BML

بنک مکرمہ
Bank Makramah Ltd.

Ref: BML/CSD/2025/10-10

Date: 28.10.2025

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

**Subject:** **FINANCIAL RESULTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025**

Dear Sir,

We have to inform you that the Board of Directors of Bank Makramah Limited ('the Bank') in their 152nd meeting held on Tuesday, October 28, 2025 at 12:30 p.m. at Karachi recommended the following:

| | |
|---|---|
| (i) CASH DIVIDEND | NIL |
| (ii) BONUS SHARES | NIL |
| (iii) RIGHT SHARES | NIL |
| (iv) ANY OTHER ENTITLEMENT/CORPORATE ACTION | NIL |
| (v) ANY OTHER PRICE-SENSITIVE INFORMATION | NIL |

The financial results of the Bank as of 30th September 2025 are enclosed as Annexure "A".

The quarterly report of the Bank for the period ended September 30, 2025 will be transmitted through PUCARS, within the specified time.

You may please inform the members of the Exchange accordingly.

Thanking You,

Very truly yours,

For and on behalf of
Bank Makramah Limited

Bank Makramah Ltd. Karachi Head Office

**Assad Rabbani**
*Company Secretary*

*Encls: Annexure A*

Head Office:
Plot # G-2, Block # 2, Scheme # 5, Clifton, Karachi - Pakistan.
PABX: (021) 32402924 Email: info@bankmakramah.com, Website: www.bankmakramah.com

Annexure - "A"

**BANK MAKRAMAH LIMITED**
**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**
**AS AT SEPTEMBER 30, 2025**

| | Note | (Un-audited) Septemer 30, 2025 | (Audited) December 31, 2024 |
|---|---|---|---|
| | | ---------- (Rupees in '000) ---------- | |
| **ASSETS** | | | |
| Cash and balances with treasury banks | 6 | **18,125,240** | 18,352,154 |
| Balances with other banks | 7 | **1,190,187** | 1,472,849 |
| Lendings to financial institutions | 8 | **12,070,263** | 9,697,187 |
| Investments | 9 | **123,343,180** | 175,012,164 |
| Advances | 10 | **17,651,463** | 15,618,918 |
| Property and equipment | 11 | **6,667,219** | 7,026,125 |
| Right-of-use assets | 12 | **2,626,154** | 2,601,271 |
| Intangible assets | 13 | **343,024** | 331,085 |
| Deferred tax assets | 14 | **25,852,323** | 25,668,564 |
| Other assets | 15 | **11,304,555** | 14,818,156 |
| **Total Assets** | | **219,173,608** | 270,598,473 |
| | | | |
| **LIABILITIES** | | | |
| Bills payable | 17 | **2,699,354** | 1,900,496 |
| Borrowings | 18 | **52,743,622** | 89,892,925 |
| Deposits and other accounts | 19 | **165,576,805** | 186,014,625 |
| Lease liabilities | 20 | **3,366,748** | 3,284,402 |
| Subordinated debt | 21 | **1,495,515** | 1,495,515 |
| Deferred tax liabilities | | **-** | - |
| Other liabilities | 22 | **6,431,315** | 6,159,847 |
| **Total Liabilities** | | **232,313,359** | 288,747,810 |
| | | | |
| **NET ASSETS** | | **(13,139,751)** | (18,149,337) |
| | | | |
| **REPRESENTED BY** | | | |
| Share capital - net | | **30,500,208** | 30,500,208 |
| Advance against subscription of shares | 23 | **5,000,000** | - |
| Reserves | | **(425,043)** | (425,043) |
| Surplus / (deficit) on revaluation of assets | 24 | **3,400,718** | 4,290,745 |
| Accumulated losses | | **(51,615,634)** | (52,515,247) |
| | | **(13,139,751)** | (18,149,337) |
| | | | |
| **CONTINGENCIES AND COMMITMENTS** | 25 | | |

