		(Un-audited)	
		For the half year ended	
		June 30, 2025	June 30, 2024 (Restated)
		Rupees in '000	
32	OPERATING EXPENSES		
	Total compensation expense	9,769,546	9,189,419
	Property expense		
	Rent and taxes	249,198	116,401
	Takaful	23,606	13,050
	Utilities cost	825,325	759,372
	Security (including guards)	879,420	598,001
	Repair and maintenance (including janitorial charges)	687,285	453,064
	Depreciation on owned property and equipment	677,966	473,258
	Depreciation on non-banking assets	1,185	1,378
	Depreciation on right-of-use assets	1,213,235	996,712
	Others	177,912	138,888
		4,735,132	3,550,133
	Information technology expenses		
	Software maintenance	1,253,981	1,056,250
	Hardware maintenance	216,397	236,868
	Depreciation	664,627	465,950
	Amortisation	291,298	200,748
	Network charges	206,291	161,198
		2,632,594	2,121,014
	Other operating expenses		
	Directors' fees and allowances	65,838	72,960
	Legal and professional charges	315,872	255,068
	Outsourced services costs - staff	615,989	442,720
	Travelling and conveyance	540,373	199,393
	NIFT clearing charges	65,102	43,682
	Depreciation	1,002,325	486,072
	Training and development	113,687	76,881
	Postage and courier charges	109,252	119,415
	Communication	582,498	573,341
	Marketing, advertisement and publicity	1,187,570	1,068,841
	Donations	139,275	-
	Auditors' remuneration	28,907	25,210
	Takaful	465,184	418,353
	Stationery and printing	401,716	506,416
	Bank fees and charges	1,818,582	1,463,160
	Brokerage and commission	48,256	30,830
	Deposit protection premium	502,676	420,440
	Repair and maintenance	285,847	198,551
	Subscriptions and publications	93,035	80,086
	Cash handling charges	370,254	307,262
	Others	343,188	203,781
		9,095,426	6,992,462
		26,232,698	21,853,028
		(Un-audited)	
		For the half year ended	
		June 30, 2025	June 30, 2024
		Rupees in '000	
33	OTHER CHARGES		
	Penalties imposed by the State Bank of Pakistan	4,234	36,897
34	CREDIT LOSS ALLOWANCE AND WRITE OFFS - NET		
	Reversal of Credit loss allowance against cash and balances with treasury banks	(110)	(346)
	Reversal of Credit loss allowance against balances with other banks	(3)	-
	Credit loss allowance against due from financial institutions	1	-
	(Reversal) / credit loss allowance against investments	12.3 (1,038,953)	5,590
	(Reversal) / credit loss allowance against Islamic financing and related assets	13.4 (2,358,983)	(774,346)
	Credit loss allowance / (reversal) against other assets	17.2.1 120,102	(3,494)
	(Reversal) / credit loss allowance against off balance sheet obligations	23.1 (23,355)	114,699
	Bad debts written off directly	7,698	7,816
	Recoveries of written off / charged off bad debts	(216,338)	(151,260)
		(3,509,941)	(801,341)



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

For the half year ended June 30, 2025

		(Un-audited)	
		For the half year ended	
		June 30, 2025	June 30, 2024
		----- Rupees in '000 -----	
35	TAXATION		
	Current		
	- For the period		
	- Prior period	35.1	
	Deferred		
	- For the period		
	- Prior period	35.1	

**35.1** Pursuant to an amendment introduced through the Finance Act, 2025 to Rule 1 of the Seventh Schedule, the Bank has recognised the prior year income tax of Rs. 2,207.479 million along with the corresponding deferred tax asset of Rs. 2,125.721, resulting in a net impact of Rs. 81.758 million. This adjustment arises from the disallowance of depreciation on right-of-use assets and related finance cost under IFRS 16 - "Leases" and the consequent allowability of actual rent expenses incurred in the respective tax years.

## 36 BASIC AND DILUTED EARNINGS PER SHARE

Note	For the quarter ended		For the half year ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
	----- Rupees in '000 -----			
Profit after tax for the period	4,858,895	6,753,504	10,006,214	13,266,345
----- Number of shares in thousands -----				
Weighted average number of ordinary shares	1,517,697	1,517,697	1,517,697	1,517,697
----- Rupees -----				
Basic earnings per share	3.2	4.45	6.59	8.74

**36.1** There were no convertible dilutive potential ordinary shares outstanding as at June 30, 2025 and June 30, 2024.

## 37 FAIR VALUE MEASUREMENTS

The fair value of quoted securities other than those classified under held to collect model, is based on quoted market price. Quoted securities classified under held to collect model are carried at amortized cost. The fair value of unquoted equity securities, other than investments in associates and subsidiaries, is determined on the basis of adjusted net asset method as per their latest available financial statements.

The fair value of unquoted sukuk securities, fixed term financing, 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.

### 37.1 Fair value of financial assets

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

- Level 1: Fair value measurements using quoted prices (unadjusted) in active markets 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).

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

For the half year ended June 30, 2025

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

	June 30, 2025 (Un-audited)			
	Level 1	Level 2	Level 3	Total
----- Rupees in '000 -----				
<b>On-balance sheet financial instruments</b>				
<b>Financial assets - measured at fair value</b>				
<b>Investments</b>				
Federal Government securities	-	639,932,705	-	639,932,705
Shares	4,352,638	-	1,895,493	6,248,131
Non-Government debt securities	-	46,238,696	-	46,238,696
<b>Financial assets - disclosed but not measured at fair value</b>				
<b>Investments</b>				
Non-Government debt securities	-	6,127,962	-	6,127,962
<b>Non-financial assets - measured at fair value</b>				
Property and equipment (land and buildings)	-	23,474,842	-	23,474,842
Non-banking assets acquired in satisfaction of claims	-	2,759,117	-	2,759,117
<b>Off-balance sheet financial instruments - measured at fair value</b>				
Forward purchase of foreign exchange	-	71,042,262	-	71,042,262
Forward sale of foreign exchange	-	26,706,601	-	26,706,601
Derivatives sales	-	667,803	-	667,803
<b>December 31, 2024 (Audited)</b>				
	Level 1	Level 2	Level 3	Total
----- Rupees in '000 -----				
<b>On-balance sheet financial instruments</b>				
<b>Financial assets - measured at fair value</b>				
<b>Investments</b>				
Federal Government securities	-	610,027,380	-	610,027,380
Shares	10,091,925	-	67,686	10,159,611
Non-Government debt securities	-	47,881,091	-	47,881,091
<b>Financial assets - disclosed but not measured at fair value</b>				
<b>Investments</b>				
Non-Government debt securities	-	6,818,118	-	6,818,118
<b>Non-financial assets - measured at fair value</b>				
Property and equipment (land and buildings)	-	21,478,777	-	21,478,777
Non-banking assets acquired in satisfaction of claims	-	3,116,825	-	3,116,825
<b>Off-balance sheet financial instruments - measured at fair value</b>				
Forward purchase of foreign exchange	-	53,913,508	-	53,913,508
Forward sale of foreign exchange	-	25,677,767	-	25,677,767
Derivatives sales	-	982,880	-	982,880

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

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

For the half year ended June 30, 2025

## Valuation techniques used in determination of fair values within level 2

Item	Valuation approach and input used
Ijara Sukuk	Fair values of GoP Ijara Sukuk are derived using the PKISRV rates announced by the Financial Market Association (FMA) through Reuters. These rates denote an average of quotes received from different pre-defined / approved dealers / brokers.
Sukuk Certificates	Sukuk certificates are determined using the MUFAP or PSX rates.
Forward foreign exchange contracts	The valuation has been determined by interpolating the mark-to-market currency rates announced by the State Bank of Pakistan.
Derivative instruments	The Bank enters into derivative contracts with various counterparties. Derivatives that are valued using valuation techniques with market observable inputs are mainly cross currency swaps and forward foreign exchange contracts. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations.
Mutual funds	Units of mutual funds are valued using the net asset value (NAV) announced by the Mutual Funds Association of Pakistan (MUFAP).
Property and equipment (land and buildings)	Land and buildings and NBA are revalued by professionally qualified valuers of the Bank. The valuations, mentioned above, are conducted by the valuation experts appointed by the Bank which are also on the panel of the Pakistan Banks' Association (PBA). The valuation experts use a market based approach to arrive at the fair value of the Bank's properties. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable or similar properties. These values are adjusted to reflect the current condition of the properties.
Non-banking assets acquired in satisfaction of claims (NBAs)	

## Valuation technique used in determination of fair values within level 3

Item	Valuation approach and input used
Unlisted ordinary shares	The fair value of unquoted equity securities is determined using the income approach method.

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

For the half year ended June 30, 2025

## 38 SEGMENT INFORMATION

### 38.1 Segment details with respect to business activities

	2025				
	Retail	CIBG	Treasury	SAM	Others
	Rupees in '000				
<b>Profit and loss account for the half year ended June 30, 2025 (Un-audited)</b>					
Net return / profit	(15,408,103)	23,220,265	25,967,865	169,136	468,017
Inter segment revenue - net	46,161,580	(21,627,097)	(26,450,601)	42,337	1,873,781
Other income	5,883,925	3,155,286	4,022,300	(14,253)	(2,439,122)
Total income	36,637,402	4,748,454	3,539,564	197,220	(97,324)
Segment direct expenses	16,116,067	988,875	270,859	159,559	9,146,138
Inter segment expense allocation	7,965,303	861,351	175,128	144,356	(9,146,138)
Total expenses	24,081,370	1,850,226	445,787	303,915	-
Credit loss allowance	(483,890)	(998,585)	-	(1,908,058)	(119,408)
Profit before tax	13,039,922	3,896,813	3,093,777	1,801,363	22,084
<b>Statement of financial position as at June 30, 2025 (Un-audited)</b>					
Cash and bank balances	43,213,868	-	54,076,460	-	-
Due from financial institutions	-	-	3,499,999	-	-
Investments	150,000	8,974,387	688,590,926	527,836	4,125,445
Investment - credit loss allowance	-	(800,964)	(937)	(527,836)	-
Net inter segment lending	957,840,179	-	-	-	(957,840,179)
Financing - performing	175,374,147	529,674,881	-	184,419	13,535,203
Financing - non-performing	3,900,158	5,004,841	-	13,531,297	338,590
Financing - credit loss allowance	(3,641,000)	(6,857,000)	-	(11,435,000)	(215,756)
Others	82,702,376	12,022,073	9,468,280	183,634	53,308,479
<b>Total assets</b>	<b>1,259,539,728</b>	<b>548,018,218</b>	<b>755,634,728</b>	<b>2,464,350</b>	<b>(886,748,218)</b>
Due to financial institutions	13,637,815	64,009,138	133,176,423	-	-
Subordinated sukuk	-	-	-	-	-
Deposits and other accounts	1,149,581,537	104,532,689	3,726	478,459	(11,027,357)
Net inter segment borrowing	-	377,691,054	610,099,105	1,983,190	(989,773,349)
Others	96,320,376	1,785,337	3,645,526	2,701	12,434,087
<b>Total liabilities</b>	<b>1,259,539,728</b>	<b>548,018,218</b>	<b>746,924,830</b>	<b>2,464,350</b>	<b>(988,366,819)</b>
Equity	-	-	8,709,898	-	101,618,401
<b>Total equity and liabilities</b>	<b>1,259,539,728</b>	<b>548,018,218</b>	<b>755,634,728</b>	<b>2,464,350</b>	<b>(886,748,218)</b>
<b>Contingencies and commitments</b>	<b>90,526,442</b>	<b>139,355,363</b>	<b>225,337,867</b>	<b>1,620,178</b>	<b>2,760,932</b>
	2024				
	Retail	CIBG	Treasury	SAM	Others
	Restated				
<b>Profit and loss account for the half year ended June 30, 2024 (Un-audited)</b>					
Net return / profit	(44,416,068)	38,308,344	45,705,371	82,490	(1,237,112)
Inter segment revenue - net	82,861,708	(35,446,148)	(45,736,020)	65,285	(1,744,825)
Other income	4,693,991	1,917,296	3,804,247	12,883	(1,429,338)
Total income	43,139,631	4,779,492	3,773,598	160,658	(4,411,275)
Segment direct expenses	13,792,787	798,030	279,467	159,025	7,387,679
Inter segment expense allocation	6,433,366	690,213	139,460	118,640	(7,387,679)
Total expenses	20,226,153	1,494,243	418,927	277,665	-
Credit loss allowance	81,590	530,159	-	(768,639)	(644,451)
Profit before tax	22,831,888	2,755,090	3,354,671	651,632	(3,766,824)
<b>Statement of financial position as at December 31, 2024 (Audited)</b>					
Cash and bank balances	34,229,666	-	73,847,375	-	-
Due from financial institutions	-	-	-	-	-
Investments	150,000	8,854,179	666,675,032	1,924,405	2,495,045
Investment provision	-	(800,904)	(956)	(1,924,405)	-
Net inter segment lending	766,579,757	-	-	-	(766,579,757)
Financing - performing	164,573,602	461,547,691	-	(1,832,270)	9,913,623
Financing - non-performing	4,890,511	6,350,382	-	12,824,289	269,900
Financing - provisions	(4,375,818)	(7,291,863)	-	(12,748,614)	(211,885)
Others	103,461,579	13,502,169	-	196,963	26,147,943
<b>Total assets</b>	<b>1,069,509,297</b>	<b>482,161,654</b>	<b>740,521,451</b>	<b>(1,559,632)</b>	<b>(727,965,131)</b>
Due to financial institutions	11,360,310	59,456,649	209,625,581	-	-
Subordinated sukuk	-	-	-	-	-
Deposits and other accounts	984,636,217	68,594,518	-	394,284	(9,346,512)
Net inter segment borrowing	-	347,306,553	518,548,253	(1,954,873)	(863,899,933)
Others	73,512,770	6,803,934	1,307,507	957	47,960,055
<b>Total liabilities</b>	<b>1,069,509,297</b>	<b>482,161,654</b>	<b>729,481,341</b>	<b>(1,559,632)</b>	<b>(825,286,390)</b>
Equity	-	-	11,040,110	-	97,321,259
<b>Total equity and liabilities</b>	<b>1,069,509,297</b>	<b>482,161,654</b>	<b>740,521,451</b>	<b>(1,559,632)</b>	<b>(727,965,131)</b>
<b>Contingencies and commitments</b>	<b>70,610,584</b>	<b>83,427,173</b>	<b>209,959,737</b>	<b>1,608,047</b>	<b>3,195,532</b>

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

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

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

June 30, 2025 (Un-audited)						December 31, 2024 (Audited)					
Parent	Directors	Key management personnel	Subsidiaries	Associates	Other related parties	Parent	Directors	Key management personnel	Subsidiaries	Associates	Other related parties
Rupees in '000											
-	-	-	2,139,893	355,151	157,287	-	-	-	1,139,893	1,865,660	2,009,039
-	-	-	-	-	81,739	-	-	-	1,000,000	5,600,000	138,306
-	-	-	-	-	(131,448)	-	-	-	-	(7,114,509)	(37,546)
-	-	-	-	-	-	-	-	-	-	-	(2,234,998)
-	-	-	-	-	1,758,106	-	-	-	-	-	282,486
-	-	-	2,139,893	355,151	1,865,684	-	-	-	2,139,893	355,151	157,287
-	278	532,539	-	-	5,042,542	-	54	652,579	-	-	6,684,998
-	1,274	93,891	-	-	4,705,432	-	2,494	204,548	-	-	4,113,676
-	(1,132)	(145,331)	-	-	(4,808,356)	-	(2,270)	(324,588)	-	-	(5,510,760)
-	-	94,279	-	-	(90,442)	-	-	-	-	-	(245,372)
-	420	575,378	-	-	4,849,176	-	278	532,539	-	-	5,042,542
-	6	1,156	-	-	156,057	-	20	2,720	-	-	165,057

Investments

Opening balance  
Investment made during the period / year  
Investment redeemed / sold during the period / year  
Transfer in / (out) - net  
Other movements  
Closing balance

Islamic financing and related assets - net

Opening balance  
Addition during the period / year  
Repaid during the period / year  
Transfer in / (out) - net  
Closing balance

Credit loss allowance held against Islamic financing and related assets

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

For the half year ended June 30, 2025

	June 30, 2025 (Un-audited)					December 31, 2024 (Audited)						
	Parent	Directors	Key management personnel	Subsidiaries	Associates	Other related parties	Parent	Directors	Key management personnel	Subsidiaries	Associates	Other related parties
Rupees in '000												
<b>Other assets</b>												
Profit / return accrued	-	-	32,458	-	-	50,751	-	-	26,283	-	-	55,970
Commission income receivable	-	-	-	63,299	-	-	-	-	-	47,012	-	-
Dividend Receivable	-	-	-	-	31,266	-	-	-	-	-	-	-
<b>Deposits and other accounts</b>												
Opening balance	182	59,457	103,006	262,501	45,555,437	3,526,628	182	99,238	78,073	11,203	45,920,675	2,895,486
Received during the period / year	-	161,433	1,943,934	24,855,410	1,744,548,472	118,750,528	-	545,472	2,506,651	37,698,785	1,914,650,050	333,656,879
Withdrawn during the period / year	-	(113,011)	(1,820,838)	(24,944,176)	(1,714,003,863)	(117,586,002)	-	(585,253)	(2,481,718)	(37,447,487)	(1,915,015,288)	(332,946,011)
Transfer in / (out) - net	-	8	(2,001)	-	-	(15,891)	-	-	-	-	-	(79,726)
Closing balance	182	107,887	224,101	173,735	76,100,046	4,675,263	182	59,457	103,006	262,501	45,555,437	3,526,628
<b>Other liabilities</b>												
Profit / return payable	-	425	528	503	599,091	16,812	-	474	134	1,607	501,225	21,953
Payable to defined benefit plan	-	-	-	-	-	-	-	-	-	-	-	94,527
Other payable	-	-	-	9,583	-	-	-	-	-	9,583	-	-
<b>Contingencies and commitments</b>												
Trade related commitments	-	-	-	-	-	215,315	-	-	-	-	-	129,689

