

Report for the quarter and nine months  
ended September 30, **2025**

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## Corporate Information

### Board Of Directors

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

### Board Audit Committee

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

### Auditors

A. F. Ferguson & Co.  
Chartered Accountants

### Legal Advisors

RIAA, Barker Gillette  
Advocates & Corporate Counselors

### Company Secretary

Syed Ali Safdar Naqvi

### Registered Office

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

### Registrar & Share Transfer Office

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






### Entity Ratings

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

### Website

[www.askaribank.com](http://www.askaribank.com)

### Social Media

 [askaribankpakistan](#)  
 [Askari\\_Bank](#)  
 [askaribankpk](#)  
 [askaribanklimited](#)  
 [AskariBankOfficial](#)

## DIRECTORS' REVIEW

### Dear Shareholders

The Directors present unconsolidated condensed interim unaudited financial statements for the quarter and nine-month period ended September 30, 2025.

### Economy:

Pakistan's economy continued to transition from recovery to growth as macroeconomic indicators gaining traction; inflation moderating, external buffers strengthening, contained fiscal imbalances, growth in LSM and overall market confidence entrenching, despite recent floods. The implementation of Pakistan's EFF after recent staff level agreement with IMF remains pivotal to strengthen public finances while restoring the viability of energy sector and advancing structural reforms. The growth estimates are projected to range between 3.25 to 4.25 percent. Inflation is likely to stay above the target range of 5 to 7 percent in short term; subject to risks arising from flood-induced supply disruptions, commodity prices and potential adjustments in domestic energy tariffs. The rebound in LSM, encouraging trends in cement dispatches, automobile production, and allied industries, reflect pick up in industrial momentum. The external sector is expected to remain stable, with the current account deficit projected to stay manageable despite higher import demand. Maintaining policy consistency along with continued focus on fiscal consolidation, strengthening external buffers, restoring the viability of the energy sector and advancing reforms agenda remains key imperatives to sustain long-term growth and enhance the economy's resilience to future shocks.

### Financial Performance:

The financial results of the Bank for the nine-month period ended September 30, 2025 are summarized as under:

	(Rupees in Million)	
	Nine month period ended	
	September 30,	
	2025	2024
		(Restated)
Net mark-up and non-fund income	78,340	55,312
Administrative and other expenses	(34,183)	(26,376)
Operating profit	44,157	28,936
Credit loss allowance and write offs - net	(807)	(1,232)
Profit before taxation	43,350	27,704
Taxation	(25,286)	(13,682)
Profit after taxation	18,064	14,022
Basic earnings per share - Rupees	12.46	9.68

Askari Bank has delivered profit before tax of Rs. 43.4 billion for the current nine months, 56 percent higher than same period last year, maintaining a consistent growth trajectory. Profit after tax increased to Rs. 18.1 billion, a 29 percent growth depicting excessive tax burden on banks. Earnings per share for the current nine months improved to Rs.12.46 from Rs. 9.68 for the same period last year.

Total revenues for the nine months ended September 30, 2025 increased by 42 percent, to Rs. 78.3 billion. Net markup income increased by 47 percent driven by buildup of average current accounts and effective asset deployment to optimize effects of decline in rates; policy rate was ~9 percent lower than corresponding nine months. Non markup income was recorded at Rs. 13 billion with yoy growth of 18.8 percent, mainly contributed by timely realization of opportunities for capital gains. Operating expenses recorded a 30 percent increase, primarily reflecting continued investments in branch expansion - 69 new branches added to network along with technology and digitization, and costs that directly support business growth. The Bank's overall cost-to-income ratio improved to 44 percent, from 48 percent for the same period last year.

Customer deposits grew by 11 percent, to Rs. 1.52 trillion; the majority of this growth was led by current accounts. Advances declined by 20 percent mainly due to maturity of certain short-term facilities during the period. The Bank recognized credit loss allowance of Rs. 806 million compared to Rs. 1.2 billion charge for the corresponding period. Infection ratio stood at 5.9 percent while NPL coverage ratio is reported at 113 percent. The Bank is well capitalized with adequate buffers over regulatory requirements. At September 30, 2025, leverage ratio was recorded at 3.70 percent and capital adequacy ratio 22.70 percent.

The Bank is pursuing conversion of its conventional banking business to Islamic and at present, 49 percent of the branch network is Islamic, offering Shariah compliant products and services.

The Bank's entity rating was reaffirmed at 'AA+' (Double A Plus) for the long-term by Pakistan Credit Rating Agency Limited (PACRA), with outlook assigned as 'Stable'. Short-term rating was maintained at 'A1+' (A One Plus). The Bank's strong brand and affiliation with Fauji Group, one of the country's most prominent conglomerates are recognized as the key rating drivers, supported by Bank's experienced management team, prudent risk management policies, and deep-rooted relationship with clients.

Askari Bank continues to strengthen its market position with a focus on sustainable growth and an enhanced value proposition for its stakeholders supported by robust governance, compliance, credit, and risk management frameworks. While supporting trade volumes and increasing penetration in cash management and transactional banking, the Bank remains focused on increasing share in low-cost deposits and is pursuing accelerated digital adoption by improving process efficiencies and turn-around-times for enhanced customer experience. Alongside, branch network will continue to grow, extending outreach to serve a larger customer base with best and innovative banking solutions. Investment in human capital and creating a caring culture, process improvement and automation, remains a key priority.

**Acknowledgment:**

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

President & CEO

Chairman Board of Directors

October 29, 2025  
Rawalpindi

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے بینک کی طویل مدتی ریٹنگ ”ڈبل اے پلس“ (AA+) برقرار رکھی ہے اور اس کا آؤٹ لک ”مستحکم“ قرار دیا ہے۔ قلیل مدتی ریٹنگ بھی ”اے ون پلس“ (A1+) پر برقرار رہی۔ بینک کے مضبوط برانڈ اور ملک کے بڑے کاروباری اداروں میں شامل فوجی گروپ کے ساتھ وابستگی کو اس مستحکم ریٹنگ کے اہم عوامل قرار دیا گیا ہے۔ اس کے ساتھ ساتھ بینک کی تجربہ کار مینجمنٹ ٹیم، موثر رسک مینجمنٹ پالیسیوں اور صارفین کے ساتھ گہری وابستگی نے بھی نمایاں کردار ادا کیا۔

عسکری بینک پائیدار ترقی اور اپنے اسٹیک ہولڈرز کے لیے بہتر قدر فراہم کرنے پر توجہ دیتے ہوئے اپنی مارکیٹ پوزیشن مزید مضبوط کر رہا ہے، جس کی بنیاد مضبوط گورننس، کمپلائنس، کریڈٹ اور رسک مینجمنٹ فریم ورک پر رکھی گئی ہے۔ بینک تجارتی حجم میں اضافے، کیش مینجمنٹ اور ٹرانزیکشنل بینکنگ میں اپنی موجودگی بڑھانے کے ساتھ ساتھ کم لاگت ڈپازٹس میں اضافے پر بھی توجہ مرکوز کئے ہوئے ہے، اس ضمن میں ڈیجیٹل چینلز کو فروغ دے کر صارفین کو تیز تر اور موثر سروس کی فراہمی اور کارکردگی کو مزید بہتر کیا جا رہا ہے۔ علاوہ ازیں، بینک کے برانچ نیٹ ورک میں توسیع کے ذریعے زیادہ سے زیادہ صارفین کو جدید اور معیاری بینکاری سہولیات فراہم کی جا رہی ہیں۔ ہیومن ریسورسز میں سرمایہ کاری، کام کرنے کے لیے سازگار ماحول کا قیام، خودکاری اور پریس آپٹائزیشن بھی بینک کی اولین ترجیحات میں شامل ہیں۔

## اعتراف:

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

دستخط

چیرمین، بورڈ آف ڈائریکٹرز

دستخط

صدر و چیف ایگزیکٹو آفیسر

29 اکتوبر 2025

راولپنڈی

## مالیاتی کارکردگی

30 ستمبر 2025 کو ختم ہونے والی نو ماہی کے مالی نتائج کا خلاصہ درج ذیل ہے:

(روپے ملین)

30 ستمبر کو ختم ہونے والی نو ماہی		
2024 (ری اسٹیٹ)	2025	
55,312	78,340	نیٹ مارک اپ اور نان فنڈ آمدنی
(26,376)	(34,183)	انتظامی اور دیگر اخراجات
28,936	44,157	آپریٹنگ منافع
(1,232)	(807)	کریڈٹ لاس الاؤنس اور رائٹ آف - نیٹ
27,704	43,350	قبل از ٹیکس منافع
(13,682)	(25,286)	ٹیکس
14,022	18,064	بعد از ٹیکس منافع
9.68	12.46	بنیادی آمدنی فی شیئر - روپے