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

| President / Chief Executive | Chief Financial Officer | Director | Director | Director |
|---|---|---|---|---|

**BANK MAKRAMAH LIMITED**
**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS ACCOUNT (UN-AUDITED)**
**FOR THE QUARTER AND NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2025**

| | | Quarter Ended | | Nine Months Period Ended | |
|---|---|---|---|---|---|
| | | September 30, 2025 | September 30, 2024 | September 30, 2025 | September 30, 2024 |
| | Note | (Rupees in '000) | | | |
| Mark-up / return / interest earned | 26 | **4,333,799** | 10,584,484 | **14,662,834** | 32,379,283 |
| Mark-up / return / interest expensed | 27 | **4,802,926** | 11,271,259 | **15,490,622** | 35,164,399 |
| Net mark-up / interest expense | | **(469,127)** | (686,775) | **(827,788)** | (2,785,116) |
| **NON MARK-UP / INTEREST INCOME** | | | | | |
| Fee and commission income | 28 | **259,477** | 258,346 | **760,837** | 781,474 |
| Dividend income | | - | - | **412** | 412 |
| Foreign exchange income | | **(7,662)** | 73,539 | **106,114** | 369,963 |
| Income / (loss) from derivatives | | - | - | - | - |
| Gain on securities | 29 | **451,241** | 599,652 | **1,967,062** | 871,886 |
| Net gains / (loss) on derecognition of financial assets measured at amortised cost | | - | - | - | - |
| Other income | 30 | **51** | 13,409 | **116,218** | 704,175 |
| Total non-markup / interest income | | **703,107** | 944,946 | **2,950,643** | 2,727,910 |
| Total income | | **233,980** | 258,171 | **2,122,855** | (57,206) |
| **NON MARK-UP / INTEREST EXPENSES** | | | | | |
| Operating expenses | 31 | **2,255,988** | 2,117,405 | **6,365,563** | 5,961,667 |
| Workers welfare fund | | - | - | - | - |
| Other charges | | **185** | 89 | **552** | 193 |
| Total non-markup / interest expenses | | **2,256,173** | 2,117,494 | **6,366,115** | 5,961,860 |
| Loss before credit loss allowance | | **(2,022,193)** | (1,859,323) | **(4,243,260)** | (6,019,066) |
| Credit loss allowance and write offs - net | 33 | **(2,325,699)** | 756,021 | **(5,991,633)** | (968,031) |
| Extra ordinary / unusual items | | - | - | - | - |
| **PROFIT / (LOSS) BEFORE TAXATION** | | **303,506** | (2,615,344) | **1,748,373** | (5,051,035) |
| Taxation | 34 | **150,012** | (873,258) | **887,107** | (1,866,517) |
| **PROFIT / (LOSS) AFTER TAXATION** | | **153,494** | (1,742,086) | **861,266** | (3,184,518) |
| | | (Rupee) | | | |
| **Basic earning / (loss) per share** | 35 | **0.02** | (0.26) | **0.13** | (0.48) |
| **Diluted earning / (loss) per share** | 35 | **0.02** | (0.26) | **0.13** | (0.48) |

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

President / Chief Executive | Chief Financial Officer | Director | Director | Director

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER AND NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2025