39.1

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

	June 30, 2025 (Un-audited)					June 30, 2024 (Un-audited)						
	Parent	Directors	Key management personnel	Subsidiaries	Associates	Other related parties	Parent	Directors	Key management personnel	Subsidiaries	Associates	Other related parties
<b>Income</b>												
Profit / return earned	-	-	9,133	-	-	155,846	-	-	11,563	-	-	293,231
Fee and commission income	-	8	60	255,233	540	57,630	-	52	53	262,231	1,306	4,097
Dividend income	-	-	-	-	31,266	140,847	-	-	-	-	37,339	100,000
Gain on sale of securities - net	-	4,580	25,688	1,060	3,686	108,294	-	-	142	8,350	28,695	12,653
Maintenance Income	-	-	-	4,957	-	-	-	-	-	4,913	-	-
Rent on property	-	-	-	18,297	-	-	-	-	-	18,132	-	-
Other income	-	-	-	2,771	-	-	-	-	46	2,692	-	-
<b>Expense</b>												
Profit / return expensed	-	1,910	2,894	5,508	2,944,297	86,513	-	5,745	2,175	43,788	3,325,500	151,069
Director's fee and allowances	-	65,838	-	-	-	-	-	72,960	-	-	-	-
Compensation expense	-	-	831,792	-	-	3,388	-	-	748,240	-	-	2,914
Fee and subscription	-	-	-	-	-	2,338	-	-	-	-	-	1,132
Commission expense	-	-	-	9,583	-	-	-	-	-	6,278	-	-
Donations	-	-	-	-	-	139,275	-	-	-	-	-	-
Charge for defined benefit plan	-	-	-	-	-	276,385	-	-	-	-	-	176,694
Contribution to defined contribution plan	-	-	-	-	-	288,612	-	-	-	-	-	228,279
<b>Others</b>												
Shares / units purchased during the period (In thousands)	-	-	-	-	-	1,340	-	-	-	10,000	47,983	-
Shares / units sold during the period (In thousands)	-	-	-	-	33	2,123	-	-	-	-	61,420	-
Government securities purchased during the period	-	45,521	330,434	498,383	-	142,046	-	-	137,116	-	-	113,231
Government securities sold during the period	-	45,443	379,327	201,256	-	1,369,288	-	-	178,036	751,133	-	1,771,944

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

For the half year ended June 30, 2025

## 40 CAPITAL ADEQUACY, LEVERAGE RATIO AND LIQUIDITY REQUIREMENTS

### Minimum capital requirement (MCR):

Paid-up capital (net of losses)

(Un-audited) June 30, 2025	(Audited) December 31, 2024
Rupees in '000	

15,176,965

15,176,965

### Capital adequacy ratio (CAR):

Eligible common equity tier 1 (CET 1) capital

88,725,176

84,304,346

Eligible additional tier 1 (ADT 1) capital

-

-

Total eligible tier 1 capital

88,725,176

84,304,346

Eligible tier 2 capital

19,153,360

21,353,226

Total eligible capital (tier 1 + tier 2)

107,878,536

105,657,572

### Risk weighted assets (RWAs):

Credit risk

465,945,694

420,380,649

Market risk

81,076,884

73,324,362

Operational risk

145,242,197

145,242,197

Total

692,264,775

638,947,208

### Common equity tier 1 capital adequacy ratio (in %)

12.82%

13.19%

### Tier 1 Capital adequacy ratio (in %)

12.82%

13.19%

### Total Capital adequacy ratio (in %)

15.58%

16.54%

The Bank has applied the transitional arrangement on Regulatory Capital. Had the transitional arrangement not been applied then CAR would have been higher by 12 bps from 15.58% to 15.70%.

### Leverage ratio (LR):

Eligible tier-1 capital

88,725,176

84,304,346

Total exposures

2,105,988,192

1,795,066,750

Leverage ratio (in %)

4.21%

4.70%

The Bank has applied the transitional arrangement on Regulatory Capital. Had the transitional arrangement not been applied then Leverage Ratio would have been lower by 3 bps from 4.21% to 4.18%.

### Liquidity coverage ratio (LCR):

Total high quality liquid assets

593,238,701

694,009,852

Total net cash outflow

422,642,457

436,826,211

Liquidity coverage ratio (Ratio)

1.404

1.589

### Net stable funding ratio (NSFR):

Total available stable funding

1,027,443,337

902,289,025

Total required stable funding

605,345,637

543,341,887

Net stable funding ratio (in %)

169.73%

166.06%



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

For the half year ended June 30, 2025

**41    GENERAL**

Comparative information has been re-classified, re-arranged or additionally incorporated in these condensed interim unconsolidated financial statements, wherever necessary, to facilitate comparison and to conform with changes in presentation in the current period.

**42    NON-ADJUSTING EVENTS AFTER THE BALANCE SHEET DATE**

The Board of Directors in their meeting held on August 28, 2025 has announced an interim cash dividend of Rs.1.5 per share (i.e., 15%). These condensed interim unconsolidated financial statements do not include the effect of this appropriations which will be accounted for subsequent to the period end.

**43    DATE OF AUTHORISATION FOR ISSUE**

These condensed interim unconsolidated financial statements were authorised for issue on August 28, 2025 by the Board of Directors of the Bank.

**CONDENSED INTERIM CONSOLIDATED  
FINANCIAL STATEMENTS**

# DIRECTORS' REVIEW

## Consolidated Financial Statements

On behalf of the Board of Directors, we are pleased to present the Directors' Report of Faysal Bank Limited Group, along with unaudited condensed interim consolidated financial statements for the half year ended June 30, 2025.

### Group Profile

Faysal Bank Limited (FBL) Group structure is as follows:

Holding Company	: Faysal Bank Limited
Subsidiaries	: Faysal Asset Management Limited Faysal Islami Currency Exchange Company (Private) Limited

### Subsidiaries

#### Faysal Asset Management Limited

FBL has 99.9% shareholding in Faysal Asset Management Limited (FAML). FAML is an unlisted public limited company registered as a Non-Banking Finance Company (NBFC), licensed to carry out asset management and investment advisory services under the Non-Banking Finance Companies (Establishment & Regulations) Rules, 2003 and the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

FBL also has significant influence based on its holding in the following open-ended mutual funds managed by FAML.

Open-ended Mutual Fund
Faysal Halal Amdani Fund
Faysal Islamic Pension Fund - Debt
Faysal Islamic Pension Fund - Equity
Faysal Islamic Pension Fund - Money Market
Faysal Islamic Savings Growth Fund
Faysal Islamic Special Income Fund - FISIP-I
Faysal Islamic Cash Fund
Faysal Islamic KPK Government Pension Fund - Money Market Sub Fund
Faysal Islamic KPK Government Pension Fund - Equity Sub Fund
Faysal Islamic KPK Government Pension Fund - Debt Sub Fund
Faysal Islamic KPK Government Pension Fund - Equity Index Sub Fund
Faysal Khushal Mustaqbil Fund- Faysal Barak'ah Women Savers Plan
Faysal Khushal Mustaqbil Fund- Faysal Ujala Women Savers Plan
Faysal Khushal Mustaqbil Fund- Faysal Nu'umah Women Savers Plan
Faysal Islamic Stock Fund
Faysal Islamic Mehdood Muddat Plan-I

**Faysal Islami Currency Exchange Company (Private) Limited (FICECL)**

FICECL operates as a wholly owned subsidiary. It was incorporated on January 16, 2024 under the Companies Act, 2017. The company received its “Certification of Incorporation” from SECP on January 16, 2024 and obtained an operating license from State Bank of Pakistan on March 26, 2024. The principal activities of the Company are dealing in foreign exchange and facilitating remittances.

**Financial Highlights - Consolidated**

**Key Balance Sheet Numbers**

	30 June '25	31 December '24	Growth %
	PKR in million		
Investment	702,108	678,255	3.5
Financing	719,452	633,990	13.5
Total Assets	1,681,167	1,564,615	7.4
Deposits	1,243,418	1,044,016	19.1

Profit & Loss Account	H1	H1	Growth %
	June '25	June '24	
	PKR in million		
Total Revenue	46,652	48,293	(3.4)
Total Expenses	(27,743)	(22,935)	(21.0)
Profit before tax and provisions	18,909	25,358	(25.4)
Reversal of credit loss allowance	3,514	798	340.5
Share of profit from associates	125	182	(31.3)
Profit before tax	22,548	26,338	(14.4)
Tax	(12,123)	(12,777)	(5.1)
Profit after tax	10,425	13,561	(23.1)
Earnings per share (Rupees)	6.87	8.94	(23.1)
Gain on equity securities directly realized in equity (net of tax)	882	239	269.0

As we reflect on our journey, we first and foremost thank Allah (SWT) for His Blessings without which none of our achievements would have been possible. On a consolidated basis, Profit Before Tax (PBT) is at PKR 22.5 billion, reflecting resilient performance despite a challenging macro-economic environment. Profit After Tax (PAT) stood at PKR 10.4 billion, impacted by an increase in the tax rate from 49% to 53%. Earnings Per Share decreased from PKR 8.94 to PKR 6.87.

FAML's Assets Under Management (AUMs) were at PKR 245 billion as of June 30, 2025. FAML made Profit After Tax of PKR 493 million during H1'25 registering a 59.2% increase over same

period last year. The commendable financial performance of FAML underscores its resilience and effectiveness in navigating current economic conditions.

Credit Rating

VIS Credit Rating Company Limited (VIS) has upgraded FBL's entity rating, while Pakistan Credit Rating Agency Limited (PACRA) have re-affirmed the rating as follows:

	VIS	PACRA
Long Term	AA+	AA
Short Term	A1+	A1+

VIS has assigned a 'Stable' outlook, while PACRA has upgraded the outlook to 'Positive'.

VIS has assigned Management Quality rating of AM1 to FAML in 2024. The rating signifies asset manager exhibiting very good management characteristics.

Holding Company

Ithmaar Bank B.S.C (closed), a banking entity regulated by the Central Bank of Bahrain, is the parent company holding directly and indirectly 66.78% (2024: 66.78%) of the Bank's shares. Ithmaar Bank B.S.C. (closed) is a wholly owned subsidiary of Ithmaar Holdings B.S.C. Dar Al-Maal Al-Islami Trust (DMIT) is the holding entity of Ithmaar Holding B.S.C. and the ultimate parent Company of the Bank. DMIT was formed by an indenture under the laws of the Commonwealth of The Bahamas for the purpose of conducting business affairs in conformity with Islamic law, principles, and traditions.

Dividend

The Board of Directors, in their meeting held on August 28, 2025, declared an interim cash dividend of Rs 1.5 per share (15%). This is an addition to Rs 1.5 per share already paid during the period bringing the total dividend for the period to Rs 3.0 per share (June' 24 : Rs 3.0).

Heartfelt Thanks: Acknowledging Our Pillars of Strength

On behalf of the Board and the Management, we extend gratitude to our esteemed shareholders for their unwavering support. We are indebted to our customers for their continuous confidence and trust. We would also like to place on record our appreciation for the Government of Pakistan, the State Bank of Pakistan and the Securities and Exchange Commission of Pakistan for their continued support and guidance and for developing and strengthening the banking and financial services sector through continuous improvement in the regulatory and governance framework.

As always, we would also like to express sincere appreciation for the Shariah Board. We would also like to take this opportunity to recognize and commend the unwavering commitment and exceptional efforts extended by our employees in driving the growth of FBL. We extend our heartfelt thanks to them for their relentless dedication and hard work.

**Approval**

In compliance with the requirement of the Companies Act, 2017, this Directors' Report with the recommendations of the Board Audit and Corporate Governance Committee has been approved by the Directors in their meeting held on August 28, 2025 and signed by the Chief Executive Officer and Chairman.

**President & CEO**

Karachi

Dated: August 28, 2025

**Chairman**

## ہماری طاقت کے ستونوں کے لیے دلی اظہارِ تشکر

بورڈ اور انتظامیہ کی جانب سے، ہم اس موقع پر معزز شیئر ہولڈرز کا شکریہ ادا کرتے ہیں کہ انہوں نے ہم پر غیر متزلزل اعتماد کیا ہے۔ ہم اپنے صارفین کے تہہ دل سے مشکور ہیں، جنہوں نے اپنے کاروبار اور پختہ یقین کے ساتھ ہم پر اعتماد کو مسلسل جاری رکھا۔ ہم ریگولیٹری اور گورننس فریم ورک میں مسلسل بہتری کے ذریعے بینکنگ اور فنانشل سروسز سیکٹر کے فروغ کے لیے اُن کے مسلسل تعاون اور رہنمائی پر اپنے ریگولیٹرز اور حکومت پاکستان، بالخصوص اسٹیٹ بینک آف پاکستان اور سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے بھی شکر گزار ہیں۔

ہمیشہ کی طرح، ہم شریعہ بورڈ کے مشکور ہیں اور فیصل بینک لمیٹڈ کی ترقی کے لیے اپنے ملازمین کی کوششوں کو تسلیم کرتے ہیں اور ان کی انتھک لگن اور محنت کو دل سے سراہتے ہیں۔

## منظوری

کمپنیز ایکٹ، 2017 کے تقاضوں کے مطابق، بورڈ کی آڈٹ اور کارپوریٹ گورننس کمیٹی کی سفارش کے ساتھ ڈائریکٹرز کی اس رپورٹ کو ڈائریکٹرز نے 28 اگست 2025 کو ہونیوالے اپنے اجلاس میں منظور کیا اور اس پر چیف ایگزیکٹو آفیسر اور چیئر مین نے دستخط کئے ہیں۔

چیئر مین

صدر اور سی ای او

کراچی

تاریخ: 28 اگست 2025

## کریڈٹ ریٹنگ:

VIS کریڈٹ ریٹنگ کمپنی لمیٹڈ (VIS) اور پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے فیصل بینک لمیٹڈ کے لیے درج ذیل درجہ بندیوں کی دوبارہ تصدیق کی ہے:

### PACRA VIS

AA	+AA	طویل المدتی
A1+	+A1	قلیل المدتی

VIS نے درجہ بندیوں کو 'مستحکم' قرار دیا جبکہ PACRA نے 'مثبت' آؤٹ لک کے ساتھ اپ گریڈ کیا ہے۔

VIS نے 2024 میں FAML کی میٹجمنٹ کوالٹی ریٹنگ کو AM1 ریٹنگ سے نوازا ہے۔ یہ ریٹنگ نشاندہی کرتی ہے کہ اثاثہ منجر بہت اچھی انتظامی خصوصیات کا مظاہرہ کر رہا ہے۔

## ہولڈنگ کمپنی

الاثمار بینک بی۔ ایس۔ سی (کلوزڈ)، جو کہ سینٹرل بینک آف بحرین کا لائسنس یافتہ ادارہ ہے اور بحرین کے مرکزی بینک کے ذریعے ریگولیٹ کیا جاتا ہے، جو بالواسطہ اور بلاواسطہ طور پر بینکنگ کے 66.78 فیصد (2024 میں 66.78 فیصد) حصص کے ساتھ بینک کا سربراہ ادارہ ہے۔ الاثمار بینک بی۔ ایس۔ سی (کلوزڈ)، اثمار ہولڈنگ بی۔ ایس۔ سی کی مکمل ملکیت کا ذیلی ادارہ ہے اور دارالمال الاسلامی ٹرسٹ (ڈی ایم آئی ٹی) فیصل بینک کا اعلیٰ ترین سربراہی ادارہ ہے۔ ڈی ایم آئی ٹی کا قیام کامن ویلتھ آف بہامائس کے قوانین کے تحت عمل میں آیا تاکہ اسلامی قوانین، اصولوں اور روایات کے مطابق کاروباری امور سرانجام دیئے جائیں۔

## ڈیویڈنڈ

بورڈ آف ڈائریکٹرز نے 28 اگست 2025 کو منعقد ہونے والے اجلاس میں 30 جون 2025 کو ختم ہونے والی ششماہی کے لیے 1.5 روپے فی شیئر (15%) کے عبوری نقد منافع منقسمہ کا اعلان کیا ہے۔ یہ سال کے دوران ادا کر دیئے گئے 1.5 روپے کے علاوہ ہے اور اس طرح سال کا کل ڈیویڈنڈ 3 روپے فی شیئر ہو گیا (30 جون 2024: 3 روپے)۔



پہلی ششماہی		پہلی ششماہی	نفع اور نقصان اکاؤنٹ
نمو %	جون ۲۰۲۳ء	جون ۲۰۲۵ء	
(ملین روپے)			
(3.4)	48,293	46,652	مجموعی آمدنی
(21.0)	(22,935)	(27,743)	آپریٹنگ اور دیگر اخراجات
(25.4)	25,358	18,909	منافع قبل از ٹیکس اور پروویژن
340.5	798	3,514	نیٹ پروویژن
(31.3)	182	125	ایسوسی ایٹس کے منافع کا حصہ
(14.4)	26,338	22,548	منافع قبل از ٹیکس
(5.1)	(12,777)	(12,123)	ٹیکسز
(23.1)	13,561	10,425	منافع بعد از ٹیکس
(23.1)	8.94	6.87	فی حصص آمدن (روپے)
269.0	239	882	ایکونٹی سیوریٹیز سے حاصل کردہ منافع (بعد از ٹیکس)