بینک نے رواں مدت کے نو ماہ میں 43.4 بلین روپے کا قبل از ٹیکس منافع کمایا جو گزشتہ سال کے مقابلے میں 56 فیصد اضافہ ظاہر کرتا ہے اور یہ مستقل ترقی کے رجحان کو برقرار رکھنے کی علامت ہے۔ بعد از ٹیکس منافع 29 فیصد اضافے کے ساتھ 18.1 بلین روپے رہا، جو بینکوں پر ٹیکس کی بڑھتی ہوئی شرح کو ظاہر کرتا ہے۔ زیر جائزہ مدت کے لیے فی شیئر آمدنی پچھلے سال کے 9.68 روپے کے مقابلے میں بڑھ کر 12.46 روپے ہو گئی۔

30 ستمبر 2025 کو ختم ہونے والے 9 ماہ کے لیے مجموعی آمدنی 42 فیصد اضافہ کے ساتھ 78.3 ارب تک پہنچ گئی۔ نیٹ مارک اپ آمدنی میں 47 فیصد اضافہ ہوا، یہ اضافہ شرح منافع کے موثر انتظام اور کرنٹ اکاؤنٹ میں اضافے کے ساتھ ساتھ موثر سرمایہ کاری سے حاصل ہوا حالانکہ گزشتہ مدت کے مقابلے میں پالیسی ریٹ 9 فیصد کم تھا۔ نان مارک اپ آمدنی 13 ارب روپے رہی جو سال کے اعتبار سے 18.8 فیصد زیادہ ہے، کیونکہ منافع بخش سرمایہ کاری کے مواقع سے بروقت فائدہ اٹھایا گیا۔ آپریٹنگ اخراجات میں 30 فیصد اضافہ ہوا جس کی اہم وجہ 69 نئی برانچز کے قیام، ٹیکنالوجی اور ڈیجیٹلائزیشن میں سرمایہ کاری اور کاروباری ترقی سے وابستہ اخراجات ہیں۔ بینک کا مجموعی کاسٹ ٹو انکم ریشو 48 فیصد سے کم ہو کر 44 فیصد تک پہنچ گیا۔

کسٹمر ڈپازٹس 11 فیصد اضافے کے ساتھ 1.52 ٹریلین روپے تک پہنچ گئے جس میں کرنٹ ڈپازٹس کا مرکزی کردار رہا۔ زیر جائزہ مدت کے دوران بعض قلیل مدتی قرضوں کی تکمیل کے باعث ایڈوانسز میں 20 فیصد کمی آئی۔ بینک نے 806 ملین روپے کریڈٹ لاس الاؤنس ریکارڈ کیا جبکہ گزشتہ سال اسی مدت میں 1.2 ارب روپے تھا۔ انفیکشن ریشو 5.9 فیصد جبکہ NPL کوریج ریشو 113 فیصد رہی۔ بینک کی مالی پوزیشن مضبوط ہے اور اس کے پاس قانون کے مطابق درکار سرمائے سے زیادہ سرمایہ موجود ہے۔ 30 ستمبر 2025 تک، لیورج ریشو 3.70 فیصد اور کیپٹل ایڈیکوئیٹی ریشو 22.70 فیصد پر برقرار رہی۔



## ڈائریکٹرز کا جائزہ عزیز حصص داران،

ڈائریکٹرز 30 ستمبر 2025 کو ختم ہونے والی سہ ماہی اور نو ماہی کے غیر آڈٹ شدہ عبوری غیر مدغم شدہ مالیاتی گوشوارے پیش کرتے ہیں۔

### معیشت:

پاکستان کی معیشت کا بحالی سے ترقی کا سفر جاری ہے، جہاں اہم معاشی اشاریے حالیہ سیلاب کے باوجود مثبت سمت میں بڑھ رہے ہیں، مہنگائی میں کمی، بیرونی ذخائر میں بہتری، مالی خسارے پر قابو پانے، لارج اسکیل مینوفیکچرنگ (LSM) کی ترقی اور مارکیٹ کے اعتماد میں اضافہ اس کی عکاسی کرتے ہیں۔ آئی ایم ایف کے ساتھ حالیہ اسٹاف لیول ایگریمنٹ کے بعد پاکستان کے EFF پروگرام کا نفاذ، مالی نظم و ضبط کو مضبوط بنانے، توانائی کے شعبے کی بحالی اور انتظامی اصلاحات کے فروغ کے لیے کلیدی حیثیت رکھتا ہے۔

ترقی کی شرح 3.25 سے 4.25 فیصد کی حد میں رہنے کی توقع ہے۔ مہنگائی کی شرح 5 سے 7 فیصد والے قلیل مدتی ہدف سے زیادہ رہنے کا امکان ہے، جس کی بنیادی وجوہات میں سیلاب سے پیدا ہونے والی ترسیل میں رکاوٹیں، اجناس کی قیمتوں میں اتار چڑھاؤ اور انرجی ٹیرف میں ممکنہ ایڈجسٹمنٹ شامل ہیں۔ لارج اسکیل مینوفیکچرنگ (LSM) میں بحالی، سیمنٹ کی فروخت، آٹوموبائل پیداوار اور متعلقہ صنعتوں میں حوصلہ افزا رجحانات آئندہ مدت میں صنعتی سرگرمیوں کی مضبوطی کی نشاندہی کرتے ہیں۔ بیرونی شعبہ کے مستحکم رہنے کی توقع ہے اور درآمدی طلب میں ممکنہ اضافہ کے باوجود کرنٹ اکاؤنٹ خسارہ قابو میں رہنے کی امید ہے۔ پالیسی کے تسلسل کو برقرار رکھنا، مالی استحکام پر توجہ دینا، زرمبادلہ کے ذخائر کو مضبوط بنانا، توانائی کے شعبے کی بحالی اور اصلاحاتی ایجنڈے کو آگے بڑھانا گزیرے ہیں جو کہ طویل المدتی معاشی ترقی کو برقرار رکھنے اور مستقبل کے معاشی بحرانوں پر قابو پانے میں معیشت کے استحکام کے لیے کلیدی عوامل ہیں۔

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

		(Un-audited) September 30, 2025	(Audited) December 31, 2024
	Note	----- Rupees in '000 -----	
<b>ASSETS</b>			
Cash and balances with treasury banks	6	124,801,019	133,505,285
Balances with other banks	7	14,628,176	10,776,034
Lendings to financial institutions	8	10,564,339	4,567,619
Investments	9	1,968,539,179	1,509,745,761
Advances	10	545,581,107	695,758,143
Property and equipment	11	23,396,748	21,796,057
Right-of-use assets	12	13,308,635	12,161,484
Intangible assets	13	1,848,993	1,839,788
Assets held for sale	14	-	1,750,000
Deferred tax assets	21	-	-
Other assets	15	124,690,736	106,474,034
<b>Total Assets</b>		<b>2,827,358,932</b>	<b>2,498,374,205</b>
<b>LIABILITIES</b>			
Bills payable	16	17,473,176	66,704,448
Borrowings	17	1,068,712,174	869,212,410
Deposits and other accounts	18	1,515,228,965	1,363,735,115
Lease liabilities	19	15,858,563	14,136,598
Subordinated debts	20	6,000,000	12,000,000
Deferred tax liabilities	21	7,179,501	734,350
Other liabilities	22	55,507,758	50,222,725
<b>Total Liabilities</b>		<b>2,685,960,137</b>	<b>2,376,745,646</b>
<b>NET ASSETS</b>		<b>141,398,795</b>	<b>121,628,559</b>
<b>REPRESENTED BY</b>			
Share capital		14,492,992	14,492,992
Reserves		88,413,063	74,574,030
Surplus on revaluation of assets - net of tax	23	24,120,100	16,235,737
Unappropriated profit		14,372,640	16,325,800
		<b>141,398,795</b>	<b>121,628,559</b>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	24		