| | Share capital | | | Capital reserves | | | Surplus / (deficit) on revaluation of | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Issued, subscribed and paid up | Discount on issue of shares | Advance against subscription of shares | Share premium | Reserve arising on amalgamation | Statutory reserve | Investments | Property and equipment / Non banking assets | Property held for sale | Accumulated losses | Total |
| | ---------- | ---------- | ---------- | ---------- | ---------- | (Rupees in '000) | ---------- | ---------- | ---------- | ---------- | |
| **Balance as at January 01, 2024 (Audited)** | 66,222,205 | (35,721,997) | - | 1,000,000 | (1,579,205) | 154,162 | 182,002 | 3,105,178 | 683,657 | (46,858,568) | (12,812,566) |
| Effect of adoption of IFRS 9 - ECL (net of tax) | - | - | - | - | - | - | (60,943) | - | - | (900,630) | (961,573) |
| Loss after taxation for nine months period ended September 30, 2024 | - | - | - | - | - | - | - | - | - | (3,184,518) | (3,184,518) |
| Other comprehensive income - net of tax | - | - | - | - | - | - | 615,782 | 78,314 | - | - | 694,096 |
| Transfer to statutory reserve | - | - | - | - | - | - | - | - | - | - | - |
| Transfer in respect of incremental depreciation from surplus on revaluation of property and equipment to accumulated losses | - | - | - | - | - | - | - | (71,953) | - | 71,953 | - |
| Transfer in respect of incremental depreciation from surplus on revaluation of non-banking assets to accumulated losses | - | - | - | - | - | - | - | (17,850) | - | 17,850 | - |
| Transfer from surplus on revaluation of property and equipment on sale to accumulated losses | - | - | - | - | - | - | - | (23,135) | - | 23,135 | - |
| Transfer from surplus on revaluation of non-banking assets on sale to accumulated losses | - | - | - | - | - | - | - | (87,865) | - | 87,865 | - |
| **Balance as at October 01, 2024 (Un-audited)** | 66,222,205 | (35,721,997) | - | 1,000,000 | (1,579,205) | 154,162 | 736,841 | 2,982,689 | 683,657 | (50,742,913) | (16,264,561) |
| Effect of adoption of IFRS 9 - ECL (net of tax) | - | - | - | - | - | - | - | - | - | 315,561 | 315,561 |
| Loss after taxation for the three months period ended December 31, 2024 | - | - | - | - | - | - | - | - | - | (2,031,402) | (2,031,402) |
| Other comprehensive income - net of tax | - | - | - | - | - | - | 41,313 | (184,866) | (33,622) | 8,240 | (168,935) |
| Transfer to statutory reserve | - | - | - | - | - | - | - | - | - | - | - |
| Transfer in respect of incremental depreciation from surplus on revaluation of property and equipment to accumulated losses | - | - | - | - | - | - | - | 16,363 | - | (16,363) | - |
| Transfer in respect of incremental depreciation from surplus on revaluation of non-banking assets to accumulated losses | - | - | - | - | - | - | - | 4,066 | - | (4,066) | - |
| Transfer from surplus on revaluation of property and equipment on disposal to accumulated losses | - | - | - | - | - | - | - | 9,717 | - | (9,717) | - |
| Transfer from surplus on revaluation of non-banking assets on disposal to accumulated losses | - | - | - | - | - | - | - | 34,587 | - | (34,587) | - |
| **Balance as at January 01, 2025 (Audited)** | 66,222,205 | (35,721,997) | - | 1,000,000 | (1,579,205) | 154,162 | 778,154 | 2,862,556 | 650,035 | (52,515,247) | (18,149,337) |
| Profit after taxation for nine months period ended September 30, 2025 | - | - | - | - | - | - | - | - | - | 861,266 | 861,266 |
| Effect of reclassification from listed to unlisted due to delisting of securities | - | - | - | - | - | - | 57,945 | - | - | (57,945) | - |
| Other comprehensive income - net of tax | - | - | - | - | - | - | (851,680) | - | - | - | (851,680) |
| Transfer to statutory reserve | - | - | - | - | - | - | - | - | - | - | - |
| Transfer in respect of incremental depreciation from surplus on revaluation of property and equipment to accumulated losses | - | - | - | - | - | - | - | (39,928) | - | 39,928 | - |
| Transfer in respect of incremental depreciation from surplus on revaluation of non-banking assets to accumulated losses | - | - | - | - | - | - | - | (10,152) | - | 10,152 | - |
| Transfer from surplus on revaluation of property and equipment on sale to accumulated losses | - | - | - | - | - | - | - | (46,212) | - | 46,212 | - |
| **Transactions with owners, recorded directly in equity** | | | | | | | | | | | |
| Advance received against subscription of shares | - | - | 5,000,000 | - | - | - | - | - | - | - | 5,000,000 |
| **Balance as at September 30, 2025 (Un-audited)** | 66,222,205 | (35,721,997) | 5,000,000 | 1,000,000 | (1,579,205) | 154,162 | (15,581) | 2,766,264 | 650,035 | (51,615,634) | (13,139,751) |