جب ہم اپنے سفر پر غور کرتے ہیں تو ہم سب سے پہلے اللہ (SWT) کا شکر ادا کرتے ہیں کہ اس کی نعمتوں کے بغیر ہماری کوئی کامیابی ممکن نہ تھی۔ مشترکہ بنیادوں پر، فیصل بینک گروپ کا قبل از ٹیکس منافع (PBT) 22.5 ارب روپے ہے، جو کہ مشکل معاشی حالات کے باوجود بینک کی مستحکم کارکردگی کی عکاسی کرتا ہے۔ بعد از ٹیکس منافع (PAT) 10.4 ارب روپے رہا، جو ٹیکس کی شرح میں 49% سے 53% تک اضافے سے متاثر ہوا۔ فی شیئر آمدنی 8.94 روپے سے کم ہو کر 6.87 روپے ہو گئی۔

FAML نے کارکردگی میں مسلسل بہتری کا مظاہرہ کیا، 30 جون 2025 تک ایسٹس انڈر مینجمنٹ (AUMs) 245 ارب روپے تک پہنچ گئے۔ FAML نے H1'25 کے دوران 493 ملین روپے کا بعد از ٹیکس منافع کمایا جس میں گزشتہ سال کی اسی مدت کے مقابلے میں 59.2% فیصد اضافہ ہوا۔ FAML کی قابل ستائش مالی کارکردگی موجودہ معاشی حالات سے فائدہ اٹھانے میں اس کی پائیداری اور تاثیر کو واضح کرتی ہے۔

فیصل اسلامی پنشن فنڈ - منی مارکیٹ

فیصل اسلامک سیونگ گرو تھ فنڈ

فیصل اسلامک اسپیشل انکم فنڈ - FISIP

فیصل اسلامک کیش فنڈ

فیصل اسلامی KPK گورنمنٹ پنشن فنڈ - منی مارکیٹ سب فنڈ

فیصل اسلامی KPK گورنمنٹ پنشن فنڈ - ایکویٹی سب فنڈ

فیصل اسلامی KPK گورنمنٹ پنشن فنڈ - ڈیٹ سب فنڈ

فیصل اسلامی KPK گورنمنٹ پنشن فنڈ - ایکویٹی انڈیکس سب فنڈ

فیصل خوشحال مستقبل فنڈ - فیصل برکہ وومین سیورز پلان

فیصل خوشحال مستقبل فنڈ - فیصل اجالا وومین سیورز پلان

فیصل خوشحال مستقبل فنڈ - فیصل نعماء وومین سیورز پلان

فیصل اسلامی اسٹاک فنڈ

فیصل اسلامی محدود مدت پلان - I

فیصل اسلامی کرنسی ایکسیج کمپنی (پرائیویٹ) لمیٹڈ (FICECL)

فیصل اسلامی کرنسی ایکسیج کمپنی (پرائیویٹ) لمیٹڈ (FICECL)، FBL کی مکمل ملکیتی ذیلی کمپنی ہے۔ FICECL

پاکستان میں کمپنیز ایکٹ، 2017 کے تحت 16 جنوری 2024 کو وجود میں آئی۔ کمپنی نے 16 جنوری 2024

کو SECP سے اپنا ”انکارپوریشن سرٹیفکیٹ“ حاصل کیا اور 26 مارچ 2024 کو اسٹیٹ بینک سے آپریشنل لائسنس بھی

حاصل کیا۔ کمپنی فارن ایکسیج (غیر ملکی کرنسی کا کاروبار) کر رہی ہے اور ریکمٹنسز (ترسیلات زر) کی سہولیات فراہم کر رہی ہے۔

## مالیاتی جھلکیاں:

### بیلنس شیٹ

نمبر	۳۱ دسمبر ۲۰۲۲ء	۳۰ جون ۲۰۲۵ء
(ملین روپے)		
3.5	678,255	702,108
13.5	633,990	719,452
7.4	1,564,615	1,681,167
19.1	1,044,016	1,243,418

سرمایہ کاری

فنانسنگ

کل اثاثہ جات

ڈپازٹس

## ڈائریکٹرز کا جائزہ

### کنسولیڈیٹڈ مالیاتی نتائج

ہم بورڈ آف ڈائریکٹرز کی جانب سے، فیصل بینک لمیٹڈ گروپ کے 30 جون 2025 کو ختم شدہ ششماہی کے لیے غیر آڈٹ شدہ منجمد عبوری کنسولیڈیٹڈ مالیاتی نتائج پیش کرتے ہوئے اظہار مسرت کرتے ہیں۔

### گروپ پروفائل

فیصل بینک لمیٹڈ (FBL) گروپ اسٹرکچر درج ذیل ہے:

ہولڈنگ کمپنی : فیصل بینک لمیٹڈ

ذیلی ادارے : فیصل ایسٹ مینجمنٹ لمیٹڈ  
فیصل اسلامی کرنسی ایکسچینج کمپنی (پرائیویٹ) لمیٹڈ

### ذیلی ادارے

### فیصل ایسٹ مینجمنٹ لمیٹڈ

فیصل بینک لمیٹڈ، فیصل ایسٹ مینجمنٹ لمیٹڈ (FAML) میں 99.9% حصص کا شرکت دار ہے۔ FAML ایک ان لسٹڈ پبلک لمیٹڈ کمپنی ہے جو ایک نان بینکنگ فنانس کمپنی (NBFC) کے طور پر رجسٹرڈ ہے، جسے نان بینکنگ فنانس کمپنیز (اسٹبلسمنٹ اینڈ ریگولیشنز) رولز، 2003 اور نان بینکنگ فنانس کمپنیز اور نوٹیفائیڈ انٹیلی ریگولیشنز 2008 کے تحت اثاثہ کے انتظام اور سرمایہ کاری کی مشاورتی خدمات سرانجام دینے کا لائسنس دیا گیا ہے۔

فیصل بینک لمیٹڈ، FAML کے زیر انتظام مندرجہ ذیل ”اوپن اینڈ میوچل فنڈز“ میں ہولڈنگ کی بنیاد پر نمایاں اثر و رسوخ کا حامل ہے۔

### اوپن اینڈ میوچل فنڈ

فیصل حلال آمدنی فنڈ

فیصل اسلامی پنشن فنڈ - ڈیٹ

فیصل اسلامی پنشن فنڈ - ایکویٹی

# Condensed Interim Consolidated Statement of Financial Position

As at June 30, 2025

Note	(Un-audited) June 30, 2025	(Audited) December 31, 2024
	----- Rupees in '000 -----	

## ASSETS

Cash and balances with treasury banks	10	96,260,491	102,600,657
Balances with other banks	11	1,311,015	5,539,562
Due from financial institutions	12	3,499,999	-
Investments	13	702,108,023	678,254,964
Islamic financing and related assets	14	719,452,108	633,990,216
Property and equipment	15	50,095,431	45,009,778
Right-of-use assets	16	13,799,398	13,297,784
Intangible assets	17	2,627,033	2,739,091
Deferred tax assets		-	-
Other assets	18	92,013,361	83,183,034
		1,681,166,859	1,564,615,086

## LIABILITIES

Bills payable	19	32,140,484	39,169,649
Due to financial institutions	20	210,823,376	280,442,540
Deposits and other accounts	21	1,243,417,705	1,044,015,748
Lease liabilities	22	16,704,402	15,582,671
Subordinated sukuk		-	-
Deferred tax liabilities	23	7,985,423	13,101,335
Other liabilities	24	57,784,733	62,378,109
		1,568,856,123	1,454,690,052
		112,310,736	109,925,034

## NET ASSETS

## REPRESENTED BY

Share capital		15,176,965	15,176,965
Reserves		18,851,623	17,866,357
Surplus on revaluation of assets - net of tax	25	19,886,741	22,771,883
Unappropriated profit		58,395,019	54,109,488
Total equity attributable to the equity holders of the Bank		112,310,348	109,924,693
Non-controlling interest		388	341
		112,310,736	109,925,034

## CONTINGENCIES AND COMMITMENTS

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

PRESIDENT & CEO

CHIEF FINANCIAL OFFICER

CHAIRMAN

DIRECTOR

DIRECTOR

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

For the half year ended June 30, 2025

		Quarter ended		Half year ended	
Note		June 30, 2025	June 30, 2024 (Restated)	June 30, 2025	June 30, 2024 (Restated)
----- Rupees in '000 -----					
Profit / return earned	28	41,891,273	59,819,053	83,998,604	120,245,027
Profit / return expensed	29	24,655,508	40,136,192	49,547,479	81,744,689
Net profit / return		17,235,765	19,682,861	34,451,125	38,500,338
<b>OTHER INCOME</b>					
Fee and commission income	30	4,147,957	3,011,852	8,098,186	6,012,688
Dividend income		168,981	152,498	204,144	223,070
Foreign exchange income		1,996,644	1,178,901	3,727,506	2,779,459
(Loss) / income from derivatives		(21,657)	12,008	(6,171)	(5,947)
Gain on securities - net	31	163,683	411,994	210,077	639,232
Net loss on derecognition of financial assets measured at amortised cost	18.1	(81,628)	(165,256)	(165,256)	(165,256)
Other income	32	22,091	136,703	132,551	309,660
Total other income		6,396,071	4,738,700	12,201,037	9,792,906
Total income		23,631,836	24,421,561	46,652,162	48,293,244
<b>OTHER EXPENSES</b>					
Operating expenses	33	13,632,631	11,406,694	27,294,276	22,361,709
Workers welfare fund		217,582	272,340	444,366	536,618
Other charges	34	3,648	32,442	4,234	36,897
Total other expenses		13,853,861	11,711,476	27,742,876	22,935,224
Share of profit of associates	13.5	77,619	80,161	124,878	182,117
Profit before credit loss allowance		9,855,594	12,790,246	19,034,164	25,540,137
Reversal of credit loss allowance and write offs - net	35	(1,203,801)	(833,858)	(3,514,221)	(797,779)
Extra ordinary / unusual items		-	-	-	-
<b>PROFIT BEFORE TAXATION</b>		11,059,395	13,624,104	22,548,385	26,337,916
Taxation	36	6,043,894	6,672,247	12,123,399	12,776,747
<b>PROFIT AFTER TAXATION</b>		5,015,501	6,951,857	10,424,986	13,561,169
<b>Attributable to:</b>					
Equity holders of the Bank		5,015,482	6,951,840	10,424,939	13,561,142
Non-controlling interest		19	17	47	27
		5,015,501	6,951,857	10,424,986	13,561,169
----- Rupees -----					
<b>Basic and diluted earnings per share</b>	37	3.30	4.58	6.87	8.94

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

PRESIDENT & CEO

CHIEF FINANCIAL OFFICER

CHAIRMAN

DIRECTOR

DIRECTOR

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

For the half year ended June 30, 2025

	Quarter ended		Half year ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
----- Rupees in '000 -----				
Profit after taxation for the period	5,015,501	6,951,857	10,424,986	13,561,169
<b>Other comprehensive income / (loss)</b>				
<b>Items that may be reclassified to the profit and loss account in subsequent periods:</b>				
Movement in surplus / (deficit) on revaluation of debt investments through FVOCI - net of tax	1,883,437	(572,328)	(2,403,436)	(1,285,048)
<b>Items that will not be reclassified to the profit and loss account in subsequent periods:</b>				
Movement in surplus / (deficit) on revaluation of equity investments - net of tax	371	(23,895)	(150,293)	201,352
Movement in surplus on revaluation of property and equipment - net of tax	522	-	40,059	-
Movement in deficit on revaluation of non-banking assets - net of tax	(317,140)	-	(316,820)	-
	(316,247)	(23,895)	(427,054)	201,352
<b>Total comprehensive income</b>	<b>6,582,691</b>	<b>6,355,634</b>	<b>7,594,496</b>	<b>12,477,473</b>
<b>Attributable to:</b>				
Equity holders of the Bank	6,582,672	6,355,617	7,594,449	12,477,446
Non-controlling interest	19	17	47	27
	<b>6,582,691</b>	<b>6,355,634</b>	<b>7,594,496</b>	<b>12,477,473</b>

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

PRESIDENT & CEO

CHIEF FINANCIAL OFFICER

CHAIRMAN

DIRECTOR

DIRECTOR

## For the half year ended June 30, 2025

Balance as at December 31, 2023	15,176,965	10,131	188,301	23,952	15,393,804	15,616,188	3,349,029	11,821,788	15,170,817	42,102,243	258	88,066,471
Impact of adopting IFRS 9 as at January 1, 2024 - net of tax	-	-	-	-	-	-	(895,105)	-	(895,105)	-	-	(895,105)
<b>Restated balance as at January 1, 2024 (Audited)</b>	15,176,965	10,131	188,301	23,952	15,393,804	15,616,188	2,453,924	11,821,788	14,275,712	42,102,243	258	87,171,366
Profit after taxation for the half year ended June 30, 2024	-	-	-	-	-	-	-	-	-	13,561,142	27	13,561,169
<b>Other comprehensive (loss) / income</b>	-	-	-	-	-	-	-	-	-	-	-	-
Movement in surplus on revaluation of investments - net of tax	-	-	-	-	-	-	201,352	-	201,352	-	-	201,352
Movement in deficit on revaluation of non-banking assets - net of tax	-	-	-	-	-	-	(1,285,048)	-	(1,285,048)	-	-	(1,285,048)
Total other comprehensive loss - net of tax	-	-	-	-	-	-	(1,083,696)	-	(1,083,696)	-	-	(1,083,696)
Gain on sale of equity instruments classified as FVOCI - net of tax	-	-	-	-	-	-	(238,609)	-	(238,609)	238,609	-	-
Transfer to statutory reserve	-	-	-	-	1,326,634	1,326,634	-	-	-	(1,326,634)	-	-
Transfer from surplus on revaluation of property and equipment to unappropriated profit - net of tax	-	-	-	-	-	-	-	(71,873)	(71,873)	71,873	-	-
Amortisation of intangible assets - customer relationship - net of tax	-	-	-	(20,943)	-	(20,943)	-	-	-	-	-	(20,943)
<b>Transaction with owners, recorded directly in equity</b>	-	-	-	-	-	-	-	-	-	-	-	-
Final cash dividend declared on February 7, 2024	-	-	-	-	-	-	-	-	-	-	-	-
at Rs 2 per share	-	-	-	-	-	-	-	-	-	(3,035,394)	-	(3,035,394)
First interim cash dividend declared on April 25, 2024	-	-	-	-	-	-	-	-	-	(1,517,697)	-	(1,517,697)
at Rs 1 per share	-	-	-	-	-	-	-	-	-	-	-	-
<b>Restated balance as at June 30, 2024 (Un-audited)</b>	15,176,965	10,131	187,358	23,952	16,720,438	16,921,879	1,131,619	11,749,915	12,881,534	50,094,142	285	95,074,805
Profit after taxation for the six months period ended December 31, 2024	-	-	-	-	-	-	-	-	-	10,330,507	56	10,330,563
<b>Other comprehensive income / (loss)</b>	-	-	-	-	-	-	-	-	-	-	-	-
Movement in surplus on revaluation of debt investments through FVOCI - net of tax	-	-	-	-	-	-	7,528,643	-	7,528,643	-	-	7,528,643
Movement in surplus on revaluation of equity investments through FVOCI - net of tax	-	-	-	-	-	-	2,578,199	-	2,578,199	-	-	2,578,199
Remeasurement loss on defined benefit obligations - net of tax	-	-	-	-	-	-	-	-	(51,530)	-	-	(51,530)
Movement in deficit on revaluation of property and equipment - net of tax	-	-	-	-	-	-	(190,176)	-	(190,176)	-	-	(190,176)
Movement in deficit on revaluation of non-banking assets - net of tax	-	-	-	-	-	-	(1,824)	-	(1,824)	-	-	(1,824)
Total other comprehensive income / (loss) - net of tax	-	-	-	-	-	-	10,106,842	(192,000)	9,914,842	(51,530)	-	9,863,312
Gain on sale of equity instruments classified as FVOCI - net of tax	-	-	-	-	-	-	29,761	-	29,761	(29,761)	-	-
Transfer to statutory reserve	-	-	-	-	976,185	976,185	-	-	-	(976,185)	-	-
Transfer from surplus on revaluation of property and equipment to unappropriated profit - net of tax	-	-	-	-	-	-	-	(54,254)	(54,254)	54,254	-	-
Amortisation of intangible assets - customer relationship - net of tax	-	-	-	(31,707)	-	(31,707)	-	-	-	-	-	(31,707)
<b>Transaction with owners, recorded directly in equity</b>	-	-	-	-	-	-	-	-	-	-	-	-
Second interim cash dividend declared on August 28, 2024	-	-	-	-	-	-	-	-	-	-	-	-
at Rs 2 per share	-	-	-	-	-	-	-	-	-	(3,035,394)	-	(3,035,394)
Third interim cash dividend declared on October 24, 2024	-	-	-	-	-	-	-	-	-	-	-	-
at Rs 1.5 per share	-	-	-	-	-	-	-	-	-	(2,276,545)	-	(2,276,545)
<b>Balance as at December 31, 2024 (Audited)</b>	15,176,965	10,131	135,651	23,952	17,696,623	17,866,357	11,268,222	11,503,661	22,771,883	54,109,488	341	109,925,034
Impact of adopting IFRS 9 as at January 1, 2025 - net of tax	-	-	-	-	-	-	877,347	-	877,347	-	-	877,347
<b>Restated balance as at January 1, 2025</b>	15,176,965	10,131	135,651	23,952	17,696,623	17,866,357	12,145,569	11,503,661	23,649,230	54,109,488	341	110,802,381
Profit after taxation for the half year ended June 30, 2025	-	-	-	-	-	-	-	-	-	10,424,939	47	10,424,986
<b>Other comprehensive income / (loss)</b>	-	-	-	-	-	-	-	-	-	-	-	-
Movement in deficit on revaluation of debt investments through FVOCI - net of tax	-	-	-	-	-	-	(2,403,436)	-	(2,403,436)	-	-	(2,403,436)
Movement in deficit on revaluation of equity investments through FVOCI - net of tax	-	-	-	-	-	-	(150,293)	-	(150,293)	-	-	(150,293)
Movement in surplus on revaluation of property and equipment - net of tax	-	-	-	-	-	-	-	40,059	40,059	-	-	40,059
Movement in deficit on revaluation of non-banking assets - net of tax	-	-	-	-	-	-	-	(316,820)	(316,820)	-	-	(316,820)
Total other comprehensive loss - net of tax	-	-	-	-	-	-	(2,553,729)	(276,761)	(2,830,490)	-	-	(2,830,490)
Gain on sale of equity instruments classified as FVOCI - net of tax	-	-	-	-	-	-	(881,942)	-	(881,942)	881,942	-	-
Transfer to statutory reserve	-	-	-	-	1,000,621	1,000,621	-	-	-	(1,000,621)	-	-
Transfer from surplus on revaluation of property and equipment to unappropriated profit - net of tax	-	-	-	-	-	-	-	(50,057)	(50,057)	50,057	-	-
Amortisation of intangible assets - customer relationship - net of tax	-	-	-	(15,355)	-	(15,355)	-	-	-	-	-	(15,355)
<b>Transaction with owners, recorded directly in equity</b>	-	-	-	-	-	-	-	-	-	-	-	-
Final cash dividend declared on February 20, 2025	-	-	-	-	-	-	-	-	-	-	-	-
at Rs 2.5 per share	-	-	-	-	-	-	-	-	-	(3,794,241)	-	(3,794,241)
First interim cash dividend declared on April 24, 2025	-	-	-	-	-	-	-	-	-	-	-	-
at Rs 1.5 per share	-	-	-	-	-	-	-	-	-	(2,276,545)	-	(2,276,545)
<b>Balance as at June 30, 2025 (Un-audited)</b>	15,176,965	10,131	120,296	23,952	18,697,244	18,851,623	8,709,898	11,176,843	19,886,741	58,395,019	388	112,310,738