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

Chief Financial Officer

President & Chief Executive Officer

Director

Director

Chairman

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

		Quarter ended		Period ended	
		September 30, 2025	September 30, 2024 (Restated)	September 30, 2025	September 30, 2024 (Restated)
	Note	----- Rupees in '000 -----			
Mark-up / return / interest earned	26	76,529,292	105,264,607	225,089,409	311,689,864
Mark-up / return / interest expensed	27	53,723,044	86,403,324	159,820,454	267,384,750
Net mark-up / interest income		22,806,248	18,861,283	65,268,955	44,305,114
<b>NON MARK-UP / INTEREST INCOME</b>					
Fee and commission income	28	2,349,383	1,607,302	5,610,286	5,064,684
Dividend income		248,459	145,649	707,792	679,605
Foreign exchange income		1,566,655	1,159,558	3,311,527	3,574,024
Income / (loss) from derivatives		-	-	-	-
Gain on securities	29	2,062,593	425,303	3,024,395	1,321,631
Net gains/(loss) on derecognition of financial assets measured at amortised cost		-	-	-	-
Other income	30	100,065	154,689	416,669	366,817
Total non-markup / interest income		6,327,155	3,492,501	13,070,669	11,006,761
Total income		29,133,403	22,353,784	78,339,624	55,311,875
<b>NON MARK-UP / INTEREST EXPENSES</b>					
Operating expenses	31	13,163,536	8,980,917	33,686,588	25,906,376
Workers' Welfare Fund		185,000	135,000	475,000	405,000
Other charges	32	17,559	55,113	20,862	64,385
Total non-markup / interest expenses		13,366,095	9,171,030	34,182,450	26,375,761
Profit before credit loss allowance		15,767,308	13,182,754	44,157,174	28,936,114
Credit loss allowance / provisions and write offs - net	33	171,562	1,685,520	806,930	1,231,728
Extraordinary / unusual items		-	-	-	-
<b>PROFIT BEFORE TAXATION</b>		15,595,746	11,497,234	43,350,244	27,704,386
Taxation	34	8,157,023	5,546,480	25,285,985	13,682,181
<b>PROFIT AFTER TAXATION</b>		7,438,723	5,950,754	18,064,259	14,022,205
----- Rupees -----					
<b>Basic and diluted earnings per share</b>	35	5.13	4.11	12.46	9.68

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

Chief Financial Officer

President & Chief Executive Officer

Director

Director

Chairman

**ASKARI BANK LIMITED**
**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**
**FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2025**

	Quarter ended		Period ended	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
	----- Rupees in '000 -----			
Profit after taxation for the period	7,438,723	5,950,754	18,064,259	14,022,205
<b>Other comprehensive income</b>				
<b>Items that may be reclassified to statement of profit and loss account in subsequent periods:</b>				
Effect of translation of net investment in Wholesale Bank Branch	(48,606)	(12,535)	54,705	(74,307)
Movement in surplus on revaluation of debt investments through FVOCI - net of tax	(912,512)	9,571,755	6,078,293	10,680,614
	(961,118)	9,559,220	6,132,998	10,606,307
<b>Items that will not be reclassified to statement of profit and loss account in subsequent periods:</b>				
Movement in surplus on revaluation of equity investments through FVOCI - net of tax	1,620,372	(22,811)	2,913,866	604,371
Remeasurement (loss) / gain on defined benefit obligation	-	-	(86,173)	367,245
	1,620,372	(22,811)	2,827,693	971,616
<b>Total comprehensive income</b>	<b>8,097,977</b>	<b>15,487,163</b>	<b>27,024,950</b>	<b>25,600,128</b>

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

Chief Financial Officer

President & Chief Executive Officer

Director

Director

Chairman

**ASKARI BANK LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY**  
**FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2025**

	Surplus / (deficit) on revaluation of						
	Share capital	Exchange translation reserve	Statutory reserve	General reserve	Investments	Property and equipment / Non banking assets	Un-appropriated profit
							Total
	----- Rupees in '000 -----						
<b>Balance as at January 1, 2024 (audited)</b>	14,492,992	1,912,226	17,748,529	38,078,900	(4,615,726)	10,825,685	14,782,290
<b>Total comprehensive income for the nine month ended September 30, 2024</b>							
Profit after taxation for the nine month period ended September 30, 2024	-	-	-	-	-	-	14,022,205
Other comprehensive income - net of tax	-	(74,307)	-	-	11,284,985	-	367,245
	-	(74,307)	-	-	11,284,985	-	14,389,450
Transfer to statutory reserve	-	-	1,402,221	-	-	-	(1,402,221)
Transfer to general reserve	-	-	-	16,808,564	-	-	(16,808,564)
Gain on disposal of equity securities measured at FVOCI - net of tax	-	-	-	-	(199,541)	-	199,541
<b>Transactions with owners, recorded directly in equity</b>							
Final dividend 2023: Rs. 2.5 per share	-	-	-	-	-	-	(3,623,248)
<b>Balance as at September 30, 2024 (un-audited) - restated</b>	14,492,992	1,837,919	19,150,750	54,887,464	6,469,718	10,825,685	7,537,248
<b>Total comprehensive income for the three month period ended December 31, 2024</b>							
Profit after taxation for the three month period ended December 31, 2024	-	-	-	-	-	-	7,000,466
Other comprehensive income - net of tax	-	24,125	-	-	(1,179,182)	142,282	439,092
	-	24,125	-	-	(1,179,182)	142,282	7,439,558
Transfer to statutory reserve	-	-	700,046	-	-	-	(700,046)
Transfer to general reserve	-	-	-	(2,026,274)	-	-	2,026,274
Gain on disposal of equity instruments measured at FVOCI - net of tax	-	-	-	-	(22,766)	-	22,766
<b>Balance as at December 31, 2024 (audited)</b>	14,492,992	1,862,044	19,850,796	52,861,190	5,267,770	10,967,967	16,325,800
Effect of remeasurement on adoption of IFRS9 (net of tax)	-	-	-	-	432,400	-	-
Effect of adoption of IFRS9 - ECL (net of tax)	-	-	-	-	-	-	(440,618)
<b>Balance as at January 1, 2025 (restated)</b>	14,492,992	1,862,044	19,850,796	52,861,190	5,700,170	10,967,967	15,885,182
<b>Total comprehensive income for the nine month period ended September 30, 2025</b>							
Profit after taxation for the nine month period ended September 30, 2025	-	-	-	-	-	-	18,064,259
Other comprehensive income - net of tax	-	54,705	-	-	8,992,159	-	(86,173)
	-	54,705	-	-	8,992,159	-	17,978,086
Transfer to statutory reserve	-	-	1,806,426	-	-	-	(1,806,426)
Transfer to general reserve	-	-	-	11,977,902	-	-	(11,977,902)
Transfer from surplus on revaluation of property and equipment to unappropriated profit - net of tax	-	-	-	-	-	(980,987)	980,987
Gain on disposal of equity securities measured at FVOCI - net of tax	-	-	-	-	(559,209)	-	559,209
Transfer to General reserve	-	-	-	-	-	-	-
<b>Transactions with owners, recorded directly in equity</b>							
Final dividend 2024: Rs. 3 per share	-	-	-	-	-	-	(4,347,898)
Interim dividend 2025: Rs. 2 per share	-	-	-	-	-	-	(2,898,598)
<b>Balance as at September 30, 2025 (un-audited)</b>	14,492,992	1,916,749	21,657,222	64,839,092	14,133,120	9,986,980	14,372,640

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

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

		Period ended	
		September 30, 2025	September 30, 2024
Note		----- Rupees in '000 -----	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit before taxation		43,350,244	27,704,386
Less: Dividend income		(707,792)	(679,605)
		42,642,452	27,024,781
Adjustments:			
Depreciation		1,389,011	990,494
Amortization		169,979	163,646
Depreciation on right-of-use assets		1,763,520	1,642,294
Finance charges on leased assets		1,434,539	1,076,507
Gain on termination of lease contracts		(23,149)	(31,978)
Charge for defined benefit plan		625,864	457,748
Credit loss allowance and write offs		897,606	1,271,412
Unrealised gain on revaluation of securities - FVTPL		(416,249)	(517,246)
Gain on sale of property and equipment		(32,581)	(10,563)
		5,808,540	5,042,314
		48,450,992	32,067,095
Decrease / (increase) in operating assets			
Lendings to financial institutions		(5,975,201)	(24,677,709)
Securities classified as FVTPL		2,293,082	(5,554,294)
Advances		155,044,656	159,645,073
Other assets (excluding advance taxation)		(21,121,444)	(51,873,793)
		130,241,093	77,539,277
Increase / (decrease) in operating liabilities			
Bills payable		(49,231,272)	(2,827,228)
Borrowings from financial institutions		199,499,764	41,772,506
Deposits		151,493,850	113,416,004
Other liabilities		3,997,788	(4,392,982)
		305,760,130	147,968,300
		484,452,215	257,574,672
Payment made to defined benefit plan		(60,172)	(154,600)
Income tax paid		(26,084,213)	(17,221,100)
<b>Net cash flow from operating activities</b>		<b>458,307,829</b>	<b>240,198,972</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Net investments in securites classified as FVOCI		(439,654,301)	(287,505,794)
Net investments in amortized cost securities		(877,196)	7,495,932
Amount received on disposal of assets held for sale		1,308,750	-
Dividend received		686,511	613,323
Investments in property and equipment		(3,016,156)	(2,504,586)
Investment made in subsidiary		-	(1,000,000)
Investments in intangible assets		(179,137)	(200,890)
Disposals of property and equipment		59,139	22,509
Effect of translation of net investment in Wholesale Bank Branch		54,705	(74,307)
<b>Net cash flow used in investing activities</b>		<b>(441,617,685)</b>	<b>(283,153,813)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Payments of lease obligation against right-of-use assets		(2,610,974)	(2,097,172)
Payment of subordinated debt		(6,000,000)	-
Dividend paid		(7,167,655)	(3,585,159)
<b>Net cash flow used in financing activities</b>		<b>(21,778,629)</b>	<b>(5,682,331)</b>
<b>Decrease in cash and cash equivalents</b>		<b>(5,088,485)</b>	<b>(48,637,172)</b>
Cash and cash equivalents at beginning of the period		144,281,319	173,876,425
Cash and cash equivalents at end of the period		139,192,834	125,239,253