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

President / Chief Executive | Chief Financial Officer | Director | Director | Director

**BANK MAKRAMAH LIMITED**
**UNCONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)**
**FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2025**

| | Note | September 30, 2025 | September 30, 2024 |
|---|---|---|---|
| | | ---------- (Rupees in '000) ---------- | |
| **CASH FLOW FROM OPERATING ACTIVITIES** | | | |
| **Profit / (loss) before taxation** | | 1,748,373 | (5,051,035) |
| Less: Dividend income | | (412) | (412) |
| | | 1,747,961 | (5,051,447) |
| **Adjustments:** | | | |
| Depreciation on property and equipment | | 320,687 | 314,475 |
| Depreciation on right-of-use assets | | 405,452 | 397,246 |
| Depreciation on non-banking assets | | 45,490 | 47,717 |
| Finance charges on leased assets | | 392,552 | 331,458 |
| Amortization | | 58,014 | 23,137 |
| Credit loss allowance and write offs - net | | (5,990,203) | (967,464) |
| Loss on forward exchange contracts | | 28,178 | 14,248 |
| Charge for defined benefit plan | | 64,528 | 59,585 |
| Charge for employees compensated absences | | 17,479 | 17,996 |
| Gain on termination of lease contracts under IFRS 16 | | (47,313) | (36,161) |
| Gain on sale of property and equipment | | (67,520) | (59,941) |
| Gain on sale of non banking assets | | - | (604,317) |
| | | (4,772,656) | (462,021) |
| | | (3,024,695) | (5,513,468) |
| **Decrease in operating assets** | | | |
| Lendings to financial institutions | | (2,373,311) | (8,589,844) |
| Advances | | 3,285,354 | 2,475,157 |
| Others assets (excluding advance taxation) | | 3,389,167 | 20,114,275 |
| | | 4,301,210 | 13,999,588 |
| **Decrease in operating liabilities** | | | |
| Bills payable | | 798,858 | (711,794) |
| Borrowings from financial institutions | | (37,149,490) | (22,437,852) |
| Deposits | | (20,437,820) | 5,503,854 |
| Other liabilities (excluding current taxation) | | 318,006 | (243,353) |
| | | (56,470,446) | (17,889,145) |
| Payment on account of staff retirement benefits | | (99,872) | (38,593) |
| Income tax paid | | (367,906) | (471,872) |
| **Net cash (used in) / generated from operating activities** | | (55,661,709) | (9,913,490) |
| **CASH FLOW FROM INVESTING ACTIVITIES** | | | |
| Net Investments in securities classified as FVOCI | | 50,808,819 | 10,729,659 |
| Dividend received | | 412 | 412 |
| Investments in property and equipment | | (119,518) | (237,364) |
| Investments in intangible assets | | (69,952) | (48,000) |
| Proceeds from sale of property and equipment | | 225,131 | 94,281 |
| Proceeds from sale of non-banking assets | | - | 1,198,212 |
| **Net cash generated from / (used in) investing activities** | | 50,844,892 | 11,737,200 |
| **CASH FLOW FROM FINANCING ACTIVITIES** | | | |
| Payments of lease obligations against right-of-use assets | | (693,228) | (601,315) |
| Advance received against subscription of shares | | 5,000,000 | - |
| **Net cash used in financing activities** | | 4,306,772 | (601,315) |
| **(Decrease) / increase in cash and cash equivalents** | | (510,045) | 1,222,395 |
| Cash and cash equivalents at beginning of the year | | 19,821,146 | 15,058,899 |
| **Cash and cash equivalents at end of the period** | 36 | 19,311,101 | 16,281,294 |