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

CHIEF FINANCIAL OFFICER

DIRECTOR

DIRECTOR

# Condensed Interim Consolidated Cash Flow Statement (Un-audited)

For the half year ended June 30, 2025

	Note	June 30, 2025	June 30, 2024
----- Rupees in '000 -----			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before taxation		22,548,385	26,337,916
Less: dividend income		(204,144)	(223,070)
Less: share of profit of associates		(124,878)	(182,117)
		22,219,363	25,932,729
<b>Adjustments:</b>			
Net profit / return income		(34,451,125)	(38,500,338)
Depreciation on owned property and equipment	33	2,397,447	1,431,867
Depreciation on right-of-use assets	33	1,214,970	996,712
Depreciation on non-banking assets	33	1,185	1,378
Amortisation of intangible assets	33	295,971	201,732
Workers welfare fund		444,366	536,618
Reversal of credit loss allowance and write offs - net		(3,514,221)	(797,779)
Net loss on derecognition of financial assets measured at amortised cost		165,256	165,256
Gain on sale of Property and equipment - net	32	(17,988)	(15,256)
Gain on termination of leases (IFRS 16)	32	(16,830)	(47,140)
Charge for defined benefit plan		287,309	176,694
Loss from derivative contracts		6,171	5,947
		(33,187,489)	(35,844,309)
		(10,968,126)	(9,911,580)
<b>(Increase) / decrease in operating assets</b>			
Due from financial institutions		(3,500,000)	-
Securities classified as FVTPL		1,434,901	(2,850,801)
Islamic financing and related assets		(82,894,269)	9,518
Others assets (excluding advance taxation)		(16,213,036)	1,860,583
		(101,172,404)	(980,700)
<b>Increase / (decrease) in operating liabilities</b>			
Bills Payable		(7,029,165)	1,202,998
Due to financial institutions		(69,619,164)	10,546,861
Deposits		199,401,957	55,596,293
Other liabilities (excluding current taxation)		(2,346,798)	(7,877,475)
		120,406,830	59,468,677
Income tax paid		(12,267,473)	(16,176,941)
Net profit / return received		87,370,005	113,263,561
Net profit / return paid		(48,826,079)	(79,489,378)
Contribution to gratuity fund		(393,231)	(176,694)
<b>Net cash generated from operating activities</b>		34,149,522	65,996,945
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Net divestments / (investments) in amortized cost securities		2,081,127	(1,165,511)
Net investments in securities classified as FVOCI		(31,346,470)	(35,634,847)
Net (investments) / divestments in associates		(330,529)	1,284,270
Dividends received		172,878	186,737
Investments in property and equipment		(7,731,187)	(5,566,229)
Investments in intangible assets		(222,272)	(254,353)
Disposal proceeds of property and equipment		276,965	16,472
<b>Net cash used in investing activities</b>		(37,099,488)	(41,133,461)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Payment of lease liabilities against right-of-use assets		(1,640,496)	(1,422,935)
Dividend paid		(5,978,251)	(11,191,378)
<b>Net cash used in financing activities</b>		(7,618,747)	(12,614,313)
		(10,568,713)	12,249,171
<b>(Decrease) / Increase in cash and cash equivalents during the period</b>			
Cash and cash equivalents at the beginning of the period		108,613,436	83,590,799
Effect of exchange rate changes on cash and cash equivalents		(473,217)	124,967
<b>Cash and cash equivalents at the beginning of the period</b>		108,140,219	83,715,766
		97,571,506	95,964,937
<b>Cash and cash equivalents at the end of the period</b>			

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

PRESIDENT & CEO

CHIEF FINANCIAL OFFICER

CHAIRMAN

DIRECTOR

DIRECTOR



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

For the half year ended June 30, 2025

## 1 STATUS AND NATURE OF BUSINESS

### 1.1 The "Group" consists of:

- (i) Faysal Bank Limited - Holding Company
- (ii) Faysal Asset Management Limited - Subsidiary Company
- (iii) Faysal Islami Currency Exchange Company (Private) Limited - Subsidiary Company

#### 1.1.1 Holding Company - Faysal Bank Limited

Faysal Bank Limited (the Bank or the Holding Company) was incorporated in Pakistan on October 3, 1994 as a public limited company under the provisions of the repealed Companies Ordinance, 1984 (now the Companies Act, 2017). Its shares are listed on the Pakistan Stock Exchange Limited. The Holding Company is engaged in Shariah compliant modern Corporate, Commercial and Consumer banking activities. The Holding Company is operating through 855 branches (December 31, 2024: 855 branches) including 2 sub-branches (December 31, 2024: 2).

The Registered Office of the Bank is located at Faysal House, ST-02, Shahrāh-e-Faisal, Karachi.

Ithmaar Bank B.S.C (closed), a fully owned subsidiary of Ithmaar Holdings B.S.C is the parent company of the Bank, holding directly and indirectly 66.78% (December 31, 2024: 66.78%) of the shareholding of the Bank. Dar Al-Maal Al-Islami Trust (DMIT), (ultimate parent of the Bank) is the holding company of Ithmaar Holdings B.S.C.

Based on the financial statements of the Bank for the year ended December 31, 2024, the VIS Credit Rating Company Limited has upgraded the Bank's medium to long-term as 'AA+' and reaffirmed the short-term rating as 'A1+' on June 30, 2025. The Pakistan Credit Rating Agency Limited (PACRA) have reaffirmed the Bank's long-term rating as 'AA' and the short term rating as 'A1+' on June 24, 2025.

#### 1.1.2 Subsidiary Company - Faysal Islami Currency Exchange Company (Private) Limited

During the year, the Bank established a wholly owned subsidiary, Faysal Islami Currency Exchange Company (Private) Limited (FICEC). FICEC is a private limited company, incorporated in Pakistan with the objective of buying and selling foreign exchange. The registered office of FICEC is at ST-02, Faysal House, Shahrāh-e-Faisal, Karachi.

#### 1.1.3 Subsidiary Company - Faysal Asset Management Limited

	Percentage of holding	
	June 30, 2025	December 31, 2024
Faysal Asset Management Limited - Subsidiary	99.99%	99.99%

Faysal Asset Management Limited (the Subsidiary Company) was incorporated in Pakistan under the provisions of the repealed Companies Ordinance, 1984 (now Companies Act, 2017) on August 6, 2003 as an unlisted public limited company. The Subsidiary Company commenced its operations on November 14, 2003. The registered office of the Subsidiary Company is located at 7th Floor, West Wing, Faysal House, ST-02, Shahrāh-e-Faisal, Karachi.

The Subsidiary Company is a Non-Banking Finance Company (NBFC), licensed to carry out asset management and investment advisory services under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations).

VIS Credit Rating Company Limited has assigned Asset Management rating of AM1.

## 2 BASIS OF PRESENTATION

- 2.1 The Group provides financing mainly through Murabaha, Musawammah, Istisna and other Islamic modes as briefly explained in note 6.8 to in the annual audited consolidated financial statements for the year ended December 31, 2024.

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

For the half year ended June 30, 2025

The purchases and sales arising under these arrangements are not reflected in these condensed consolidated financial statements as such but are restricted to the amount of facility actually utilized 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 Shariah Board of the Group.

## 3 BASIS OF CONSOLIDATION

The consolidated financial statements incorporate the financial statements of the Bank and the financial statements of the Subsidiary Companies from the date from which control of the Subsidiary Companies by the Group commences until the date on which control ceases. The financial statements of the Subsidiary Companies are incorporated on a line-by-line basis and the investment held by the Bank is eliminated against the corresponding share capital and pre-acquisition reserve (if any) of the Subsidiary Companies in the consolidated financial statements.

The financial statements of the Subsidiary Companies are prepared for the same reporting period as the Holding Company, using accounting policies that are generally consistent with those of the Holding Company.

Material intra-group balances and transactions are eliminated.

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Joint ventures are those entities over whose activities the Group has joint control established by contractual agreement. Associates and joint ventures are accounted for using the equity method.

## 4 STATEMENT OF COMPLIANCE

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

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

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

The State Bank of Pakistan (SBP) has adopted requirements of IFRS 9 along with the application instructions through BPRD Circular No. 07 of 2023, dated April 13, 2023, but deferred certain requirements. Islamic banking institutions have been allowed to follow Islamic Financial Accounting Standards (IFAS) 1 & 2 where applicable and continue existing accounting practices for other Islamic products until further instructions. The impact of profit of financing in advance stage is Rs. 1,449 million excluding any Effective yield rate (EIR) effect as the Holding Company has received deferment of recording income and expense at EIR via letter from SBP till December 31, 2025. Consequently, these deferred requirements of IFRS 9 have not been considered in the preparation of these condensed interim consolidated financial statements.

**4.2** As per the directive of the SBP through its letter BPRD (R&P-02)/625-99/2011/3744 dated March 28, 2011, gain arising on bargain purchase of Pakistan operations of Royal Bank of Scotland (ex-RBS Pakistan) was credited directly into equity as Non-distributable Capital Reserve (NCR). The SBP allowed the Group to adjust the amortisation of intangible assets against the portion of reserve which arose on account of such assets identified as a result of such acquisition. Accordingly, during the period ended June 30, 2025, the Group has adjusted amortisation of intangible assets net of tax amounting to Rs. 15.355 million (period ended June 30, 2024: Rs. 20.943 million) from the NCR.

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

## For the half year ended June 30, 2025

- 4.3
- These condensed interim consolidated financial statements do not include all the information and disclosures required in the annual audited consolidated financial statements, and are limited based on the format prescribed by the State Bank of Pakistan through BPRD Circular Letter No. 2 of 2023 dated February 9, 2023 and IAS 34 and should be read in conjunction with the annual consolidated financial statements for the financial year ended December 31, 2024.
- 4.4
- Standards, interpretations of and amendments to the published accounting and reporting standards that are effective in the current period
- 4.4.1
- There are certain new and amended standards, interpretations and amendments that are mandatory for the Bank's accounting periods beginning on January 1, 2025 but are considered not to be relevant or do not have any significant effect on the Bank's operations are therefore not detailed in these condensed interim consolidated financial statements.

4.5

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

SECP vide S.R.O. 742 (I)/2025 (dated April 16, 2025) notified that International Financial Reporting Standard (IFRS)-7, 'Financial Instruments: Disclosures' shall be followed by Banks, for the preparation of financial statements, from the annual reporting periods beginning on or after January 1, 2026 (earlier application is permitted).

- 4.5.1
- The following revised standards, amendments and interpretations with respect to the accounting and reporting standards would be effective from the dates mentioned below against the respective standards, amendments or interpretations:

Standards, interpretations or amendments	Effective date (annual periods beginning on or after)
- Amendments to IFRS 9 Financial Instruments	January 1, 2026
- Amendments to IFRS 10 and IAS 28 - Sale or contribution of assets between an investor and its associates or joint venture	January 1, 2026
- Amendments to IFRS 7 Financial Instruments : Disclosures and accompanying guidance on implementing IFRS 7	January 1, 2026

The management of the Holding Company is assessing the impact of the changes in the above mentioned standards on its financial statements.

- 4.5.2
- As required under SBP Letter No. BPRD/LD-01/850/28853/2022-13054, the details of the net conventional funded portfolio as at June 30, 2025 are as follows:

	Note	Rupees in '000
<b>Assets</b>		
Investments		1,593,031
Financing - net		501,727
<b>Liabilities</b>		
Deposits and other accounts		2,354,757
Other Liabilities	27.1	667,803

All efforts are being put in to convert or dispose-off the residual portfolio and appropriate monitoring mechanisms are in place. Quarterly progress report on the status of the residual portfolio is shared with the Bank's Board of Directors, the Shariah Board and the State Bank of Pakistan.

5

MATERIAL ACCOUNTING POLICY INFORMATION

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

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

For the half year ended June 30, 2025

## 5.1 Fair valuation of unquoted equity securities

The fair value of unquoted equity instruments is determined by applying the income approach method. All fair value adjustments are recognized in Other Comprehensive Income (OCI) and accumulated within equity, in accordance with IFRS 9. The cumulative impact of application in current period amounting to PKR 877.347 million net of tax has been recorded as an adjustment to equity at the beginning of the current period.

## 5.2 IFRS 9 'Financial Instruments' – Restatement of corresponding figures of the current period due to subsequent adjustments on adoption of IFRS 9

The Holding Company, in accordance with the requirements of SBP's BPRD Circular Letter No.16 dated 29 July 2024 has incorporated IFRS 9 requirements related to subsidized staff and SBP financing and modification accounting. Accordingly, the condensed interim consolidated statement of profit and loss account (un-audited) for the half year ended June 30, 2024, has been restated to reflect the impact of subsidized staff and SBP financing. However, other impacts were not material and hence have not been disclosed in these condensed interim consolidated statement of profit and loss account (un-audited) for the half year ended June 30, 2024.

The effect of the above restatements on the financial statements is summarized below:

Condensed Interim Consolidated Statement of Profit and Loss Account	June 30,2024			Description
	Previously reported	Restatement	As restated	
----- Rupees in '000 -----				
Profit / return earned	118,857,998	1,387,029	120,245,027	Impact of subsidized staff and SBP financing
Profit / return expensed	80,577,464	1,167,225	81,744,689	Impact of subsidized SBP financing
Other Income	201,437	108,223	309,660	Impact of subsidized SBP financing
Operating expenses	22,033,682	328,027	22,361,709	Impact of subsidized staff financing

## 5.3 Change in useful life of property and equipment

During the period, the Holding Company has reviewed the useful life of certain assets which are classified as office equipment. This review has resulted in a change in the useful life of these assets which is more reflective of the consumption pattern of these assets. These revisions have been accounted for as a change in accounting estimate in accordance with the requirements of IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors, with effect from January 1, 2025. Had this change in accounting estimate not been made, the depreciation expense would have been higher by PKR 128.3 million.

## 6 BASIS OF MEASUREMENT

These condensed interim consolidated financial statements have been prepared under the historical cost convention except for certain fixed assets and non-banking assets acquired in satisfaction of claims which have been carried at revalued amounts, certain investments and derivative contracts which have been marked to market and are carried at fair value, obligations in respect of staff retirement benefits and lease liabilities which have been carried at present value and right-of-use assets which are initially measured at an amount equal to the corresponding lease liabilities (adjusted for any lease payments and costs) and depreciated over the respective lease terms.

## 7 FUNCTIONAL AND PRESENTATION CURRENCY

7.1 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.

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

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

For the half year ended June 30, 2025

## 8 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The basis for accounting estimates adopted in the preparation of these condensed interim consolidated financial statements is the same as that applied in the preparation of the consolidated financial statements of the Holding Company for the year ended December 31, 2024 except for fair valuation of unlisted equity securities and change in useful life of certain property and equipment.