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

Chief Financial Officer

President & Chief Executive Officer

Director

Director

Chairman

## **ASKARI BANK LIMITED**

### **NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2025**

#### **1 STATUS AND NATURE OF BUSINESS**

Askari Bank Limited (the Bank) was incorporated in Pakistan on October 9, 1991 as a Public Limited Company and is listed on the Pakistan Stock Exchange. The registered office of the Bank is situated at AWT Plaza, the Mall, Rawalpindi. The Bank is a scheduled commercial bank and is principally engaged in the business of banking as defined in the Banking Companies Ordinance, 1962. The Fauji Consortium: comprising of Fauji Foundation (FF) and Fauji Fertilizer Company Limited (FFCL) collectively own 71.91 (2024: 71.91 ) percent shares of the Bank. The ultimate parent of the Bank is Fauji Foundation. The Bank has 729 branches (2024: 720 branches); 728 (2024: 719) in Pakistan and Azad Jammu and Kashmir including 270 (2024: 198) Islamic Banking branches and 62 (2024: 68) sub-branches and a Wholesale Bank Branch (WBB) in the Kingdom of Bahrain. The Pakistan Credit Rating Agency (PACRA) has assigned long term rating of AA+ and short term rating of A1+ to the Bank with stable outlook.

#### **2 BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE**

##### **2.1 BASIS OF PREPARATION**

- 2.1.1** These unconsolidated condensed interim financial statements represent separate financial statements of the Bank in which investment in subsidiaries is accounted for on the basis of cost less accumulated impairment losses, if any.
- 2.1.2** The Islamic banking branches of the Bank have complied with the requirements as set out in the Islamic Financial Accounting Standards (IFAS), issued by the Institute of Chartered Accountants of Pakistan (ICAP) as are notified under the provisions of Companies Act, 2017. Key financial figures of the Islamic Banking Branches are disclosed in note 40 to these unconsolidated condensed interim financial statements.
- 2.1.3** These unconsolidated condensed interim financial statements have been prepared under the historical cost convention except that certain class of property and equipment and non-banking assets acquired in satisfaction of claims are stated at revalued amounts; investments classified at fair value through profit or loss and fair value through other comprehensive income are stated at fair value; staff loans, Temporary Economic Refinance Facilities (TERF) loans and corresponding borrowings from State Bank of Pakistan (SBP) are measured at fair value at initial recognition; and staff retirement benefits, lease liabilities and corresponding right-of-use assets are stated at present value, as disclosed in their respective notes.
- 2.1.4** The Bank believes that there is no significant doubt on the Bank's ability to continue as a going concern. Therefore, these unconsolidated condensed interim financial statements have been prepared on a going concern basis.
- 2.1.5** These unconsolidated condensed interim financial statements have been presented in Pak Rupees, which is the Bank's functional and presentation currency. The figures have been rounded off to the nearest thousand rupees, unless otherwise stated.

## **2.2 STATEMENT OF COMPLIANCE**

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

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

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

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

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

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

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Bank's accounting periods beginning on or after January 1, 2025 but are considered not to be relevant or do not have any material effect on the Bank's financial statements and therefore are not detailed in these unconsolidated condensed interim financial statements. The impact of IFRS 9 for the current period is disclosed in note 3.1.3 to these unconsolidated condensed interim financial statements. Further, the comparative period has been restated to incorporate the impact of adoption of IFRS 9 as disclosed in note 3.1.1 to these unconsolidated condensed interim financial statements.



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

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Bank's accounting periods beginning on or after January 1, 2026 but are considered not to be relevant or do not have any material effect on the Bank's financial statements except for:

- IFRS 18 'Presentation and Disclosure in Financial Statements' (published in April 2024) with applicability date of January 1, 2027 by IASB. IFRS 18 is yet to be adopted in Pakistan. IFRS 18 when adopted and applicable shall impact the presentation of 'Statement of Profit and Loss Account' with certain additional disclosures in the unconsolidated condensed interim financial statements.
- amendments to IFRS 9 'Financial Instruments' which clarify the date of recognition and derecognition of a financial asset or financial liability including settlement of liabilities through banking instruments and channels including electronic transfers. The amendment when applied may impact the timing of recognition and derecognition of financial liabilities.
- amendment to IAS 21 'The Effects of Changes in Foreign Exchange Rates' which will require Banks to apply a consistent approach in assessing whether a currency can be exchanged into another currency and, when it cannot, in determining the exchange rate to use and the disclosures to provide.

## 3 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the preparation of these unconsolidated condensed interim financial statements are consistent with those applied in the preparation of the annual audited unconsolidated financial statements of the Bank for the year ended December 31, 2024. Impacts of adoption of IFRS 9 for comparative and current period are disclosed in note 3.1 below.

### 3.1 IFRS 9 - Financial Instruments

#### 3.1.1 The Bank had adopted IFRS 9 effective from January 1, 2024 with modified retrospective approach for restatement permitted under IFRS 9. The cumulative impact of initial application amounting to Rs. 3,897,926 thousand was recorded as an adjustment to equity at the beginning of the previous accounting period.

The Bank, in compliance with extended timelines prescribed in SBP's BPRD Circular Letter No. 16 dated July 29, 2024 and BPRD Circular Letter No. 1 dated January 22, 2025 had incorporated certain IFRS 9 related impacts in the last quarter of 2024. Therefore, the unconsolidated condensed interim statement of profit and loss account (un-audited) for the nine month period ended September 30, 2024 have been restated to incorporate these impacts. The details are tabulated below:

Financial statement line item	Without impact of restatement	Effect of restatement	As presented	Description
	----- Rupees in '000 -----			
Mark-up/ return/ interest earned	309,818,298	1,871,566	311,689,864	Fair value impact of subsidised advances and staff loans
Other income	328,044	38,773	366,817	Amortisation of deferred grant on subsidised refinance loans
Mark-up/ return/ interest expense	(266,641,547)	(743,203)	(267,384,750)	Fair value impact of subsidised borrowings
Operating expenses	(24,739,240)	(1,167,136)	(25,906,376)	Fair value impact of staff loans
Profit before taxation	27,704,386	-	27,704,386	

- 3.1.2** The SBP in a separate instruction BPRD/RPD/822456/25 dated January 22, 2025 has allowed extension for application of Effective Interest Rate upto December 31, 2025.
- 3.1.3** During the current period, in compliance with BPRD Circular No. 03 of 2022 dated July 5, 2022, and BPRD Circular Letter No. 16 dated July 29, 2024, the Bank has applied IFRS 9 'Financial Instruments' for the measurement of unquoted equity securities at fair value and for the calculation of Expected Credit Loss (ECL) on Exposure At Default (EAD) of revolving credit products beyond their contractual maturity dates. The respective impacts, net of tax, amounting to Rs. 432,400 thousand and Rs. 440,618 thousand, have been recognized as an adjustment to equity at the beginning of the current period.
- 3.1.4** The SBP has directed the Banks through its BPRD Circular Letter No. 1 dated January 22, 2025 to continue the existing revenue recognition methodology for Islamic Operations, including the requirements of IFAS 1 and IFAS 2 until further instructions. Had IFRS 9 been adopted in its entirety for revenue recognition from Islamic operations, the revenue of the Bank would have been higher by Rs. 889,850 thousand.