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

Bank Makramah Ltd. Karachi Finance

| President / Chief Executive | Chief Financial Officer | Director | Director | Director |
|---|---|---|---|---|

**BANK MAKRAMAH LIMITED**
**CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**
**AS AT SEPTEMBER 30, 2025**

| | Note | (Un-audited) September 30, 2025 | (Audited) December 31, 2024 |
|---|---|---|---|
| | | ---------- (Rupees in '000) ------- | |
| **ASSETS** | | | |
| Cash and balances with treasury banks | 6 | **18,125,240** | 18,352,157 |
| Balances with other banks | 7 | **1,212,333** | 1,475,100 |
| Lendings to financial institutions | 8 | **12,070,263** | 9,697,187 |
| Investments | 9 | **123,294,244** | 174,858,629 |
| Advances | 10 | **17,559,474** | 15,574,078 |
| Property and equipment | 11 | **6,711,666** | 7,072,251 |
| Right-of-use assets | 12 | **2,626,154** | 2,601,271 |
| Intangible assets | 13 | **345,535** | 333,599 |
| Deferred tax assets | 14 | **25,784,188** | 25,600,837 |
| Other assets | 15 | **11,527,077** | 15,031,166 |
| **Total Assets** | | **219,256,174** | 270,596,275 |
| | | | |
| **LIABILITIES** | | | |
| Bills payable | 17 | **2,699,354** | 1,900,496 |
| Borrowings | 18 | **52,743,622** | 89,892,925 |
| Deposits and other accounts | 19 | **165,389,469** | 185,859,754 |
| Lease liabilities | 20 | **3,366,748** | 3,284,402 |
| Subordinated debt | 21 | **1,495,515** | 1,495,515 |
| Deferred tax liabilities | | **-** | - |
| Other liabilities | 22 | **6,710,808** | 6,373,767 |
| **Total Liabilities** | | **232,405,516** | 288,806,859 |
| | | | |
| **NET ASSETS** | | **(13,149,342)** | (18,210,584) |
| | | | |
| **REPRESENTED BY** | | | |
| Share capital - net | | **30,500,208** | 30,500,208 |
| Advance against subscription of shares | 23 | **5,000,000** | - |
| Reserves | | **(425,043)** | (425,043) |
| Surplus / (deficit) on revaluation of assets | 24 | **3,462,131** | 4,334,869 |
| Accumulated losses | | **(51,686,638)** | (52,620,618) |
| | | **(13,149,342)** | (18,210,584) |
| | | | |
| **CONTINGENCIES AND COMMITMENTS** | 25 | | |

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

Bank Makramah Ltd. Karachi Finance

President / Chief Executive | Chief Financial Officer | Director | Director | Director

BANK MAKRAMAH LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE QUARTER AND NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2025