## 9 FINANCIAL RISK MANAGEMENT

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

	Note	(Un-audited) June 30, 2025	(Audited) December 31, 2024
		----- Rupees in '000 -----	
<b>10 CASH AND BALANCES WITH TREASURY BANKS</b>			
In hand			
- local currency		28,616,788	28,965,475
- foreign currencies		2,692,386	3,287,756
		31,309,174	32,253,231
With State Bank of Pakistan in			
- local currency current accounts		47,736,345	62,834,372
- foreign currency current accounts		2,639,010	2,367,675
- foreign currency deposit accounts		4,534,576	3,841,612
	10.1	54,909,931	69,043,659
With National Bank of Pakistan in			
- local currency current accounts		10,042,963	1,304,011
Prize bonds	10.2	-	1,443
Less: Credit loss allowance held against cash and balances with treasury banks		(1,577)	(1,687)
Cash and balances with treasury banks - net of credit loss allowance		96,260,491	102,600,657

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

**10.2** These represent the notional prize bonds received from customers for onward surrendering to SBP. The Group as in the matter of Shariah principle, does not deal in prize bonds.

## 11 BALANCES WITH OTHER BANKS

		(Un-audited) June 30, 2025	(Audited) December 31, 2024
		----- Rupees in '000 -----	
In Pakistan			
- in current accounts		9,710	13,918
- in saving accounts		86	86
Outside Pakistan			
- in current account		1,301,220	5,525,561
Less: Credit loss allowance held against balances with other banks		(1)	(3)
Balances with other banks - net of credit loss allowance		1,311,015	5,539,562

## 12 DUE FROM FINANCIAL INSTITUTIONS

Musharka Placements		3,500,000	-
Less: Credit loss allowance		(1)	-
Due from financial institutions - net of credit loss allowance		3,499,999	-

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

For the half year ended June 30, 2025

## 12.1 Due from financial institutions - Particulars of credit loss allowance

Note	(Un-audited) June 30, 2025		(Audited) December 31, 2024	
	Due from financial institutions	Credit loss allowance held	Due from financial institutions	Credit loss allowance held
Rupees in '000				
Domestic Performing	3,500,000	1	-	-

## 13 INVESTMENTS

### 13.1 Investments by type:

		(Un-audited) June 30, 2025			
		Amortised cost	Credit loss allowance	Surplus / (deficit)	Carrying value
Rupees in '000					
<b>FVTPL</b>					
Federal Government securities		1,189,952	-	-	1,189,952
<b>FVOCI</b>					
Federal Government securities		622,199,634	-	16,746,179	638,945,813
Shares		4,837,246	-	1,410,885	6,248,131
Non Government debt securities		47,570,932	(1,320,794)	(11,442)	46,238,696
		674,607,812	(1,320,794)	18,145,622	691,432,640
<b>Amortised Cost</b>					
Federal Government securities		150,015	-	-	150,015
Non Government debt securities		6,133,224	(8,943)	-	6,124,281
		6,283,239	(8,943)	-	6,274,296
<b>Associates</b>	13.5	3,211,135	-	-	3,211,135
<b>Total Investments</b>		685,292,138	(1,329,737)	18,145,622	702,108,023
		(Audited) December 31, 2024			
		Amortised cost	Provision for diminution	Surplus / (deficit)	Carrying value
Rupees in '000					
<b>FVTPL</b>					
Federal Government securities		2,624,853	-	-	2,624,853
<b>FVOCI</b>					
Federal Government securities		587,301,250	-	20,573,146	607,874,396
Shares		8,389,160	-	1,770,451	10,159,611
Non Government debt securities		47,570,932	(1,321,184)	1,631,343	47,881,091
		643,261,342	(1,321,184)	23,974,940	665,915,098
<b>Amortised Cost</b>					
Federal Government securities		150,015	-	-	150,015
Non Government debt securities		8,214,351	(1,405,081)	-	6,809,270
		8,364,366	(1,405,081)	-	6,959,285
<b>Associates</b>	13.5	2,755,728	-	-	2,755,728
<b>Total Investments</b>		657,006,289	(2,726,265)	23,974,940	678,254,964

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

For the half year ended June 30, 2025

	(Un-audited) June 30, 2025	(Audited) December 31, 2024
	----- Rupees in '000 -----	
<b>13.2 Investments given as collateral - at market value</b>		
<b>Federal Government Securities</b>		
- Ijarah Sukuk	127,585,000	128,477,500
<b>13.3 Credit loss allowance for diminution in value of investments</b>		
Opening balance	2,726,265	3,834,242
Impact of adopting IFRS 9 as at January 1,	-	(920,972)
Restated balance as at January 1,	2,726,265	2,913,270
Charge / reversals		
- Charge for the year	-	99
- Reversals for the year	(373)	(182,783)
- Reversals on disposals	(1,038,580)	(4,321)
	(1,038,953)	(187,005)
Transfers - net	(357,575)	-
Amounts written off	-	-
Closing Balance	1,329,737	2,726,265

13.4 Particulars of credit loss allowance against debt securities

		(Un-audited)		(Audited)	
		June 30, 2025		December 31, 2024	
		Outstanding amount	Credit loss allowance	Outstanding amount	Credit loss allowance
----- Rupees in '000 -----					
Domestic					
Performing	Stage 1	674,311,462	624	640,098,049	996
Underperforming	Stage 2	-	-	-	-
Non-performing	Stage 3				
- Substandard		-	-	-	-
- Doubtful		-	-	1,214,135	800,905
- Loss		1,742,343	1,329,113	1,924,364	1,924,364
		1,742,343	1,329,113	3,138,499	2,725,269
Total		676,053,805	1,329,737	643,236,548	2,726,265

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

For the half year ended June 30, 2025

## 13.5 Movement of investment in associates

As at June 30, 2025 - (Unaudited)						
Country of incorporation	% Holding	Investment at the beginning of the period	Investment / (redemption) during the period	Share of profit / (loss)	Dividend income	Investment at the end of the year

Rupees in '000

### Associates

Faysal Halal Armdani Fund	Pakistan	0.34	680,762	(533,647)	(2,778)	-	144,337
Faysal Islamic Pension Fund - Debt	Pakistan	31.81	48,318	(1)	2,364	-	50,681
Faysal Islamic Pension Fund - Equity	Pakistan	44.48	66,496	(24,098)	3,471	-	45,869
Faysal Islamic Pension Fund - Money Market	Pakistan	10.02	49,203	-	2,561	-	51,764
Faysal Islamic Savings Growth Fund	Pakistan	22.29	511,918	-	25,597	(31,266)	506,249
Faysal Islamic Special Income Fund - FISIP-I	Pakistan	71.38	82,671	31,001	4,222	-	117,894
Faysal Islamic Cash Fund	Pakistan	2.22	272,401	1,767,950	58,694	-	2,099,045
Faysal Islamic Financial Growth Fund - FIFGP-I	Pakistan	-	3,448	(3,448)	-	-	-
Faysal Islamic Financial Growth Fund - FIFGP-II	Pakistan	-	-	(15,778)	15,778	-	-
Faysal Islamic Kpk Government Pension Fund - Money Market Sub Fund	Pakistan	94.94	35,472	-	1,625	-	37,097
Faysal Islamic Kpk Government Pension Fund - Equity Sub Fund	Pakistan	100.00	590	-	(2)	-	588
Faysal Islamic Kpk Government Pension Fund - Debt Sub Fund	Pakistan	100.00	592	-	16	-	608
Faysal Islamic Kpk Government Pension Fund - Equity Index Sub Fund	Pakistan	100.00	594	-	(2)	-	592
Faysal Khushal Mustaqbil Fund- Faysal Barak'ah Women Savers Plan	Pakistan	91.52	-	50,000	1,783	-	51,783
Faysal Khushal Mustaqbil Fund- Faysal Ujala Women Savers Plan	Pakistan	100.00	-	50,000	1,729	-	51,729
Faysal Financial Sector Opportunity Fund	Pakistan	-	61	(61)	-	-	-
Faysal Special Savings Plan- I	Pakistan	-	1,387	(1,379)	(8)	-	-
Faysal Special Savings Plan- II	Pakistan	-	205	(202)	(3)	-	-
Faysal Pension Fund-Debt Sub Fund	Pakistan	-	46,872	(46,872)	-	-	-
Faysal Pension Fund-Equity Sub Fund	Pakistan	-	75,766	(75,766)	-	-	-
Faysal Pension Fund-Money Market Sub Fund	Pakistan	-	47,786	(47,786)	-	-	-
Faysal Islamic Financial Growth Fund - FIFGP-I	Pakistan	-	-	(50)	50	-	-
Faysal Islamic Sovereign Fund-Faysal Islamic Sovereign Plan-I	Pakistan	-	821,716	(826,219)	4,503	-	-
Faysal Islamic Sovereign Fund-Faysal Islamic Sovereign Plan-II	Pakistan	-	1,116	(1,126)	10	-	-
Faysal Khushal Mustaqbil Fund- Faysal Nu'umah Women Savers Plan	Pakistan	-	-	37,627	886	-	38,513
Faysal Islamic Stock Fund	Pakistan	-	4,949	2,345	4,212	(695)	10,811
Faysal Islamic Mehdood Muddat Plan-I	Pakistan	0.12	3,405	-	170	-	3,575
			2,755,728	362,490	124,878	(31,961)	3,211,135

As at December 31, 2024 - (Audited)						
Country of incorporation	% Holding	Investment at the beginning of the period	Investment / (redemption) during the period	Share of profit	Dividend income	Investment at the end of the year

Rupees in '000

### Associates

Faysal Financial Sector Opportunity Fund	Pakistan	0.03	-	(180)	241	-	61
Faysal Halal Armdani Fund	Pakistan	1.02	1,560,101	(914,617)	39,515	(4,237)	680,762
Faysal Islamic Pension Fund - Debt	Pakistan	54.95	40,178	-	8,140	-	48,318
Faysal Islamic Pension Fund - Equity	Pakistan	74.11	43,254	(10,000)	33,242	-	66,496
Faysal Islamic Pension Fund - Money Market	Pakistan	17.49	40,893	1	8,309	-	49,203
Faysal Islamic Savings Growth Fund	Pakistan	36.84	1,289,001	(835,484)	111,196	(52,795)	511,918
Faysal Islamic Special Income Fund - FISIP-I	Pakistan	58.75	1,702	74,444	12,707	(6,182)	82,671
Faysal Islamic Stock Fund	Pakistan	0.84	125,253	(131,859)	11,555	-	4,949
Faysal Islamic Cash Fund	Pakistan	0.52	-	241,955	31,514	(1,068)	272,401
Faysal Islamic Financial Growth Fund - FIFGP-I	Pakistan	0.02	114,230	(115,486)	8,767	(4,063)	3,448
Faysal Islamic Financial Growth Fund - FIFGP-II	Pakistan	-	-	(2,676)	2,676	-	0
Faysal Islamic Sovereign Fund - FISIP-I	Pakistan	2.12	3,046	743,855	117,783	(42,968)	821,716
Faysal Islamic Sovereign Plan - II	Pakistan	0.00	-	(3,124)	4,242	(2)	1,116
Faysal Pension Fund - Debt	Pakistan	95.77	39,562	-	7,310	-	46,872
Faysal Pension Fund - Equity	Pakistan	98.28	42,204	-	33,562	-	75,766
Faysal Islamic Kpk Government Pension Fund - Money Market Sub Fund	Pakistan	96.11	30,201	-	5,271	-	35,472
Faysal Islamic Kpk Government Pension Fund - Equity Sub Fund	Pakistan	100.00	503	1	86	-	590
Faysal Islamic Kpk Government Pension Fund - Debt Sub Fund	Pakistan	100.00	503	1	88	-	592
Faysal Islamic Kpk Government Pension Fund - Equity Index Sub Fund	Pakistan	100.00	503	-	91	-	594
Faysal Special Savings Fund - FSSP-I	Pakistan	99.98	13,170	(12,401)	676	(58)	1,387
Faysal Special Savings Fund - FSSP-II	Pakistan	77.41	12,672	(12,054)	827	(1,240)	205
Faysal Special Savings Fund - FSSP-III	Pakistan	-	15,739	(16,799)	1,060	-	-
Faysal Pension Fund - Money Market	Pakistan	85.20	39,972	(1)	7,815	-	47,786
Faysal Stock Fund	Pakistan	-	6,845	(7,317)	472	-	-
Faysal Islamic Mehdood Muddat Plan-I	Pakistan	0.11	-	3,081	419	(95)	3405
			3,419,532	(998,660)	447,564	(112,708)	2,755,728



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

For the half year ended June 30, 2025

## 14 ISLAMIC FINANCING AND RELATED ASSETS - NET

Note	Performing		Non performing		Total	
	(Un-audited) June 30, 2025	(Audited) December 31, 2024	(Un-audited) June 30, 2025	(Audited) December 31, 2024	(Un-audited) June 30, 2025	(Audited) December 31, 2024
Rupees in '000						
<b>Murabaha financing and related assets</b>						
Murabaha financing	105,570,005	16,772,851	137,785	128,898	105,707,790	16,901,749
Advance against Murabaha financing	6,406,461	8,809,831	5,000	14,687	6,411,461	8,824,518
Inventory related to Murabaha	3,170,349	2,558,743	-	-	3,170,349	2,558,743
	115,146,815	28,141,425	142,785	143,585	115,289,600	28,285,010
<b>Running Musharaka financing</b>						
Running Musharaka	177,922,474	235,138,286	-	-	177,922,474	235,138,286
<b>Istisna financing and related assets</b>						
Istisna	41,359,010	34,068,949	1,788,162	1,896,048	43,147,172	35,964,997
Advance against Istisna	11,600,049	23,683,828	289,773	298,335	11,889,822	23,982,163
Inventory related to Istisna	34,021,649	30,242,203	1,051,599	1,122,330	35,073,248	31,364,533
	86,980,708	87,994,980	3,129,534	3,316,713	90,110,242	91,311,693
<b>Tijarah financing and related assets</b>						
Tijarah	17,787,519	3,928,174	496,723	409,720	18,284,242	4,337,894
Advance against Tijarah	2,330,161	3,810,688	-	88,000	2,330,161	3,898,688
Inventory related to Tijarah	19,390,924	10,780,109	-	-	19,390,924	10,780,109
	39,508,604	18,518,971	496,723	497,720	40,005,327	19,016,691
<b>Musawamah financing and related assets</b>						
Musawamah	5,836,004	4,559,401	226,479	184,088	6,062,483	4,743,489
Advance against Musawamah	44,739	735	-	-	44,739	735
Inventory related to Musawamah	2,580	345	-	-	2,580	345
	5,883,323	4,560,481	226,479	184,088	6,109,802	4,744,569
<b>Salam financing and related assets</b>						
Salam	-	-	1,200	1,200	1,200	1,200
Advance against Salam	6,000,000	10,100,000	-	-	6,000,000	10,100,000
	6,000,000	10,100,000	1,200	1,200	6,001,200	10,101,200
<b>Diminishing Musharaka financing and related assets</b>						
Diminishing Musharaka	261,666,901	230,680,412	6,854,821	6,616,512	268,521,722	237,296,924
Advance against Diminishing Musharaka	13,478,039	9,064,745	35,000	335,000	13,513,039	9,399,745
	275,144,940	239,745,157	6,889,821	6,951,512	282,034,761	246,696,669
<b>Wakala Istithmar financing and related assets</b>						
<b>Wakala Istithmar</b>						
	5,777,446	6,302,669	-	-	5,777,446	6,302,669
<b>Tawwaruq Musharaka</b>						
	21,402,289	18,880,445	144,469	248,336	21,546,758	19,128,781
Bai salam	-	7,473	-	731	-	8,204
	671,817	579,527	-	-	671,817	579,527
	734,438,416	649,969,414	11,031,011	11,343,885	745,469,427	661,313,299
Other financing	675,876	734,485	11,743,875	12,991,197	12,419,751	13,725,682
Gross Financing	735,114,292	650,703,899	22,774,886	24,335,082	757,889,178	675,038,981
Fair value loss	(16,288,314)	(16,420,585)	-	-	(16,288,314)	(16,420,585)
	718,825,978	634,283,314	22,774,886	24,335,082	741,600,864	658,618,396
<b>Credit loss allowance against islamic financing and related assets</b>						
- Stage 1	(1,445,270)	(906,457)	-	-	(1,445,270)	(906,457)
- Stage 2	(693,613)	(2,034,675)	-	-	(693,613)	(2,034,675)
- Stage 3	-	-	(20,009,873)	(21,687,048)	(20,009,873)	(21,687,048)
	(2,138,883)	(2,941,132)	(20,009,873)	(21,687,048)	(22,148,756)	(24,628,180)
Islamic Financing and related assets - net of credit loss allowance	716,687,095	631,342,182	2,765,013	2,648,034	719,452,108	633,990,216

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

For the half year ended June 30, 2025

	Note	(Un-audited) June 30, 2025	(Audited) December 31, 2024
----- Rupees in '000 -----			
<b>14.1</b>	Murabaha receivable - gross	14.1.2 107,184,650	17,675,934
	Less: Deferred murabaha income	14.1.3 (500,931)	(474,640)
	Profit receivable shown in other assets	(975,929)	(299,545)
	Murabaha financings	14.1.1 105,707,790	16,901,749
<b>14.1.1</b>	The movement in Murabaha financing during the period / year is as follows:		
	Opening balance	16,901,749	38,451,305
	Sales during the period / year	223,121,111	158,526,120
	Adjusted during the period / year	(134,315,070)	(180,075,676)
	Closing balance	105,707,790	16,901,749
<b>14.1.2</b>	Murabaha sale price	107,184,650	17,675,934
	Murabaha purchase price	(105,707,790)	(16,901,749)
		1,476,860	774,185
<b>14.1.3</b>	Deferred murabaha income		
	Opening balance	474,640	29,223
	Arising during the period / year	4,791,182	5,058,731
	Less: recognised during the period / year	(4,764,891)	(4,613,314)
	Closing balance	500,931	474,640
<b>14.2</b>	Particulars of Islamic financing and related assets (gross)		
	- In local currency	750,193,174	663,519,222
	- In foreign currencies	7,696,004	11,519,759
		757,889,178	675,038,981