#### **4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS**

The basis for accounting estimates adopted in the preparation of these unconsolidated condensed interim financial statements are same as that applied in the preparation of the annual audited unconsolidated financial statements for the year ended December 31, 2024, except for matters related to IFRS 9 which have been disclosed in note 3.1 to these unconsolidated condensed interim financial statements.

#### **5 FINANCIAL RISK MANAGEMENT**

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

			(Un-audited) September 30, 2025	(Audited) December 31, 2024
<b>6 CASH AND BALANCES WITH TREASURY BANKS</b>	<b>Note</b>		----- Rupees in '000 -----	
<b>In hand:</b>				
Local currency			27,762,669	35,295,829
Foreign currencies			4,427,442	3,718,788
			<u>32,190,111</u>	<u>39,014,617</u>
<b>With State Bank of Pakistan in</b>				
Local currency current accounts			69,192,307	72,316,040
Foreign currency current account			7,349,633	7,421,460
Foreign currency deposit account			12,895,726	13,685,296
			<u>89,437,666</u>	<u>93,422,796</u>
<b>With National Bank of Pakistan in</b>				
Local currency current accounts			3,153,434	1,028,257
Prize Bonds			22,436	39,615
Less: Credit loss allowance held against cash and balances with treasury banks			(2,628)	-
Cash and balances with treasury banks - net of credit loss allowance			<u>124,801,019</u>	<u>133,505,285</u>
<b>7 BALANCES WITH OTHER BANKS</b>				
<b>In Pakistan</b>				
In current accounts			931,490	112,378
<b>Outside Pakistan</b>				
In current accounts			6,393,416	1,908,941
In deposit accounts			7,303,975	8,756,105
			<u>13,697,391</u>	<u>10,665,046</u>
Less: Credit loss allowance held against balances with other banks			(706)	(1,390)
Balances with other banks - net of credit loss allowance			<u>14,628,176</u>	<u>10,776,034</u>
<b>8 LENDINGS TO FINANCIAL INSTITUTIONS</b>				
Call / clean money lendings			-	1,500,000
Repurchase agreement lendings (Reverse Repo)			2,999,400	-
Bai Muajjal receivable - other financial institutions			-	3,068,218
Placements with financial institutions			7,566,310	-
Purchase under resale arrangement of equity securities			37,152	59,443
			<u>10,602,862</u>	<u>4,627,661</u>
Less: Credit loss allowance held against lending to financial institutions	8.1		(38,523)	(60,042)
Lendings to financial institutions - net of credit loss allowance			<u>10,564,339</u>	<u>4,567,619</u>

			September 30, 2025 (Un-audited)		December 31, 2024 (Audited)	
			Lending	Credit Loss Allowance Held	Lending	Credit Loss Allowance Held
<b>8.1 Lendings To Financial Institutions - particulars of credit loss allowance</b>						
					----- Rupees in '000 -----	
<b>Domestic</b>						
Performing	Stage 1	2,999,400	1,371	4,568,218	599	
Non-performing	Stage 3					
Loss		37,152	37,152	59,443	59,443	
		<u>3,036,552</u>	<u>38,523</u>	<u>4,627,661</u>	<u>60,042</u>	
<b>Overseas</b>						
Performing	Stage 1	7,566,310	-	-	-	
		<u>10,602,862</u>	<u>38,523</u>	<u>4,627,661</u>	<u>60,042</u>	

**9 INVESTMENTS**

September 30, 2025 (Un-audited)				December 31, 2024 (Audited)			
Cost / amortized cost	Credit Loss allowance	Surplus / (deficit)	Carrying value	Cost / amortized cost	Credit Loss allowance	Surplus / (deficit)	Carrying value

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

**9.1 Investments by type:**

**FVTPL**

Ordinary shares	1,215,641	-	23,315	1,238,956	447,406	-	18,400	465,806
Units of open end mutual funds	1,781,063	-	1,584,358	3,365,421	1,781,063	-	1,158,946	2,940,009
Federal Government Securities	606,813	-	-	606,813	3,668,096	-	-	3,668,096
Non Government Debt Securities	4,603,773	-	(1,111,970)	3,491,803	4,603,807	-	(1,086,134)	3,517,673
	8,207,290	-	495,703	8,702,993	10,500,372	-	91,212	10,591,584

**FVOCI**

Federal Government Securities	1,864,373,273	(65,656)	19,346,527	1,883,654,144	1,422,059,838	(406,352)	6,686,981	1,428,340,467
Shares	4,850,664	-	10,120,848	14,971,512	4,952,578	-	4,317,609	9,270,187
Fully paid preference shares	27,314	-	(2,914)	24,400	27,314	-	(3,825)	23,489
Non Government Debt Securities	9,527,887	(377,813)	(20,460)	9,129,614	10,920,088	(380,124)	(26,243)	10,513,721
	1,878,779,138	(443,469)	29,444,001	1,907,779,670	1,437,959,818	(786,476)	10,974,522	1,448,147,864

**Amortised cost**

Federal Government Securities	50,880,416	(20,600)	-	50,859,816	49,999,401	(189,788)	-	49,809,613
Non Government Debt Securities	106,181	(106,181)	-	-	110,000	(110,000)	-	-
	50,986,597	(126,781)	-	50,859,816	50,109,401	(299,788)	-	49,809,613

**Subsidiaries**

	1,196,700	-	-	1,196,700	1,196,700	-	-	1,196,700
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**Total investments**

	1,939,169,725	(570,250)	29,939,704	1,968,539,179	1,499,766,291	(1,086,264)	11,065,734	1,509,745,761
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		(Un-audited) September 30, 2025	(Audited) December 31, 2024
(Rupees in '000)			
<b>9.1.1 Investments given as collateral</b>			
The market value of investments given as collateral is;			
Market Treasury Bills		-	2,353,915
Pakistan Investment Bonds		884,426,330	701,101,750
Shares		308,787	247,544
		<u>884,735,117</u>	<u>703,703,209</u>

## 9.2 Summary of financial information of subsidiaries

		As at September 30, 2025				For the nine month period ended September 30, 2025		
		Country of incorporation	Holding	Assets	Liabilities	Revenue / Income	Profit / (loss) after tax	Total comprehensive income for the period
		----- Rupees in '000 -----						
Foundation Securities (Private) Limited	Note 9.2.1	Pakistan	51%	5,189,688	3,981,934	743,411	223,929	224,713
Askari Currency Exchange (Private) Limited	9.2.2	Pakistan	100%	1,361,924	394,144	99,232	(46,821)	(46,821)

		As at December 31, 2024				For the nine month period ended September 30, 2024		
		Country of incorporation	Holding	Assets	Liabilities	Revenue / Income	Profit after tax	Total comprehensive income for the period
		----- Rupees in '000 -----						
Foundation Securities (Private) Limited		Pakistan	51%	4,202,065	3,143,058	542,186	149,384	149,384
Askari Currency Exchange (Private) Limited		Pakistan	100%	1,154,057	134,082	36,200	11,050	11,050

**9.2.1** Foundation Securities (Private) Limited (FSL), was incorporated in Pakistan as a Private Limited Company on January 18, 2005, under the Companies Ordinance, 1984 (repealed with the enactment of the Companies Act, 2017) and its registered office is situated at Ground Floor, Bahria Complex II, M.T. Khan Road, Karachi - 74000. FSL is a Trading Right Entitlement Certificate (TREC) holder of the Pakistan Stock Exchange Limited (PSX) and a corporate member of Pakistan Mercantile Exchange Limited. FSL is principally engaged in the business of equity and commodities brokerage, equity research and corporate financial advisory services.

**9.2.2** Askari Currency Exchange (Private) Limited (ACEL) was incorporated in Pakistan as a Private Limited Company on April 19, 2024, under the Companies Act 2017 (XIX of 2017). ACEL is principally engaged in currency exchange services and its registered address is situated at Ground Floor, Old Building, Marine Trade Centre, Kehkashan Block 9, Clifton, Karachi 75600.