| | | Quarter Ended | | Nine Months Period Ended | |
|---|---|---|---|---|---|
| | | September 30, 2025 | September 30, 2024 | September 30, 2025 | September 30, 2024 |
| | Note | (Rupees in '000) | | | |
| Mark-up / return / interest earned | 26 | **4,330,205** | 10,582,521 | **14,652,489** | 32,373,651 |
| Mark-up / return / interest expensed | 27 | **4,798,700** | 11,267,167 | **15,479,775** | 35,149,393 |
| Net Mark-up / interest expense | | **(468,495)** | (684,646) | **(827,286)** | (2,775,742) |
| **NON MARK-UP / INTEREST INCOME** | | | | | |
| Fee and commission income | 28 | **314,133** | 294,535 | **875,781** | 860,117 |
| Dividend income | | **336** | 3 | **4,556** | 3,574 |
| Foreign exchange income | | **(7,662)** | 73,539 | **106,114** | 369,963 |
| Income / (loss) from derivatives | | - | - | - | - |
| Gain on securities | 29 | **473,711** | 602,408 | **1,997,906** | 881,323 |
| Net gains / (loss) on derecognition of financial assets measured at amortised cost | | - | - | - | - |
| Other income | 30 | **850** | 14,129 | **118,457** | 704,030 |
| Total non-markup / interest income | | **781,368** | 984,614 | **3,102,814** | 2,819,007 |
| Total income | | **312,873** | 299,968 | **2,275,528** | 43,265 |
| **NON MARK-UP / INTEREST EXPENSES** | | | | | |
| Operating expenses | 31 | **2,304,499** | 2,149,346 | **6,474,933** | 6,042,466 |
| Workers welfare fund | | - | - | - | - |
| Other charges | 32 | **185** | 89 | **552** | 193 |
| Total non-markup / interest expenses | | **2,304,684** | 2,149,435 | **6,475,485** | 6,042,659 |
| Loss before credit loss allowance | | **(1,991,811)** | (1,849,467) | **(4,199,957)** | (5,999,394) |
| Credit loss allowance and write offs - net | 33 | **(2,325,732)** | 755,713 | **(5,992,042)** | (968,292) |
| Extra ordinary / unusual items | | - | - | - | - |
| **PROFIT / (LOSS) BEFORE TAXATION** | | **333,921** | (2,605,180) | **1,792,085** | (5,031,102) |
| Taxation | 34 | **158,205** | (866,914) | **900,742** | (1,854,819) |
| **PROFIT / (LOSS) AFTER TAXATION** | | **175,716** | (1,738,266) | **891,343** | (3,176,283) |
| | | (Rupee) | | | |
| **Basic earning / (loss) per share** | 35 | **0.02** | (0.26) | **0.13** | (0.48) |
| **Diluted earning / (loss) per share** | 35 | **0.02** | (0.26) | **0.13** | (0.48) |

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

Bank Makramah Ltd. Karachi Finance

President / Chief Executive | Chief Financial Officer | Director | Director | Director