**14.3** Islamic financing and related assets include Rs. 22,774.886 million (December 31, 2024: Rs. 24,335.082 million) which have been placed under non-performing / Stage 3 status as detailed below:

Category of classification	(Un-audited) June 30, 2025		(Audited) December 31, 2024	
	Non-performing financing	Credit loss allowance	Non-performing financing	Provision held
----- Rupees in '000 -----				
<b>Domestic</b>				
other assets especially mentioned	334,617	309	300,209	1,545
substandard	865,594	389,341	1,229,356	637,774
doubtful	2,511,960	1,547,439	2,615,793	1,593,190
loss	19,062,715	18,072,784	20,189,724	19,454,539
Total	22,774,886	20,009,873	24,335,082	21,687,048

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

For the half year ended June 30, 2025

## 14.4 Particulars of credit loss allowance against Islamic financing and related assets

	(Un-audited)				(Audited)					
	June 30, 2025				December 30, 2024					
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Specific Provision	General Provision	Total
Rupees in '000										
Opening balance	906,457	2,034,675	21,687,048	24,628,180	-	-	-	19,172,592	877,670	20,050,262
Impact of adopting IFRS 9 as of January 1,	-	-	-	-	936,972	5,264,393	20,954,552	(19,172,592)	(877,670)	7,105,655
Balance as at January 1,	906,457	2,034,675	21,687,048	24,628,180	936,972	5,264,393	20,954,552	-	-	27,155,917
Exchange adjustment	-	-	16,118	16,118	-	-	(9,663)	-	-	(9,663)
Charge for the period / year	1,040,717	151,655	406,735	1,599,107	529,876	990,613	3,373,969	-	-	4,894,458
Reversals during the period / year	(501,904)	(1,492,717)	(1,963,469)	(3,958,090)	(560,391)	(4,220,331)	(2,149,262)	-	-	(6,929,984)
	538,813	(1,341,062)	(1,556,734)	(2,358,983)	(30,515)	(3,229,718)	1,224,707	-	-	(2,035,526)
Amounts written off	-	-	(542)	(542)	-	-	(4,783)	-	-	(4,783)
Amounts charged-off	-	-	(136,017)	(136,017)	-	-	(477,765)	-	-	(477,765)
Closing balance	1,445,270	693,613	20,009,873	22,148,756	906,457	2,034,675	21,687,048	-	-	24,628,180

**14.4.1** Credit loss allowance for Stage 1 and Stage 2 represents credit loss allowance maintained against performing portfolio as required under IFRS 9.

**14.4.2** As allowed by the SBP, the Holding Company has availed benefit of forced sale value (FSV) of collaterals held as security of Rs 1,224.385 million (December 31, 2024: Rs 771.625 million) relating to financing and investment while determining the provisioning requirement against non-performing financing and investment as at June 30, 2025. The additional profit arising from availing the FSV benefit (net of tax) as at June 30, 2025 which is not available for distribution as either cash or stock dividend to shareholders and bonus to employees approximately amounted to Rs 575.461 million (December 31, 2024: Rs 354.947 million).

## 14.5 Islamic financing and related assets - Particulars of credit loss allowance

	(Un-audited)			(Audited)		
	June 30, 2025			December 31, 2024		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Rupees in '000						
Opening balance	906,457	2,034,675	21,687,048	-	-	-
Impact of adopting IFRS 9 as at January 1, 2024	-	-	-	936,972	5,264,393	20,954,552
Restated balance as at January 1, 2024	906,457	2,034,675	21,687,048	936,972	5,264,393	20,954,552
New Financing / Increase	695,447	112,489	396,232	805,133	191,006	1,725,492
Financing derecognised or repaid	(777,794)	(693,510)	(1,931,597)	(241,527)	(1,670,418)	(2,147,246)
Transfer to stage 1	684,796	(684,796)	-	31	(31)	-
Transfer to stage 2	(10,064)	22,797	(12,733)	(457,946)	459,962	(2,016)
Transfer to stage 3	(2,999)	(7,504)	10,503	(16,394)	(1,872,697)	1,889,091
	589,386	(1,250,524)	(1,537,595)	89,297	(2,892,178)	1,465,321
Amounts written off	-	-	(542)	-	-	(4,783)
Amounts charged off	-	-	(136,017)	-	-	(477,765)
Changes in risk parameters	(50,573)	(90,538)	(19,139)	(119,812)	(337,540)	(240,614)
Exchange adjustments	-	-	16,118	-	-	(9,663)
Closing balance	1,445,270	693,613	20,009,873	906,457	2,034,675	21,687,048

**14.6** Fair value loss pertains to SBP subsidized financing, subsidized staff financing and modified financing amounting to Rs. 6,537 million , Rs. 6,546 million and 3,205 million respectively.

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

For the half year ended June 30, 2025

## 14.7 Islamic financing and related assets - Category of classification

		(Un-audited) June 30, 2025		(Audited) December 31, 2024	
		Outstanding amount	Credit loss allowance	Outstanding amount	Provision
----- Rupees in '000 -----					
<b>Domestic</b>					
Performing	Stage 1	711,007,267	1,445,270	556,718,602	906,457
Underperforming	Stage 2	24,107,025	693,613	93,985,297	2,034,675
Non-Performing	Stage 3				
Other assets especially mentioned		334,617	309	300,209	1,545
Substandard		865,594	389,341	1,229,356	637,774
Doubtful		2,511,960	1,547,439	2,615,793	1,593,190
Loss		19,062,715	18,072,784	20,189,724	19,454,539
Total		<u>757,889,178</u>	<u>22,148,756</u>	<u>675,038,981</u>	<u>24,628,180</u>
----- Rupees in '000 -----					
		(Un-audited) June 30, 2025		(Audited) December 31, 2024	
		----- Rupees in '000 -----			

## 15 PROPERTY AND EQUIPMENT

Capital work-in-progress	15.1	5,399,114	6,661,796
Property and equipment		44,696,317	38,347,982
		<u>50,095,431</u>	<u>45,009,778</u>

### 15.1 Capital work-in-progress

Civil works	441,387	678,866
Equipment	3,208,690	3,686,465
Furniture and fixture	646,416	787,138
Vehicles	833,759	1,188,023
Building	268,862	321,304
	<u>5,399,114</u>	<u>6,661,796</u>

(Un-audited) For the half year ended	
June 30, 2025	June 30, 2024
----- Rupees in '000 -----	

### 15.2 Additions / transfers to property and equipment

The following additions / transfers have been made to property and equipment during the period:

<b>Capital work-in-progress - net</b>	(1,262,682)	89,247
<b>Property and equipment</b>		
Freehold land	-	171,559
Leasehold land	2,072,461	402,000
Building on freehold land	-	60,356
Building on leasehold land	153,454	271,376
Furniture and fixture	444,150	161,583
Electrical, office and computer equipment	2,458,792	3,656,811
Vehicles	2,238,850	70,955
Leasehold improvements	1,626,162	682,342
	<u>8,993,869</u>	<u>5,476,982</u>
<b>Total</b>	<u>7,731,187</u>	<u>5,566,229</u>

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

For the half year ended June 30, 2025

## 15.3 Disposal of property and equipment

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

	(Un-audited) For the half year ended June 30, 2025	June 30, 2024
Furniture and fixture	1,075	-
Electrical, office and computer equipment	1,695	532
Vehicles	263,895	574
Leasehold improvements	55	110
Total	266,720	1,216

(Un-audited)  
For the half year ended  
June 30,  
2025  
June 30,  
2024  
Rupees in '000

## 16 RIGHT-OF-USE ASSETS

As at January 1,

	(Un-audited) June 30, 2025	(Audited) December 31, 2024
Cost	23,432,234	18,790,212
Accumulated Depreciation	10,134,450	8,018,697
Net carrying amount	13,297,784	10,771,515

Additions during the period / year

Modifications during the period / year

Deletions during the period / year

Depreciation charge for the period / year

Net carrying amount at the end of the period / year

(Un-audited)  
June 30,  
2025  
(Audited)  
December 31,  
2024

Buildings  
Rupees in '000

	1,765,276	4,891,312
	(12,973)	2,365
	(30,797)	(251,655)
	(1,219,892)	(2,115,753)
	13,799,398	13,297,784

## 17 INTANGIBLE ASSETS

Capital work-in-progress

Computer softwares

Customer relationship

Management rights

Total

17.1	525,656	819,499
	1,736,160	1,516,376
	250,617	288,616
	114,600	114,600
	2,101,377	1,919,592
	2,627,033	2,739,091

### 17.1 Capital work-in-progress

Computer software

	525,656	819,499
--	---------	---------

(Un-audited)  
For the half year ended  
June 30,  
2025  
June 30,  
2024  
Rupees in '000

### 17.2 Additions to intangible assets

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

Computer software - directly purchased

	516,115	486,775
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# Notes to the Condensed Interim Consolidated Financial Statements (un-audited)

For the half year ended June 30, 2025

	Note	(Un-audited) June 30, 2025	(Audited) December 31, 2024
----- Rupees in '000 -----			
<b>18 OTHER ASSETS</b>			
Profit / return accrued in local currency		32,195,833	35,623,116
Profit / return accrued in foreign currency		96,191	40,309
Advances, deposits, advance rent and other prepayments		3,092,762	2,177,180
Advance taxation (payments less provisions)		387,459	3,470,731
Non-Banking assets acquired in satisfaction of claims		1,342,152	1,375,587
Mark to market gain on forward foreign exchange contracts		530,604	196,593
Acceptances	24	33,595,176	24,059,259
Credit cards and other products fee receivable		2,829,820	2,186,211
Receivable from brokers against sale of shares		204,790	69,391
Dividend receivable		105,607	74,341
Deferred fair value loss	18.1	2,974,599	3,139,855
Prepaid employment benefit		6,545,787	5,234,138
Rebate receivable - net		5,727,149	2,568,022
Others		1,415,722	1,562,732
		<u>91,043,651</u>	<u>81,777,465</u>
Less: Credit loss allowance held against other assets	18.2	<u>(447,255)</u>	<u>(328,536)</u>
Other assets - net of credit loss allowance		90,596,396	81,448,929
Surplus on revaluation of non-banking assets acquired in satisfaction of claims		1,416,965	1,734,105
Other assets - total		<u><u>92,013,361</u></u>	<u><u>83,183,034</u></u>

- 18.1** This amount represents deferred fair value loss arising from the restructuring of Pakistan International Airlines Corporation Limited (PIACL). SBP through its circular BPRD/BRD/PIAHCL/733688-2024 dated August 01, 2024 has allowed staggering of such fair value impact over a period of 6 years at rates of 5%, 10%, 15%, 20%, 25%, and 25% from year 1 to year 6. Accordingly, an amount of Rs 165.256 million has been amortized during the period.

	(Un-audited) June 30, 2025	(Audited) December 31, 2024
----- Rupees in '000 -----		
<b>18.2 Credit loss allowance held against other assets</b>		
Dividend receivable	74,341	74,341
Receivable from customers	51,173	51,173
Security deposits	22,994	22,994
Acceptances	8,163	2,206
Others	290,584	177,822
	<u>447,255</u>	<u>328,536</u>

## 18.2.1 Movement in Credit loss allowance held against other assets

Opening balance	328,536	328,963
Impact of adopting IFRS 9 as at January 1,	-	2,575
Balance as at January 1,	328,536	331,538
Charge for the period / year	121,964	-
Reversals during the period / year	(3,245)	(3,002)
	<u>118,719</u>	<u>(3,002)</u>
Closing balance	<u><u>447,255</u></u>	<u><u>328,536</u></u>

## 19 BILLS PAYABLE

In Pakistan	32,140,484	39,169,649
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# Notes to the Condensed Interim Consolidated Financial Statements (un-audited)

For the half year ended June 30, 2025

## 20 DUE TO FINANCIAL INSTITUTIONS

### Secured

To the State Bank of Pakistan (SBP) under:

Islamic Export Refinance Scheme - part I and II	22,283,385
Islamic financing for Renewable Energy	7,139,964
Islamic Long Term Financing Facility (ILTFF)	8,273,673
Islamic Temporary Economic Refinance Facility (ITERF)	24,968,345
Islamic refinance facility for combating COVID-19	66,111
Islamic refinance facility for storage of agricultural produce	1,087,742
Islamic Refinance Facility for Modernization of SMEs (IRFMS)	67,000
Islamic Refinance Scheme for Working Capital Financing of Small Enterprises and Low-End Medium Enterprises (IWCF)	25,000
Islamic Refinance Scheme For Women Entrepreneurs (IRSWE)	13,000
Scheme of Islamic Rupee-based discounting facility under EFS / IERS	676,935

(Un-audited)  
June 30,  
2025

(Audited)  
December 31,  
2024

----- Rupees in '000 -----

	22,283,385	25,700,039
	7,139,964	7,656,474
	8,273,673	9,245,606
	24,968,345	27,139,072
	66,111	99,444
	1,087,742	641,836
	67,000	-
	25,000	-
	13,000	-
	676,935	679,690
	64,601,155	71,162,161
Due to SBP under shariah compliant Open Market Operations (OMO) and Mudarabah based Financing Facility (MFF)	127,307,316	128,110,425
Other financial institutions	4,326,872	2,849,632
Total secured	196,235,343	202,122,218
<b>Unsecured</b>		
Overdrawn nostro accounts	1,775,571	839,944
Musharaka with scheduled banks / financial institutions	19,700,000	85,650,000
Total unsecured	21,475,571	86,489,944
Fair value adjustment	(6,887,538)	(8,169,622)
	210,823,376	280,442,540

## 21 DEPOSITS AND OTHER ACCOUNTS

	(Un-audited) June 30, 2025			(Audited) December 31, 2024		
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
----- Rupees in '000 -----						
<b>Customers</b>						
Current deposits	404,303,330	32,565,269	436,868,599	298,972,004	33,564,674	332,536,678
Savings deposits	372,141,072	24,023,966	396,165,038	326,085,655	20,015,285	346,100,940
Term deposits	131,330,755	2,939,891	134,270,646	147,345,424	2,983,343	150,328,767
Margin deposits	16,923,534	53,529	16,977,063	11,428,184	22,645	11,450,829
	924,698,691	59,582,655	984,281,346	783,831,267	56,585,947	840,417,214
<b>Financial institutions</b>						
Current deposits	74,859,336	3,257,570	78,116,906	63,430,479	679,223	64,109,702
Savings deposits	172,557,867	106,586	172,664,453	138,539,752	64,080	138,603,832
Term deposits	8,355,000	-	8,355,000	885,000	-	885,000
	255,772,203	3,364,156	259,136,359	202,855,231	743,303	203,598,534
	1,180,470,894	62,946,811	1,243,417,705	986,686,498	57,329,250	1,044,015,748

## 22 LEASE LIABILITIES

	Note	(Un-audited) June 30, 2025	(Audited) December 31, 2024
----- Rupees in '000 -----			
Outstanding amount at the start of the period / year		15,582,671	12,865,125
Additions during the period / year		1,765,276	4,891,312
Lease payments including profit		(1,640,496)	(3,769,535)
Profit expense for the period / year	22.2 & 29	1,053,221	1,862,095
Modifications during the period / year		(12,973)	2,365
Termination / deletion during the period / year		(43,297)	(268,691)
Outstanding amount at the end of the period / year		16,704,402	15,582,671

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

For the half year ended June 30, 2025

	(Un-audited) June 30, 2025	(Audited) December 31, 2024
	----- Rupees in '000 -----	
<b>22.1 Liabilities Outstanding</b>		
Not later than one year	28,856	39,553
Later than one year and upto five years	3,329,785	14,174,664
Over five years	13,345,761	1,368,454
<b>Total at the period / year end</b>	<b>16,704,402</b>	<b>15,582,671</b>

**22.2** This carries average effective charge rate of 13.30% per annum (December 31, 2024: 13.7%).

	(Un-audited) June 30, 2025	(Audited) December 31, 2024
	----- Rupees in '000 -----	

## 23 DEFERRED TAX LIABILITIES

### Deductible temporary differences on

credit loss allowance against investments  
credit loss allowance against financing, off balance sheet etc.  
lease agreements under IFRS 16  
fair value adjustment relating to financing  
credit loss allowance against other assets

(322,684)	(329,087)
(1,989,379)	(2,694,794)
(2,329,897)	-
(219,192)	(134,565)
(195,199)	(135,299)
<b>(5,056,351)</b>	<b>(3,293,745)</b>

### Taxable temporary differences on

surplus on revaluation of property and equipment  
surplus on revaluation of nonbanking assets  
surplus on revaluation of investments  
fair value adjustment relating to net assets acquired upon amalgamation  
fair value adjustment relating to net assets acquired upon business combination  
accelerated tax depreciation  
fair valuation of previously held equity interest in the Subsidiary Company  
Others

2,028,889	2,123,177
16,638	16,958
9,435,724	12,706,718
151,317	173,964
-	52,496
1,350,797	1,277,885
13,118	13,118
45,291	30,764
<b>13,041,774</b>	<b>16,395,080</b>
<b>7,985,423</b>	<b>13,101,335</b>