	(Un-audited) September 30, 2025	(Audited) December 31, 2024
	----- Rupees in '000 -----	
<b>9.3 Credit loss allowance for diminution in value of investments</b>		
<b>9.3.1</b> Opening balance	1,086,264	3,352,687
Impact of adoption of IFRS 9	-	(833,466)
Balance as of January 01,	1,086,264	2,519,221
Exchange adjustments	-	(1,372)
Charge / (reversals) - net		
Reversal for the period / year	(516,014)	(533,128)
Transfer of provision to revaluation surplus	-	(898,457)
	(516,014)	(1,431,585)
Closing balance	570,250	1,086,264

#### 9.3.2 Particulars of credit loss allowance against debt securities

		September 30, 2025 (Un-audited)		December 31, 2024 (Audited)	
		Outstanding Amount	Credit loss allowance held	Outstanding Amount	Credit loss allowance held
----- Rupees in '000 -----					
<b>Domestic</b>					
Performing	Stage 1	1,696,056	7,065	2,418,507	7,934
Non-performing	Stage 3				
Loss		476,929	476,929	482,190	482,190
Total		2,172,985	483,994	2,900,697	490,124
<b>Overseas</b>					
Performing	Stage 1	14,748,776	86,256	9,841,923	596,140
Total		16,921,761	570,250	12,742,620	1,086,264

**9.4** The market value of securities classified as amortized cost as at September 30, 2025 is Rs. 49,629,473 thousand (December 31, 2024: Rs. 47,100,000 thousand).

# 10 ADVANCES

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

Advances - net of credit loss allowance

Performing		Non Performing		Total	
(Un-audited) September 30, 2025	(Audited) December 31, 2024	(Un-audited) September 30, 2025	(Audited) December 31, 2024	(Un-audited) September 30, 2025	(Audited) December 31, 2024
----- Rupees in '000 -----					
440,302,542	614,976,447	27,293,992	27,639,228	467,596,534	642,615,675
92,580,404	67,351,156	4,909,518	4,455,351	97,489,922	71,806,507
17,083,917	16,316,956	2,102,162	2,334,069	19,186,079	18,651,025
549,966,863	698,644,559	34,305,672	34,428,648	584,272,535	733,073,207
(1,089,724)	(1,140,828)	-	-	(1,089,724)	(1,140,828)
(4,757,634)	(3,893,372)	-	-	(4,757,634)	(3,893,372)
-	-	(32,844,070)	(32,280,864)	(32,844,070)	(32,280,864)
(5,847,358)	(5,034,200)	(32,844,070)	(32,280,864)	(38,691,428)	(37,315,064)
544,119,505	693,610,359	1,461,602	2,147,784	545,581,107	695,758,143

## 10.1 Particulars of advances (gross)

In local currency  
In foreign currencies

(Un-audited) September 30, 2025	(Audited) December 31, 2024
----- Rupees in '000 -----	
535,669,818	676,990,695
48,602,717	56,082,512
584,272,535	733,073,207

10.2 Advances include amount of Rs. 34,305,672 (2024: 34,428,648) thousand which have been placed under non-performing status / stage 3 as detailed below:

### Category of classification (Stage 3)

Domestic  
Other Assets Especially Mentioned (OAEM)  
Substandard  
Doubtful  
Loss

September 30, 2025 (Un-audited)		December 31, 2024 (Audited)	
Non Performing Loans	Credit loss Allowance	Non Performing Loans	Credit loss Allowance
----- Rupees in '000 -----			
100,186	47,400	141,213	85,324
3,011,871	2,035,111	3,149,887	2,060,417
716,654	629,421	2,217,365	1,564,045
30,476,961	30,132,138	28,920,183	28,571,078
34,305,672	32,844,070	34,428,648	32,280,864

## 10.3 Particulars of credit loss allowance against advances

Opening balance  
Impact of adoption of IFRS-9  
Balance as at January 01  
Charge for the period  
Reversal for the period

Closing balance

September 30, 2025 (Un-audited)			
Stage 1	Stage 2	Stage 3	Total
----- Rupees in '000 -----			
1,140,828	3,893,372	32,280,864	37,315,064
211,322	601,514	-	812,836
1,352,150	4,494,886	32,280,864	38,127,900
228,813	378,239	1,755,695	2,362,746
(491,239)	(115,491)	(1,192,489)	(1,799,218)
(262,426)	262,748	563,206	563,528
1,089,724	4,757,634	32,844,070	38,691,428

Opening balance (including impact of adoption of IFRS 9)  
Charge for the year  
Reversal for the year

Amounts written off  
Closing balance

December 31, 2024 (Audited)			
Stage 1	Stage 2	Stage 3	Total
----- Rupees in '000 -----			
3,533,735	6,801,929	27,783,828	38,119,492
2,168,486	7,121,410	7,338,185	16,628,081
(4,561,393)	(10,029,967)	(2,470,141)	(17,061,501)
(2,392,907)	(2,908,557)	4,868,044	(433,420)
-	-	(371,008)	(371,008)
1,140,828	3,893,372	32,280,864	37,315,064

#### 10.4 Advances - particulars of credit loss allowance

September 30, 2025 (Un-audited)			
	Stage 1	Stage 2	Stage 3
	----- Rupees in '000 -----		
Opening balance	1,140,828	3,893,372	32,280,864
Impact of adoption of IFRS-9	211,322	601,514	-
Balance as at January 01	1,352,150	4,494,886	32,280,864
New Advances	60,528	71,468	1,470,198
Advances repaid	(374,507)	(15,611)	(1,190,806)
Transfer to / from stage 1	(116,732)	111,247	5,485
Transfer to / from stage 2	7,787	(99,879)	92,092
Transfer to / from stage 3	362	1,320	(1,682)
	(422,561)	68,544	375,287
Amounts written off / charged off	-	-	-
Changes in risk parameters	160,135	194,204	187,919
Closing balance	1,089,724	4,757,634	32,844,070

December 31, 2024 (Audited)			
	Stage 1	Stage 2	Stage 3
	----- Rupees in '000 -----		
Opening balance (including impact of adoption of IFRS 9)	3,533,735	6,801,929	27,783,828
New Advances	2,105,443	6,904,728	336,939
Advances repaid	(1,307,334)	(2,406,833)	(2,339,326)
Transfer to / from stage 1	63,043	(63,043)	-
Transfer to / from stage 2	(213,952)	216,681	(2,730)
Transfer to / from stage 3	(304,459)	(6,696,787)	7,001,246
	342,742	(2,045,253)	4,996,129
Amounts written off / charged off	-	-	(371,008)
Changes in risk parameters	(2,735,649)	(863,304)	(128,086)
Closing balance	1,140,828	3,893,372	32,280,864

#### 10.5 Advances - category of classification

		September 30, 2025 (Un-audited)		December 31, 2024 (Audited)	
		Outstanding amount	Credit Loss Allowance Held	Outstanding amount	Credit Loss Allowance Held
----- Rupees in '000 -----					
<b>Domestic</b>					
Performing	Stage 1	412,023,355	1,067,137	638,486,393	1,140,828
Underperforming	Stage 2	133,161,114	4,757,634	57,255,844	3,889,224
Non-Performing	Stage 3				
Other assets especially mentioned (OAEM)		100,186	47,400	141,213	85,324
Substandard		3,011,871	2,035,111	3,149,887	2,060,417
Doubtful		716,654	629,421	2,217,365	1,564,045
Loss		30,476,961	30,132,138	28,920,183	28,571,078
		34,305,672	32,844,070	34,428,648	32,280,864
Sub Total		579,490,141	38,668,841	730,170,885	37,310,916
<b>Overseas</b>					
Performing	Stage 1	4,782,394	22,587	-	-
Underperforming	Stage 2	-	-	2,902,322	4,148
Total		584,272,535	38,691,428	733,073,207	37,315,064

#### 11 PROPERTY AND EQUIPMENT

		(Un-audited)		(Audited)	
		September 30, 2025		December 31, 2024	
----- Rupees in '000 -----					
Capital work-in-progress	Note	11.1	1,282,036	822,004	
Property and equipment			22,114,712	20,974,053	
			23,396,748	21,796,057	

11.1 This represents advances to suppliers and contractors.



		Nine month period ended (Un-audited)	
		September 30, 2025	September 30, 2024
		----- Rupees in '000 -----	
<b>11.2</b>	<b>Additions to property and equipment</b>		
The following additions have been made to property and equipment during the period:			
	<b>Capital work-in-progress</b>	1,010,839	458,008
	<b>Property and equipment</b>		
	Renovation of premises	591,441	558,333
	Furniture, fixtures and office equipment	508,898	346,242
	Machine and equipment	856,081	909,340
	Computer equipment	497,476	543,675
	Vehicles	102,228	47,012
		2,556,124	2,404,602
	<b>Total</b>	<b>3,566,963</b>	<b>2,862,610</b>
<b>11.3</b>	<b>Disposal of property and equipment</b>		
The net book value of property and equipment disposed off during the period is as follows:			
	Renovation of premises	2,953	1,491
	Furniture, fixtures and office equipment	5,611	5,709
	Machine and equipment	3,445	2,386
	Computer equipment	238	49
	Vehicles	14,311	2,310
	<b>Total</b>	<b>26,558</b>	<b>11,945</b>
		(Un-audited) September 30, 2025	(Audited) December 31, 2024
<b>12</b>	<b>RIGHT-OF-USE ASSETS</b>	----- Rupees in '000 -----	
	Net carrying amount at January 1,	12,161,484	8,312,812
	Additions during the period / year	3,210,672	6,226,708
	Depreciation for the period / year	(1,763,520)	(2,257,101)
	Deletions and other adjustments	(300,000)	(120,935)
	<b>Net carrying amount at period / year end</b>	<b>13,308,635</b>	<b>12,161,484</b>
<b>13</b>	<b>INTANGIBLE ASSETS</b>		
	Computer software	1,385,858	1,412,153
	Capital work-in-progress	463,135	427,635
		<b>1,848,993</b>	<b>1,839,788</b>

		Nine month period ended (Un-audited)	
		September 30, 2025	September 30, 2024
		----- Rupees in '000 -----	
<b>13.1 Additions to intangible assets</b>			
The following additions have been made to intangible assets during the period:			
Capital work in progress		119,993	105,919
Directly Purchased		143,637	170,521
		<u>263,630</u>	<u>276,440</u>

- 14** The Bank has sold its land located at Haider Road, Rawalpindi during the current reporting period which was previously classified under non-current assets held for sale. The process of transfer of title is in process and is expected to be complete before the end of this year.