BANK MAKRAMAH LIMITED

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

FOR THE QUARTER AND NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2025

| | Share capital | | | Capital reserves | | | Surplus / (deficit) on revaluation of | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Issued, subscribed and paid up | Discount on issue of shares | Advance against subscription of shares | Share premium account | Reserve arising on amalgamation | Statutory reserve | Investments | Property and equipment / Non banking assets | Property held for sale | Accumulated losses | Total |
| | (Rupees in '000) | | | | | | | | | | |
| **Balance as at January 01, 2024 (Audited)** | 66,222,205 | (35,721,997) | - | 1,000,000 | (1,579,205) | 154,162 | 189,012 | 3,105,178 | 683,657 | (46,979,561) | (12,926,549) |
| Effect of adoption of IFRS 9 - ECL (net of tax) | - | - | - | - | - | - | (60,943) | - | - | (900,286) | (961,229) |
| Loss after taxation for the nine months period ended September 30, 2024 | - | - | - | - | - | - | - | - | - | (3,176,283) | (3,176,283) |
| Other comprehensive income - net of tax | - | - | - | - | - | - | 624,270 | 78,314 | - | - | 702,584 |
| Transfer to statutory reserve | - | - | - | - | - | - | - | - | - | - | - |
| Transfer in respect of incremental depreciation from surplus on revaluation of property and equipment to accumulated losses | - | - | - | - | - | - | - | (71,953) | - | 71,953 | - |
| Transfer from surplus on revaluation of property and equipment on disposal to accumulated losses | - | - | - | - | - | - | - | (23,135) | - | 23,135 | - |
| Transfer in respect of incremental depreciation from surplus on revaluation of non-banking assets to accumulated losses | - | - | - | - | - | - | - | (17,850) | - | 17,850 | - |
| Transfer from surplus on revaluation of non-banking assets on disposal to accumulated losses | - | - | - | - | - | - | - | (87,865) | - | 87,865 | - |
| **Balance as at October 01, 2024 (Un-audited)** | 66,222,205 | (35,721,997) | - | 1,000,000 | (1,579,205) | 154,162 | 752,339 | 2,982,689 | 683,657 | (50,855,327) | (16,361,477) |
| Effect of adoption of IFRS 9 - ECL (net of tax) | - | - | - | - | - | - | - | - | - | 315,417 | 315,417 |
| Loss after taxation for the three months period ended December 31, 2024 | - | - | - | - | - | - | - | - | - | (2,025,164) | (2,025,164) |
| Other comprehensive income - net of tax | - | - | - | - | - | - | 70,311 | (184,866) | (33,622) | 8,817 | (139,360) |
| Transfer to statutory reserve | - | - | - | - | - | - | - | - | - | - | - |
| Transfer from surplus on revaluation of investment at FVOCI on disposal to accumulated losses | - | - | - | - | - | - | (372) | - | - | 372 | - |
| Transfer in respect of incremental depreciation from surplus on revaluation of property and equipment to accumulated losses | - | - | - | - | - | - | - | 16,363 | - | (16,363) | - |
| Transfer from surplus on revaluation of property and equipment on disposal to accumulated losses | - | - | - | - | - | - | - | 9,717 | - | (9,717) | - |
| Transfer in respect of incremental depreciation from surplus on revaluation of non-banking assets to accumulated losses | - | - | - | - | - | - | - | 4,066 | - | (4,066) | - |
| Transfer from surplus on revaluation of non-banking assets on disposal to accumulated losses | - | - | - | - | - | - | - | 34,587 | - | (34,587) | - |
| **Balance as at January 01, 2025 (Audited)** | **66,222,205** | **(35,721,997)** | - | **1,000,000** | **(1,579,205)** | **154,162** | **822,278** | **2,862,556** | **650,035** | **(52,620,618)** | **(18,210,584)** |
| Profit after taxation for the nine months period ended September 30, 2025 | - | - | - | - | - | - | - | - | - | 891,343 | 891,343 |
| Effect of reclassification from listed to unlisted due to delisting of securities | - | - | - | - | - | - | 57,945 | - | - | (57,945) | - |
| Other comprehensive income - net of tax | - | - | - | - | - | - | (830,101) | - | - | - | (830,101) |
| Transfer to statutory reserve | - | - | - | - | - | - | - | - | - | - | - |
| Transfer from surplus on revaluation of investment at FVOCI on disposal to accumulated losses | - | - | - | - | - | - | (4,290) | - | - | 4,290 | - |
| Transfer in respect of incremental depreciation from surplus on revaluation of property and equipment to accumulated losses | - | - | - | - | - | - | - | (39,928) | - | 39,928 | - |
| Transfer in respect of incremental depreciation from surplus on revaluation of non-banking assets to accumulated losses | - | - | - | - | - | - | - | (10,152) | - | 10,152 | - |
| Transfer from surplus on revaluation of property and equipment on disposal to accumulated losses | - | - | - | - | - | - | - | (46,212) | - | 46,212 | - |
| **Transactions with owners, recorded directly in equity** | | | | | | | | | | | |
| Advance received against subscription of shares | - | - | 5,000,000 | - | - | - | - | - | - | - | 5,000,000 |
| **Balance as at September 30, 2025 (Un-audited)** | 66,222,205 | (35,721,997) | 5,000,000 | 1,000,000 | (1,579,205) | 154,162 | 45,832 | 2,766,264 | 650,035 | (51,686,638) | (13,149,342) |

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

Bank Makramah Ltd. Karachi Finance

President / Chief Executive | Chief Financial Officer | Director | Director | Director