## 24 OTHER LIABILITIES

Profit / return payable in local currency  
Profit / return payable in foreign currency  
Unearned commission and income on bills discounted  
Accrued expenses  
Acceptances  
Dividend payable  
Unclaimed dividends  
Mark to market loss on forward foreign exchange contracts  
Credit loss allowance against off-balance sheet obligations  
Charity fund balance  
Withholding tax payable  
Federal excise duty payable  
Payable to brokers against purchase of shares  
Fair value of derivative contracts  
Payable related to cards and other products  
Funds held as security  
Takaful payable  
Clearing and settlement accounts  
Payable to defined benefit plan  
Others

	7,612,721	9,957,066
	73,043	47,730
	2,085,901	1,856,701
	5,043,150	8,485,056
18	33,595,176	24,059,259
	557,496	464,961
	4,400	4,400
	201,905	945,503
24.1	164,130	190,382
	-	27,926
	190,026	220,833
	105,088	218,306
	10,595	105,647
	667,803	982,880
	96,169	65,500
	379,091	361,711
	10,578	11,176
	5,001,900	12,866,371
	-	105,922
	1,985,561	1,400,779
	<b>57,784,733</b>	<b>62,378,109</b>



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

For the half year ended June 30, 2025

	Note	(Un-audited) June 30, 2025	(Audited) December 31, 2024
Rupees in '000			
<b>24.1 Credit loss allowance against off-balance sheet obligations</b>			
Opening balance		190,382	126,297
Impact of adopting IFRS 9 at January 1,		-	82,603
Balance at January 1,		190,382	208,900
Charge for the period / year		36,645	15,360
Reversals during the period / year		(62,897)	-
		(26,252)	15,360
Amounts written off		-	(33,878)
Closing balance		164,130	190,382
<b>25 SURPLUS ON REVALUATION OF ASSETS - NET OF TAX</b>			
Surplus on revaluation of			
- Securities measured at FVOCI-Debt		16,734,737	22,204,489
- Securities measured at FVOCI-Equity		1,410,885	1,770,451
- Property and equipment		11,805,405	11,909,691
- Non-banking assets acquired in satisfaction of claims		1,416,965	1,734,105
		31,367,992	37,618,736
Deferred tax on surplus on revaluation of			
- Securities measured at FVOCI-Debt		(8,702,063)	(11,768,379)
- Securities measured at FVOCI-Equity		(733,661)	(938,339)
- Property and equipment		(2,028,889)	(2,123,177)
- Non-banking assets acquired in satisfaction of claims		(16,638)	(16,958)
		(11,481,251)	(14,846,853)
		19,886,741	22,771,883
<b>26 CONTINGENCIES AND COMMITMENTS</b>			
Guarantees	26.1	64,189,564	52,565,820
Commitments	26.2	391,288,994	312,113,009
Other contingent liabilities	26.3	4,122,244	4,122,244
		459,600,802	368,801,073
<b>26.1 Guarantees</b>			
Financial guarantees		6,794,391	4,266,928
Performance guarantees		14,507,585	13,608,155
Other guarantees		42,887,588	34,690,737
		64,189,564	52,565,820
<b>26.2 Commitments</b>			
Documentary credits and short-term trade-related transactions letters of credit		154,783,085	95,392,494
Commitments in respect of:			
- forward foreign exchange contracts	26.2.1	97,037,970	80,620,255
- forward government securities transactions	26.2.2	127,579,300	128,375,400
- derivatives - cross currency swaps (notional principal)	26.2.3	703,169	964,082
- extending credit (irrevocable)	26.4	10,295,203	5,358,314
Commitments for acquisition of:			
- property and equipment		706,907	1,069,179
- intangible assets		183,360	333,285
		391,288,994	312,113,009

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

For the half year ended June 30, 2025

	Note	(Un-audited) June 30, 2025	(Audited) December 31, 2024
----- Rupees in '000 -----			
<b>26.2.1 Commitments in respect of forward foreign exchange contracts</b>			
Purchase		70,522,466	54,802,453
Sale		26,515,504	25,817,802
		<u>97,037,970</u>	<u>80,620,255</u>
<b>26.2.2 Commitments in respect of forward government securities transactions</b>			
Purchase		<u>127,579,300</u>	<u>128,375,400</u>
<b>26.2.3 Commitments in respect of derivatives</b>			
<b>Cross currency swaps</b>			
Sale	27.1	<u>703,169</u>	<u>964,082</u>
<b>26.3 Other contingent liabilities</b>			
<b>26.3.1 Holding Company</b>			
Suit filed by a customer for recovery of alleged losses suffered which is pending in the Honorable High Court of Sindh. The Bank's legal advisors are confident that the Bank has a strong position.		2,510,000	2,510,000
Indemnity issued favouring the Honorable High Court in one of the cases		457,543	457,543
Tax liability of gain on bargain purchase on the acquisition of ex-RBS Pakistan	(i)	<u>1,154,701</u>	<u>1,154,701</u>
		<u>4,122,244</u>	<u>4,122,244</u>

- (i) Income tax assessments of the Holding Company have been finalised upto the tax year 2024 (accounting year ended December 31, 2023).

The department and the Holding Company has disagreement on a matter relating to taxability of gain on bargain purchase on the acquisition of ex-RBS Pakistan. The additional tax liability on the matter amounts to Rs. 1,154.701 million (December 31, 2024: Rs. 1,154.701 million). The Commissioner Inland Revenue (Appeals) [CIR(A)] had deleted the said additional tax liability, however the income tax department had filed an appeal with the Appellate Tribunal Inland Revenue (ATIR) against the order of CIR(A). During tax year 2011, the ATIR passed an order and maintained the decision of the CIR(A) in favour of the Holding Company that gain on bargain purchase is not taxable. Subsequently, the department has challenged the order in Honorable High Court of Sindh. However, the management of the Holding Company is confident that the matter will be decided in the Bank's favour and accordingly, no provision has been recorded in these condensed interim consolidated financial statements in respect of this matter.

There are certain claims against the Bank not acknowledged as debt amounting to Rs 31,805 million (December 31, 2024: Rs 32,754 million). These mainly represent counter claims filed by the borrowers for restricting the Bank from disposal of assets (such as mortgaged / pledged assets kept as security), cases where the Bank was proforma defendant for defending its interest in the underlying collateral kept by it at the time of financing, certain cases filed by ex-employees of the Bank for damages sustained by them consequent to the termination from the Bank's employment and cases for damages towards opportunity losses suffered by the customers due to non-disbursements of running finance facility as per the agreed terms. The above also includes an amount of Rs 25,299 million (December 31, 2024: Rs 25,299 million) in respect of a suit filed against the Bank for declaration, recovery of monies, release of securities, rendition of account and damages.

Based on legal advice and / or internal assessments, the management is confident that the above matters will be decided in the Bank's favour and accordingly no provision has been made in these condensed interim unconsolidated financial statements.

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

For the half year ended June 30, 2025

## 26.4 Commitments to extend credits

The Holding Company makes commitments to extend credit (including to related parties) in the normal course of its business but these being revocable commitments do not attract any significant penalty or expense if the facilities are unilaterally withdrawn except for Rs 10,295.203 million (December 2024: Rs. 5,358.314 million) which are irrevocable in nature.

## 26.5 CONTINGENCIES AND COMMITMENTS - FAYSAL ASSET MANAGEMENT LIMITED

There is no change in the status of contingencies as disclosed in note 23.3.5 to the annual audited consolidated financial statements for the year ended December 31, 2024.

(Un-audited) June 30, 2025	(Audited) December 31, 2024
----- Rupees in '000 -----	

## 27 DERIVATIVE INSTRUMENTS

Cross currency swaps (notional principal)	703,169	964,082
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### 27.1 Product analysis

Counterparties	June 30, 2025 (Un-audited)	
	Cross currency swaps	
	Notional principal	Mark to market gain/(loss)
----- Rupees in '000 -----		
<b>With banks for</b>		
Hedging	-	-
Market making	27,606	15,954
<b>With other entities for</b>		
Hedging	-	-
Market making	675,563	(683,757)
<b>Total</b>		
Hedging	-	-
Market making	703,169	(667,803)
Counterparties	December 31, 2024 (Audited)	
	Cross currency swaps	
	Notional principal	Mark to market loss
----- Rupees in '000 -----		
<b>With banks for</b>		
Hedging	-	-
Market making	140,136	(171,412)
<b>With other entities for</b>		
Hedging	-	-
Market making	823,946	(811,468)
<b>Total</b>		
Hedging	-	-
Market making	964,082	(982,880)

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

For the half year ended June 30, 2025

	Note	(Un-audited) June 30, 2025	(Audited) December 31, 2024 (Restated)
----- Rupees in '000 -----			
<b>28 PROFIT / RETURN EARNED</b>			
On:			
Financing		40,068,131	56,157,045
Investments		43,828,926	63,804,626
Due from financial institutions		101,469	281,870
Balances with banks		78	1,486
		<u>83,998,604</u>	<u>120,245,027</u>
<b>28.1 Profit / return recognised on:</b>			
Financial assets measured at amortised cost		3,353,975	2,027,534
Financial assets measured at FVOCI		43,301,684	62,894,885
Financial assets measured at cost		37,286,856	55,203,217
Financial assets measured at FVPL		56,089	119,391
		<u>83,998,604</u>	<u>120,245,027</u>
<b>29 PROFIT / RETURN EXPENSED</b>			
On:			
Deposits		28,406,236	58,981,257
Due to financial institutions		18,100,811	18,639,267
Lease liability against right-of-use assets		1,053,221	820,136
Cost of foreign currency swaps against foreign currency deposits / Due to FIs		1,987,211	3,304,029
		<u>49,547,479</u>	<u>81,744,689</u>
		(Un-audited) June 30, 2025	(Audited) December 31, 2024
----- Rupees in '000 -----			
<b>30 FEE AND COMMISSION INCOME</b>			
Branch banking customer fees		795,133	625,346
Management fee in respect of mutual funds		1,438,634	697,917
Consumer finance related fees		380,478	297,940
Card related fees		2,941,741	2,216,906
Credit related fees		31,568	32,833
Investment banking fees		329,129	143,792
Commission on trade		747,179	691,988
Commission on guarantees		94,862	75,443
Commission on cash management		81,916	79,197
Commission on remittances including home remittances		711,494	625,640
Commission on bancatakaful		56,655	49,627
Commission on sale of funds unit		255,181	262,196
Sales load in respect of mutual funds		178,557	172,825
Others		55,659	41,038
		<u>8,098,186</u>	<u>6,012,688</u>
<b>31 GAIN ON SECURITIES - NET</b>			
Realised	31.1	<u>210,077</u>	<u>639,232</u>
<b>31.1 Realised Gain on:</b>			
Federal Government securities		210,077	92,335
Shares		-	546,897
		<u>210,077</u>	<u>639,232</u>

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

For the half year ended June 30, 2025

## 31.2 Net gain / (loss) on financial assets / liabilities

Net gain / loss on financial assets / liabilities measured at FVPL:  
Designated upon initial recognition  
Mandatorily measured at FVPL

Net gain / (loss) on financial assets / liabilities measured at amortised cost  
Net gain / (loss) on financial assets measured at FVOCI

## 32 OTHER INCOME

Rent on property  
Gain on disposal of property and equipment- net  
Gain on termination of leases (IFRS 16)  
Staff cost recoveries  
Government Grant  
Scrap income  
Others

## 33 OPERATING EXPENSES

### Total compensation expense

#### Property expense

Rent and taxes  
Takaful  
Utilities cost  
Security (including guards)  
Repair and maintenance (including janitorial charges)  
Depreciation on owned fixed assets  
Depreciation on non-banking assets  
Depreciation on right-of-use assets  
Others

#### Information technology expenses

Software maintenance  
Hardware maintenance  
Depreciation  
Amortisation  
Network charges

#### Other operating expenses

Directors' fees and allowances  
Legal and professional charges  
Outsourced services costs - staff  
Travelling and conveyance  
NIFT clearing charges  
Depreciation  
Training and development  
Postage and courier charges  
Communication  
Marketing, advertisement and publicity  
Donations  
Auditors remuneration  
Takaful  
Stationery and printing  
Bank fees and charges  
Brokerage and commission  
Deposit protection premium  
Repair and Maintenance  
Subscriptions and publications  
Cash handling charges  
Others

(Un-audited)	
For the half year ended	
June 30, 2025	June 30, 2024
----- Rupees in '000 -----	
-	-
(34,493)	530,902
(34,493)	530,902
-	-
244,570	108,330
244,570	108,330
210,077	639,232
35,421	125,526
17,988	15,256
16,830	47,140
5,732	3,535
52,278	108,223
-	8,271
4,302	1,709
132,551	309,660
(Un-audited)	
For the half year ended	
June 30, 2025	June 30, 2024 (Restated)
----- Rupees in '000 -----	
10,329,993	9,382,897
257,336	117,729
24,184	13,640
831,165	762,521
879,556	598,001
702,616	460,010
692,936	474,695
1,185	1,378
1,214,970	996,712
178,771	139,303
4,782,719	3,563,989
1,259,266	1,061,368
221,588	240,813
675,781	469,874
295,971	201,732
206,291	161,198
2,658,897	2,134,985
65,838	72,960
335,114	264,917
660,766	468,211
548,429	211,026
65,102	43,682
1,028,730	487,298
117,486	78,663
111,260	119,479
586,198	574,456
1,218,050	1,224,891
139,275	-
31,428	26,410
484,694	423,058
401,998	506,465
1,818,710	1,463,947
286,566	39,559
502,676	420,440
286,476	198,551
93,143	94,096
370,254	307,262
370,474	254,467
9,522,667	7,279,838
27,294,276	22,361,709

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

For the half year ended June 30, 2025

		(Un-audited)	
		For the half year ended	
Note		June 30, 2025	June 30, 2024
		Rupees in '000	
<b>34 OTHER CHARGES</b>			
	Penalties imposed by the State Bank of Pakistan	4,234	36,897
<b>35 CREDIT LOSS ALLOWANCE AND WRITE OFFS - NET</b>			
	Reversal of Credit loss allowance against cash and balances with treasury banks	(110)	(346)
	Reversal of Credit loss allowance against balances with other banks	(3)	-
	Credit loss allowance against due from financial institutions	1	-
	(Reversal) / credit loss allowance against investments	13.3 (1,038,953)	5,590
	(Reversal) / credit loss allowance against Islamic financing and related assets	14.4 (2,358,983)	(774,346)
	Credit loss allowance / (reversal) against other assets	18.2.1 118,719	(3,494)
	(Reversal) / credit loss allowance against off balance sheet obligations	24.1 (26,252)	118,261
	Bad debts written off directly	7,698	7,816
	Recoveries of written off / charged off bad debts	(216,338)	(151,260)
		(3,514,221)	(797,779)

		(Un-audited)	
		For the half year ended	
		June 30, 2025	June 30, 2024
		Rupees in '000	
<b>36 TAXATION</b>			
	Current		
	- For the period	11,701,744	12,409,422
	- Prior period	2,210,105	(168,221)
		13,911,849	12,241,201
	Deferred		
	- For the period	337,271	535,546
	- Prior period	(2,125,721)	-
		(1,788,450)	535,546
		12,123,399	12,776,747

**36.1** Pursuant to an amendment introduced through the Finance Act, 2025 to Rule 1 of the Seventh Schedule, the Holding Company has recognised the prior year income tax of Rs. 2,207.479 million along with the corresponding deferred tax asset of Rs. 2,125.721, resulting in a net impact of Rs. 81.758 million. This adjustment arises from the disallowance of depreciation on right-of-use assets and related finance cost under IFRS 16 - "Leases" and the consequent allowability of actual rent expenses incurred in the respective tax years.

		For the quarter ended		For the half year ended	
		June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
		Rupees '000			
<b>37 BASIC AND DILUTED EARNINGS PER SHARE</b>					
	Profit after tax for the period	5,015,501	6,951,857	10,424,939	13,561,142
		Number of shares in thousands			
	Weighted average number of ordinary shares	1,517,697	1,517,697	1,517,697	1,517,697
		Rupees			
	Basic earnings per share	3.30	4.58	6.87	8.94

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

## For the half year ended June 30, 2025

**37.1** There were no convertible dilutive potential ordinary shares outstanding as at June 30, 2025 and June 30, 2024.

### 38 FAIR VALUE MEASUREMENTS

The fair value of quoted securities other than those classified under held to collect model, is based on quoted market price. Quoted securities classified under held to collect model are carried at amortized cost. The fair value of unquoted equity securities, other than investments in associates is determined on the basis of the break-up value of these investments as per their latest available financial statements.