		(Un-audited) September 30, 2025	(Audited) December 31, 2024
		----- Rupees in '000 -----	
<b>15 OTHER ASSETS</b>			
Income / mark-up accrued in local currency		90,317,646	65,672,589
Income / mark-up accrued in foreign currencies		1,398,054	1,100,279
Advances, deposits, advance rent and other prepayments	15.1	7,995,392	6,945,338
Advance taxation		5,509,365	7,998,597
Deferred cost on recognition of loan at fair value	15.2	4,542,544	4,931,905
Non-banking assets acquired in satisfaction of claims		371,737	388,891
Receivable against trading of securities		-	5,161
Stationary and stamps in hand		379,385	162,096
Receivable from defined benefit plan		14,168	424,395
Dividend receivable		24,069	2,788
Margin against stand by letter of credit (SBLC)		159,504	1,056,666
Acceptances		11,719,365	16,916,015
Others		2,126,588	709,831
		<u>124,557,817</u>	<u>106,314,551</u>
Less: Credit loss allowance / provision held against other assets	15.3	<u>(469,311)</u>	<u>(442,747)</u>
Other assets - net of credit loss allowance / provision		124,088,506	105,871,804
Surplus on revaluation of non-banking assets acquired in satisfaction of claims		602,230	602,230
Other assets - total		<u>124,690,736</u>	<u>106,474,034</u>

- 15.1** This includes the prepaid employment benefit recognized in connection with concessional staff facilities provided to employees. These facilities have been recognized at fair value on the date of disbursement due to the adoption of IFRS 9 as applicable in Pakistan. The resultant benefit arising from these concessional facilities is subsequently accounted for under IAS 19 Employee Benefits. The prepaid employee benefit is amortized in a manner that reflects the concessional facilities' income recognition. The current period amortization of prepaid employee benefit amounts to Rs. 1,298,906 thousand (Sep 30, 2024 : Rs. 1,167,136 thousand).

- 15.2** This represents deferred portion of fair value loss arisen on initial recognition of loan to PIA Holding Company Limited (PIAHCL). SBP through its circular BPRD/BRD/PIAHCL/733688-2024 dated August 01, 2024 has allowed staggering of such fair value impact over a period of 6 years at rates of 5%, 10%, 15%, 20%, 25%, and 25% from year 1 to year 6. Accordingly, 10% is being amortized during the current year (December 31, 2024: 5%).

		(Un-audited) September 30, 2025	(Audited) December 31, 2024
		----- Rupees in '000 -----	
<b>15.3 Credit loss allowance / provision held against other assets</b>			
Advances, deposits, advance rent and other prepayments		4,838	4,838
Acceptances		314,303	285,239
Others		150,170	152,671
		<u>469,311</u>	<u>442,747</u>

	(Un-audited) September 30, 2025	(Audited) December 31, 2024
	----- Rupees in '000 -----	
<b>15.3.1 Movement in credit loss allowance / provision against other assets</b>		
Opening balance	442,747	185,104
Impact of ECL recognized on adoption of IFRS 9	-	431,571
	<u>442,747</u>	<u>616,675</u>
Charge / (reversal) for the period / year	26,563	(173,928)
Closing balance	<u>469,311</u>	<u>442,747</u>
<b>16 BILLS PAYABLE</b>		
In Pakistan	<u>17,473,176</u>	<u>66,704,448</u>
<b>17 BORROWINGS</b>		
<b>Secured</b>		
Borrowings from the State Bank of Pakistan under:		
Export refinance scheme	11,134,592	15,106,530
Long term financing facility	4,960,555	6,714,408
Financing facility for storage of agricultural produce	63,600	72,000
Renewable energy financing facility	3,569,658	3,663,688
Refinance from SBP		
- Credit guarantee scheme for women entrepreneurs	59,097	44,384
- Temporary economic refinance facility	6,028,834	7,029,796
- Modernization of SME	323,285	275,855
- Combating COVID-19	81,625	237,209
- Rupee based discounting of bills / receivable	3,666,743	3,689,838
- Special Persons	380	-
- Working Capital Financing	60,000	27,000
	<u>29,948,369</u>	<u>36,860,708</u>
Repurchase agreement borrowings		
State Bank of Pakistan	859,181,760	639,094,000
Financial institutions	20,997,000	64,095,350
	<u>880,178,760</u>	<u>703,189,350</u>
Refinance from Pakistan Mortgage Refinance Company	3,382,557	4,252,855
<b>Total secured</b>	<u>913,509,686</u>	<u>744,302,913</u>
<b>Unsecured</b>		
Call borrowings	153,559,540	124,908,650
Overdrawn nostro accounts	236,361	847
Others	1,406,587	-
<b>Total unsecured</b>	<u>155,202,488</u>	<u>124,909,497</u>
	<u>1,068,712,174</u>	<u>869,212,410</u>

## 18 DEPOSITS AND OTHER ACCOUNTS

### Customers

Current deposits  
Savings deposits  
Fixed deposits

September 30, 2025 (Un-audited)			December 31, 2024 (Audited)		
In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
----- Rupees in '000 -----					
452,781,004	34,530,169	487,311,173	359,434,878	28,984,351	388,419,229
801,526,389	65,058,476	866,584,865	751,303,278	72,565,181	823,868,459
105,934,163	31,915,747	137,849,910	101,964,430	29,497,256	131,461,686
1,360,241,556	131,504,392	1,491,745,948	1,212,702,586	131,046,788	1,343,749,374
1,143,847	640,554	1,784,401	1,562,301	236,526	1,798,827
11,364,453	36,163	11,400,616	9,768,414	-	9,768,414
10,298,000	-	10,298,000	8,418,500	-	8,418,500
22,806,300	676,717	23,483,017	19,749,215	236,526	19,985,741
1,383,047,856	132,181,109	1,515,228,965	1,232,451,801	131,283,314	1,363,735,115

### Financial institutions

Current deposits  
Savings deposits  
Fixed deposits

## 19 LEASE LIABILITIES

Outstanding amount at the start of the period / year  
Additions during the period / year  
Lease payments including interest  
Finance charges for the period / year  
Termination and other adjustments  
Outstanding amount at the end of the period / year

(Un-audited) September 30, 2025	(Audited) December 31, 2024
----- Rupees in '000 -----	
14,136,598	9,699,474
3,196,224	6,226,708
(2,610,974)	(3,309,401)
1,434,539	1,544,722
(297,823)	(24,905)
15,858,563	14,136,598

### 19.1 Contractual maturities of lease liabilities

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

1,184,212	1,090,562
6,023,122	5,124,890
8,651,229	7,921,146
15,858,563	14,136,598

	(Un-audited) September 30, 2025	(Audited) December 31, 2024
<b>20 SUBORDINATED DEBTS</b>	----- Rupees in '000 -----	
Term Finance Certificates - VI (ADT-1)	6,000,000	6,000,000
Term Finance Certificates - VII	-	6,000,000
	<u>6,000,000</u>	<u>12,000,000</u>

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

	<u>Term Finance Certificates - VI (ADT-1)</u>
Outstanding amount - Rupees in '000	6,000,000
Issue amount	Rupees 6,000 million
Issue date	July 03, 2018
Maturity Date	Perpetual
Rating	AA-
Security	Unsecured
Listing	Listed
Mark-Up payment frequency	Payable six monthly
Redemption	Perpetual
Mark-Up	Base Rate plus 1.50%
	Base Rate is the simple average of the ask rate of six month KIBOR prevailing on the base rate setting date.
Call option	Exercisable after 60 months from the date of issue subject to approval by the SBP.
Lock-in-clause	Payment of profit will be subject to the condition that such payment will not result in breach of the Bank's regulatory Minimum Capital Requirement or Capital Adequacy Ratio set by SBP from time to time. Any inability to exercise lock-in clause or the non-cumulative features will subject these TFCs to mandatory conversion into common shares / write off at the discretion of SBP.
Loss absorption clause	The Instrument will be subject to loss absorption and / or any other requirements of SBP upon the occurrence of a Point of Non-Viability event as per Section A-5-3 of Annexure 5 of the Circular, which stipulates that SBP may, at its option, fully and permanently convert the TFCs into common shares of the issuer and / or have them immediately written off (either partially or in full). Number of shares to be issued to TFC holders at the time of conversion will be equal to the 'Outstanding Value of the TFCs' divided by market value per share of the Bank's common share on the date of trigger event as declared by SBP, subject to a specified cap.