**BANK MAKRAMAH LIMITED**
**CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)**
**FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2025**

| | Note | September 30, 2025 | September 30, 2024 |
|---|---|---|---|
| | | ---------- (Rupees in '000) ---------- | |
| **CASH FLOW FROM OPERATING ACTIVITIES** | | | |
| **Profit / (loss) before taxation** | | 1,792,085 | (5,031,102) |
| Less: Dividend income | | (4,556) | (3,574) |
| | | 1,787,529 | (5,034,676) |
| **Adjustments:** | | | |
| Depreciation on property and equipment | | 322,960 | 315,049 |
| Depreciation on right-of-use assets | | 405,452 | 397,246 |
| Depreciation on non-banking assets | | 45,747 | 47,978 |
| Finance charges on leased assets | | 392,552 | 331,458 |
| Amortization | | 58,017 | 23,141 |
| Credit loss allowance and write offs - net | | (5,990,612) | (967,725) |
| Loss on forward exchange contracts | | 28,178 | 14,248 |
| Charge for defined benefit plan | | 65,878 | 60,485 |
| Charge for employees compensated absences | | 18,379 | 19,196 |
| Gain on termination of lease contracts under IFRS 16 | | (47,313) | (36,161) |
| Gain on sale of property and equipment | | (67,527) | (59,692) |
| Gain on sale of non banking assets | | - | (604,317) |
| Unrealised gain - FVTPL | | (5,249) | (2,322) |
| | | (4,773,538) | (461,416) |
| | | (2,986,009) | (5,496,092) |
| **Decrease in operating assets** | | | |
| Lendings to financial institutions | | (2,373,311) | (8,589,844) |
| Securities classified as FVTPL | | (99,842) | 31,858 |
| Advances | | 3,333,474 | 2,478,015 |
| Others assets (excluding advance taxation) | | 3,378,573 | 20,082,545 |
| | | 4,238,894 | 14,002,574 |
| **Decrease in operating liabilities** | | | |
| Bills payable | | 798,858 | (711,794) |
| Borrowings from financial institutions | | (37,149,490) | (22,437,852) |
| Deposits | | (20,470,285) | 5,442,255 |
| Other liabilities (excluding current taxation) | | 382,765 | (181,787) |
| | | (56,438,152) | (17,889,178) |
| Payment on account of staff retirement benefits | | (101,308) | (39,786) |
| Income tax paid | | (380,870) | (486,368) |
| **Net cash used in operating activities** | | (55,667,445) | (9,908,850) |
| **CASH FLOW FROM INVESTING ACTIVITIES** | | | |
| Net Investments in securities classified as FVOCI | | 50,830,890 | 10,729,659 |
| Dividend received | | 4,556 | 3,574 |
| Investments in property and equipment | | (120,245) | (246,995) |
| Investments in intangible assets | | (69,952) | (48,000) |
| Proceeds from sale of property and equipment | | 225,271 | 94,581 |
| Proceeds from sale of non-banking assets | | - | 1,198,212 |
| **Net cash generated from investing activities** | | 50,870,520 | 11,731,031 |
| **CASH FLOW FROM FINANCING ACTIVITIES** | | | |
| Payments of lease obligations against right-of-use assets | | (693,228) | (601,315) |
| Advance received against subscription of shares | | 5,000,000 | - |
| **Net cash generated from / (used in) financing activities** | | 4,306,772 | (601,315) |
| **(Decrease) / increase in cash and cash equivalents** | | (490,153) | 1,220,866 |
| Cash and cash equivalents at beginning of the year | | 19,823,400 | 15,060,968 |
| **Cash and cash equivalents at end of the period** | 36 | 19,333,247 | 16,281,834 |

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

Bank Makramah Ltd. Karachi Finance

| President / Chief Executive | Chief Financial Officer | Director | Director | Director |
|---|---|---|---|---|