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

#### 38.1 Fair value of financial assets

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

- Level 1: Fair value measurements using quoted prices (unadjusted) in active markets 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 at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised:

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

For the half year ended June 30, 2025

June 30, 2025 (Un-audited)				
	Level 1	Level 2	Level 3	Total
----- Rupees in '000 -----				
<b>On-balance sheet financial instruments</b>				
<b>Financial assets - measured at fair value</b>				
<b>Investments</b>				
Federal Government securities	-	640,135,765	-	640,135,765
Shares / units of mutual funds	7,563,773	-	1,895,493	9,459,266
Non-Government debt securities	-	46,238,696	-	46,238,696
<b>Financial assets - disclosed but not measured at fair value</b>				
<b>Investments</b>				
Federal Government securities	-	152,730	-	152,730
Non-Government debt securities	-	6,127,962	-	6,127,962
<b>Non-financial assets - measured at fair value</b>				
Property and equipment (land and buildings)	-	23,453,589	-	23,453,589
Non-banking assets acquired in satisfaction of claims	-	2,759,117	-	2,759,117
<b>Off-balance sheet financial instruments - measured at fair value</b>				
Forward purchase of foreign exchange	-	71,042,262	-	71,042,262
Forward sale of foreign exchange	-	26,706,601	-	26,706,601
Derivatives sales	-	667,803	-	667,803

December 31, 2024 (Audited)				
	Level 1	Level 2	Level 3	Total
----- Rupees in '000 -----				
<b>On-balance sheet financial instruments</b>				
<b>Financial assets - measured at fair value</b>				
<b>Investments</b>				
Federal Government securities	-	610,499,250	-	610,499,250
Shares / units of mutual funds	12,847,653	-	67,686	12,915,339
Non-Government debt securities	-	47,881,091	-	47,881,091
<b>Financial assets - disclosed but not measured at fair value</b>				
<b>Investments</b>				
Federal Government securities	-	154,335	-	154,335
Non-Government debt securities	-	6,818,118	-	6,818,118
<b>Non-financial assets - measured at fair value</b>				
Fixed assets (land and buildings)	-	21,457,524	-	21,457,524
Non-banking assets acquired in satisfaction of claims	-	3,116,825	-	3,116,825
<b>Off-balance sheet financial instruments - measured at fair value</b>				
Forward purchase of foreign exchange	-	53,913,508	-	53,913,508
Forward sale of foreign exchange	-	25,677,767	-	25,677,767
Derivatives sales	-	982,880	-	982,880



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

For the half year ended June 30, 2025

## Valuation techniques used in determination of fair values within level 2

Item	Valuation approach and input used
Ijara Sukuk	Fair values of GoP Ijara Sukuk are derived using the PKISRV rates announced by the Financial Market Association (FMA) through Reuters. These rates denote an average of quotes received from different pre-defined / approved dealers / brokers.
Sukuk Certificates	Sukuk certificates are determined using the MUFAP or PSX rates.
Forward foreign exchange contracts	The valuation has been determined by interpolating the mark-to-market currency rates announced by the State Bank of Pakistan.
Derivative instruments	The Bank enters into derivative contracts with various counterparties. Derivatives that are valued using valuation techniques with market observable inputs are mainly cross currency swaps and forward foreign exchange contracts. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations.
Mutual funds	Units of mutual funds are valued using the net asset value (NAV) announced by the Mutual Funds Association of Pakistan (MUFAP).
Property and equipment (land and buildings)	Land and buildings and NBA are revalued by professionally qualified valuers of the Bank. The valuations, mentioned above, are conducted by the valuation experts appointed by the Bank which are also on the panel of the Pakistan Banks' Association (PBA). The valuation experts use a market based approach to arrive at the fair value of the Bank's properties. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable or similar properties. These values are adjusted to reflect the current condition of the properties.
Non-banking assets acquired in satisfaction of claims (NBAs)	

## Valuation technique used in determination of fair values within level 3

Item	Valuation approach and input used
Unlisted ordinary shares	The fair value of unquoted equity securities is determined using the income approach method.

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

## For the half year ended June 30, 2025

### 39 SEGMENT INFORMATION

#### 39.1 Segment details with respect to business activities

	2025					Total
	Retail	CIBG	Treasury	SAM	Others	
Rupees in '000						
Profit and loss for the half year ended June 30, 2025 (Un-audited)						
Net return / profit	(15,408,103)	23,220,265	25,967,865	169,136	626,840	34,576,003
Inter segment revenue - net	46,161,580	(21,627,097)	(26,450,601)	42,337	1,873,781	-
Other income	5,883,925	3,155,286	4,022,300	(14,253)	(846,221)	12,201,037
Total Income	36,637,402	4,748,454	3,539,564	197,220	1,654,400	46,777,040
Segment direct expenses	16,116,067	988,875	270,659	159,559	10,207,716	27,742,876
Inter segment expense allocation	7,965,303	861,351	175,128	144,356	(9,146,138)	-
Total expenses	24,081,370	1,850,226	445,787	303,915	1,061,578	27,742,876
Credit loss allowance	(483,890)	(998,585)	-	(1,908,058)	(123,688)	(3,514,221)
Profit before tax	13,039,922	3,896,813	3,093,777	1,801,363	716,510	22,548,385
Statement of financial position as at June 30, 2025 (Un-audited)						
Cash and bank balances	43,213,868	-	54,076,460	-	281,178	97,571,506
Due from financial institutions	-	-	3,499,999	-	-	3,499,999
Investments	150,000	8,974,387	688,590,926	527,836	5,194,611	703,437,760
Investment - credit loss allowance	-	(800,964)	(937)	(527,836)	-	(1,329,737)
Net inter segment lending	957,840,179	-	-	-	(957,840,179)	-
Financing- performing	175,374,147	529,674,881	-	184,419	13,592,531	718,825,978
Financing- non-performing	3,900,158	5,004,841	-	13,531,297	338,590	22,774,886
Financing- credit loss allowance	(3,641,000)	(6,857,000)	-	(11,435,000)	(215,756)	(22,148,756)
Others	82,702,376	12,022,073	9,468,280	183,634	54,158,860	158,535,223
Total assets	1,259,539,728	548,018,218	755,634,728	2,464,350	(884,490,165)	1,681,166,859
Due to financial institutions	13,637,815	64,009,138	133,176,423	-	-	210,823,376
Subordinated sukuk	-	-	-	-	-	-
Deposits and other accounts	1,149,581,537	104,532,689	3,726	478,459	(11,178,706)	1,243,417,705
Net inter segment borrowing	-	377,691,054	610,099,105	1,983,190	(989,773,349)	-
Others	96,320,376	1,785,337	3,645,576	2,701	12,861,052	114,615,042
Total liabilities	1,259,539,728	548,018,218	746,924,830	2,464,350	(988,091,003)	1,568,856,123
Equity	-	-	8,709,898	-	103,600,838	112,310,736
Total equity and liabilities	1,259,539,728	548,018,218	755,634,728	2,464,350	(884,490,165)	1,681,166,859
Contingencies and commitments	90,526,442	139,355,383	225,337,867	1,620,178	2,760,932	459,600,802

2024						
Retail	CIBG	Treasury	SAM	Others	Total	
Restated						
Rupees in '000						
(44,416,068)	38,308,344	45,705,371	82,490	(997,682)	38,682,455	
82,861,708	(35,446,148)	(45,736,020)	65,285	(1,744,825)	-	
4,693,991	1,917,296	3,804,247	12,883	(635,511)	9,792,906	
43,139,631	4,779,492	3,773,598	160,658	(3,378,018)	48,475,361	
13,792,787	798,030	279,467	159,025	7,905,915	22,935,224	
6,433,366	696,213	139,460	118,640	(7,387,679)	-	
20,226,153	1,494,243	418,927	277,665	518,236	22,935,224	
81,590	530,159	-	(768,639)	(640,889)	(797,779)	
22,831,888	2,755,090	3,354,671	651,632	(3,255,365)	26,337,916	

	2024					
	Retail	CIBG	Treasury	SAM	Others	Total
Statement of financial position as at December 31, 2024 (Audited)	Rupees in '000					
Cash and bank balances	34,229,666	-	73,847,375	-	63,178	108,140,219
Due from financial institutions	-	-	-	-	-	-
Investments	150,000	8,854,179	666,675,032	1,924,405	3,377,613	680,981,229
Investment provision	-	(800,904)	(956)	(1,924,405)	-	(2,726,265)
Net inter segment lending	766,579,757	-	-	-	(766,579,757)	-
Financing - performing	164,573,602	461,547,691	-	(1,832,270)	9,994,291	634,283,314
Financing- non-performing	4,890,511	6,350,382	-	12,824,289	269,900	24,335,082
Financing- provisions	(4,375,818)	(7,291,863)	-	(12,748,614)	(211,885)	(24,628,180)
Others	103,461,579	13,502,169	-	196,963	27,068,976	144,229,687
Total assets	1,069,509,297	482,161,654	740,521,451	(1,559,632)	(726,017,684)	1,564,615,086
Due to financial institutions	11,360,310	59,456,649	209,625,581	-	-	280,442,540
Subordinated Sukuk	-	-	-	-	-	-
Deposits and other accounts	984,636,217	68,594,518	-	394,284	(9,609,271)	1,044,015,748
Net inter segment borrowing	-	347,306,553	518,548,253	(1,954,873)	(863,899,933)	-
Others	73,512,770	6,803,934	1,307,507	957	48,606,596	130,231,764
Total liabilities	1,069,509,297	482,161,654	729,481,341	(1,559,632)	(824,902,608)	1,454,690,052
Equity	-	-	11,040,110	-	98,884,924	109,925,034
Total Equity and liabilities	1,069,509,297	482,161,654	740,521,451	(1,559,632)	(726,017,684)	1,564,615,086
Contingencies and commitments	70,610,584	83,427,173	209,959,737	1,608,047	3,195,532	368,801,073

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

For the half year ended June 30, 2025

## 40 RELATED PARTY TRANSACTIONS

The Group has related party transactions with its parent, employee benefit plans and its directors and key management personnel.

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

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

	June 30, 2025 (Un-audited)					December 31, 2024 (Audited)				
	Parent	Directors	Key management personnel	Associates	Other related parties	Parent	Directors	Key management personnel	Associates	Other related parties
Rupees in '000										
<b>Investments</b>										
Opening balance	-	-	-	2,755,728	157,287	-	-	-	3,419,532	2,009,039
Investment made during the year	-	-	-	9,095,626	81,739	-	-	-	12,685,872	138,306
Investment redeemed / sold during the year	-	-	-	(8,765,097)	(131,448)	-	-	-	(13,684,532)	(37,546)
Other movements	-	-	-	-	1,758,106	-	-	-	-	282,486
Transfer in / (out) - net	-	-	-	-	-	-	-	-	-	(2,234,998)
Equity method adjustment	-	-	-	124,878	-	-	-	-	334,856	-
Closing balance	-	-	-	3,211,135	1,865,684	-	-	-	2,755,728	157,287
Credit loss allowance for diminution in value of investments	-	-	-	-	1,396,156	-	-	-	-	1,951,094
<b>Islamic financing and related assets - net</b>										
Opening balance	-	278	532,539	-	5,042,542	-	54	652,579	-	6,684,988
Addition during the period / year	-	1,274	93,891	-	4,705,432	-	2,494	204,548	-	4,113,676
Repaid during the period / year	-	(1,132)	(145,331)	-	(4,808,356)	-	(2,270)	(324,588)	-	(5,510,760)
Transfer in / (out) - net	-	-	94,279	-	(90,442)	-	-	-	-	(245,372)
Closing balance	-	420	575,378	-	4,849,176	-	278	532,539	-	5,042,542
Credit loss allowance held against Islamic financing and related assets	-	6	1,156	-	156,057	-	20	2,720	-	165,057

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

For the half year ended June 30, 2025

	June 30, 2025 (Un-audited)					December 31, 2024 (Audited)				
	Parent	Directors	Key management personnel	Associates	Other related parties	Parent	Directors	Key management personnel	Associates	Other related parties
Rupees in '000										
<b>Other assets</b>										
Profit / return receivable	-	-	32,458	-	50,751	-	-	26,283	-	55,970
Fee and commission income receivable	-	-	-	283,346	-	-	-	-	346,279	-
Receivable against reimbursement of expenses	-	-	-	12,617	-	-	-	-	73,026	-
Preliminary expenses and floatation costs receivable	-	-	-	26,054	-	-	-	-	15,687	-
<b>Deposits and other accounts</b>										
Opening balance	182	59,457	103,006	45,555,437	3,526,628	182	99,238	78,073	45,920,675	2,895,486
Received during the period / year	-	161,433	1,943,934	1,744,548,472	118,750,528	-	545,472	2,506,651	1,914,650,050	333,656,878
Withdrawn during the period / year	-	(113,011)	(1,820,838)	(1,714,003,863)	(117,586,002)	-	(585,253)	(2,481,718)	(1,915,015,288)	(332,946,011)
Transfer in / (out) - net	-	8	(2,001)	-	(15,691)	-	-	-	-	(79,726)
Closing balance	182	107,887	224,101	76,100,046	4,675,263	182	59,457	103,006	45,555,437	3,526,628
<b>Other liabilities</b>										
Profit / return payable	-	425	528	599,091	16,812	-	474	134	501,225	21,953
Payable to defined benefit plan asset	-	-	-	-	11,395	-	-	-	-	105,922
<b>Contingencies and commitments</b>										
Trade related commitments	-	-	-	-	215,315	-	-	-	-	129,689

**40.1** Balances pertaining to parties that were related at the beginning of the period but ceased to be so related during any part of the current period are not reflected as part of the closing balance. The same are accounted for through the movement presented above.

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

For the half year ended June 30, 2025

## RELATED PARTY TRANSACTIONS

	June 30, 2025 (Un-audited)					June 30, 2024 (Un-audited)				
	Parent	Directors	Key management personnel	Associates	Other related parties	Parent	Directors	Key management personnel	Associates	Other related parties
Rupees in '000										
<b>Income</b>										
Profit / return earned	-	-	9,133	-	155,846	-	-	13,375	-	293,231
Fee and commission income	-	8	60	1,617,731	57,630	-	52	53	753,664	4,097
Dividend income	-	-	-	31,961	140,847	-	-	-	111,756	100,000
Gain on sale of securities - net	-	4,580	25,688	112,643	108,294	-	-	142	28,695	12,653
Reimbursement of expenses (from mutual funds)	-	-	-	13,517	-	-	-	-	-	-
<b>Expense</b>										
Profit / return expensed	-	1,910	2,894	2,944,297	86,513	-	5,745	2,803	3,325,500	151,069
Reimbursement of expenses	-	-	-	-	-	-	-	-	176,851	-
Director's fee and allowances	-	65,838	-	-	-	-	72,960	-	-	-
Compensation expense	-	-	831,792	-	3,388	-	-	924,034	-	2,914
Fee and subscription	-	-	-	-	2,338	-	-	-	-	1,132
Charge for defined benefit plan	-	-	-	-	287,310	-	-	-	-	184,557
Contribution to defined contribution plan	-	-	-	-	303,408	-	-	-	-	238,555
Donations made during the period	-	-	-	-	139,275	-	-	-	-	-
<b>Others</b>										
Shares / units purchased during the period (In thousand)	-	-	-	-	1,340	-	-	-	47,983	-
Shares / units sold during the period (In thousand)	-	-	-	33	2,123	-	-	-	61,420	-
Government securities purchased during the period	-	45,521	330,434	-	142,046	-	-	137,116	-	113,231
Government securities sold during the period	-	45,443	379,327	-	1,369,288	-	-	178,036	-	1,771,944

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

For the half year ended June 30, 2025

	(Un-audited) June 30, 2025	(Audited) December 31, 2024
----- Rupees in '000 -----		
<b>41 CAPITAL ADEQUACY, LEVERAGE RATIO &amp; LIQUIDITY REQUIREMENTS</b>		
<b>Minimum capital requirement (MCR):</b>		
Paid-up capital (net of losses)	15,176,965	15,176,965
<b>Capital adequacy ratio (CAR):</b>		
Eligible common equity tier 1 (CET 1) capital	90,377,525	85,475,286
Eligible additional tier 1 (ADT 1) capital	-	-
Total eligible tier 1 capital	90,377,525	85,475,286
Eligible tier 2 capital	19,153,375	21,353,240
Total eligible capital (tier 1 + tier 2)	109,530,900	106,828,526
<b>Risk weighted assets (RWAs):</b>		
Credit risk	461,445,263	415,882,351
Market risk	82,203,707	74,199,776
Operational risk	148,121,128	148,121,128
Total	691,770,099	638,203,255
<b>Common equity tier 1 capital adequacy ratio (in %)</b>	13.06%	13.39%
<b>Tier 1 Capital adequacy ratio (in %)</b>	13.06%	13.39%
<b>Total Capital adequacy ratio (in %)</b>	15.83%	16.74%
The Group has applied the transitional arrangement on Regulatory Capital. Had the transitional arrangement not been applied then CAR would have been higher by 12 bps from 15.83% to 15.95%.		
<b>Leverage ratio (LR):</b>		
Eligible tier-1 capital	90,377,525	85,475,286
Total exposures	2,071,795,374	1,886,632,252
Leverage ratio (in %)	4.36%	4.53%
The Group has applied the transitional arrangement on Regulatory Capital. Had the transitional arrangement not been applied then Leverage Ratio would have been lower by 3 bps from 4.36% to 4.33%.		
<b>Liquidity coverage ratio (LCR):</b>		
Total high quality liquid assets	593,416,015	693,948,071
Total net cash outflow	422,754,683	437,310,512
Liquidity coverage ratio (Ratio)	1.404	1.587
<b>Net stable funding ratio (NSFR):</b>		
Total available stable funding	1,029,368,645	903,707,027
Total required stable funding	607,313,957	545,226,206
Net stable funding ratio (in %)	169.50%	165.75%

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

For the half year ended June 30, 2025

**42 GENERAL**

Comparative information has been re-classified, re-arranged or additionally incorporated in these condensed interim consolidated financial statements, wherever necessary, to facilitate comparison and to conform with changes in presentation in the current period. There have been no significant reclassifications during the period.

**43 NON-ADJUSTING EVENTS AFTER THE BALANCE SHEET DATE**

The Board of Directors in their meeting held on August 28, 2025 has announced an interim cash dividend of Rs.1.5 per share (i.e., 15%). These condensed interim consolidated financial statements do not include the effect of this appropriations which will be accounted for subsequent to the period end.

**44 DATE OF AUTHORISATION FOR ISSUE**

These condensed interim consolidated financial statements were authorised for issue on August 28, 2025 by the Board of Directors of the Bank.

Faysal Bank Limited

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