- 20.2** The Bank has exercised call option in respect of TFC VII after obtaining SBP approval and has paid the entire principal along with mark-up during the period. Accordingly, financial liability has been derecognised.

		(Un-audited) September 30, 2025	(Audited) December 31, 2024
	Note	----- Rupees in '000 -----	
<b>21 DEFERRED TAX LIABILITIES</b>			
(Taxable) / deductible temporary differences on			
- Accelerated tax depreciation		680,386	624,405
- Surplus on revaluation of investments		15,310,880	5,706,752
- Lease liabilities net of right-of-use assets		(2,670,230)	-
- Credit loss allowance against advances and others		(6,141,535)	(5,596,807)
		<u>7,179,501</u>	<u>734,350</u>
<b>22 OTHER LIABILITIES</b>			
Mark-up / return / interest payable in local currency		9,318,903	12,250,985
Mark-up / return / interest payable in foreign currencies		763,691	1,498,234
Unearned commission and income on bills discounted		1,214,707	1,586,242
Accrued expenses		3,825,439	3,727,781
Advance payments		358,049	364,016
Acceptances		11,719,365	16,916,015
Dividend payable		308,774	229,933
Advance against sale of properties		106,519	513,955
Mark to market loss on forward foreign exchange contracts		11,560	664,470
Branch adjustment account		516,313	647,591
Provision for employees' compensated absences		1,038,986	797,348
Security deposit against lease / Ijarah financing		5,287,195	3,625,392
Levies and taxes payable		1,072,466	1,913,344
Workers' Welfare Fund		2,316,596	1,841,596
Liability against trading of securities		94,896	-
Switch settlement accounts		14,039,988	1,168,145
Deferred grant on subsidised refinance loans		47,439	45,345
Credit loss allowance against off-balance sheet obligations	22.1	1,703,984	755,760
Others		1,762,887	1,676,574
		<u>55,507,758</u>	<u>50,222,725</u>
<b>22.1 Credit loss allowance against off-balance sheet obligations</b>			
Opening balance		755,760	160,558
Impact of on adoption of IFRS 9		105,120	1,112,808
		<u>860,880</u>	<u>1,273,366</u>
Charge / (reversal) for the period / year		843,104	(517,606)
Closing balance		<u>1,703,984</u>	<u>755,760</u>
<b>23 SURPLUS ON REVALUATION OF ASSETS - NET OF TAX</b>			
Surplus on revaluation of:			
- Securities measured at FVOCI - Debt		19,323,849	6,660,738
- Securities measured at FVOCI - Equity		10,120,151	4,313,784
- Property and equipment		9,384,750	10,365,737
- Non-banking assets acquired in satisfaction of claims		602,230	602,230
		<u>39,430,980</u>	<u>21,942,489</u>
Deferred tax on surplus on revaluation of:			
- Securities measured at FVOCI - Debt		(10,048,402)	(3,463,584)
- Securities measured at FVOCI - Equity		(5,262,478)	(2,243,168)
		<u>(15,310,880)</u>	<u>(5,706,752)</u>
		<u>24,120,100</u>	<u>16,235,737</u>

	Note	(Un-audited) September 30, 2025	(Audited) December 31, 2024
----- Rupees in '000 -----			
<b>24 CONTINGENCIES AND COMMITMENTS</b>			
- Guarantees	24.1	287,003,219	308,928,884
- Commitments	24.2	573,555,581	639,295,945
- Other contingent liabilities	24.3	914,108	1,530,994
		<u>861,472,908</u>	<u>949,755,823</u>
<b>24.1 Guarantees</b>			
Financial guarantees		14,403,712	12,443,697
Performance guarantees		172,717,862	169,536,398
Other guarantees		<u>99,881,645</u>	<u>126,948,789</u>
		<u>287,003,219</u>	<u>308,928,884</u>
<b>24.2 Commitments</b>			
Documentary credits and short-term trade-related transactions			
- letters of credit		149,978,995	206,461,012
Commitments in respect of:			
- forward foreign exchange contracts	24.2.1	405,014,872	200,561,147
- forward government securities transactions	24.2.2	11,000,000	204,610,000
- forward non-government securities transactions	24.2.3	719,548	530,538
Commitments for acquisition of:			
- property and equipment		691,048	325,308
- intangible assets		274,431	229,312
- Undrawn loan commitments	24.2.4	<u>5,876,687</u>	<u>26,578,628</u>
		<u>573,555,581</u>	<u>639,295,945</u>
<b>24.2.1 Commitments in respect of forward foreign exchange contracts</b>			
Purchase		215,231,656	118,183,587
Sale		<u>189,783,216</u>	<u>82,377,560</u>
		<u>405,014,872</u>	<u>200,561,147</u>
The above commitments have maturities falling within one year.			
<b>24.2.2 Commitments in respect of forward government securities transactions</b>			
Purchase		10,000,000	-
Sale		<u>1,000,000</u>	<u>204,610,000</u>
		<u>11,000,000</u>	<u>204,610,000</u>
<b>24.2.3 Commitments in respect of forward non government securities transactions</b>			
Purchase		28,788	36,455
Sale		<u>690,760</u>	<u>494,083</u>
		<u>719,548</u>	<u>530,538</u>
<b>24.2.4 Undrawn loan commitments</b>			
The Bank makes commitments to extend credit in the normal course of business but these being revocable commitments do not attract any significant penalty or the expense if the facility is unilaterally withdrawn, other than commitments in respect of syndicated long term financings amounting to Rs 5,876,687 thousand (December 31, 2024: Rs 26,578,628 thousand).			
		(Un-audited) September 30, 2025	(Audited) December 31, 2024
----- Rupees in '000 -----			
<b>24.3 Other contingent liabilities</b>			
These represent certain claims by third parties against the Bank, which are being contested in the Courts of law. Based on legal advice and / or internal assessment, management is confident that the matters will be decided in Bank's favour and the possibility of any outcome against the Bank is remote and accordingly no provision has been made in these condensed unconsolidated interim financial statements.			
		378,484	474,328
This represents stand by letters of credit issued by correspondent banks on behalf of the Bank.			
		<u>535,624</u>	<u>1,056,666</u>
		<u>914,108</u>	<u>1,530,994</u>
<b>24.4</b>	Tax related contingencies are disclosed in note 34.1 to these unconsolidated condensed interim financial statements.		

## 25 DERIVATIVE INSTRUMENTS

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

		Nine month period ended (Un-audited)		
		September 30, 2025	September 30, 2024 (Restated)	
		----- Rupees in '000 -----		
26	MARK-UP / RETURN / INTEREST EARNED	Note		
	Loans and advances		50,386,966	96,092,393
	Investments		170,911,037	209,171,715
	Lendings to financial institutions		1,026,477	1,149,936
	Balances with banks		672,220	790,327
	Securities purchased under resale agreements (Reverse Repo)		793,803	3,318,357
	Amortization of loans under IFRS - 9		1,298,906	1,167,136
			<u>225,089,409</u>	<u>311,689,864</u>
27	MARK-UP / RETURN / INTEREST EXPENSED			
	Deposits		73,391,763	135,442,680
	Borrowings		82,887,538	124,586,472
	Subordinated debts		1,148,342	2,002,964
	Cost of foreign currency swaps against foreign currency deposits / borrowings		568,912	4,016,553
	Finance charges on leased assets		1,434,539	1,076,507
	Fair value loss on recognition of financial asset at fair value	16.2	389,361	259,574
			<u>159,820,454</u>	<u>267,384,750</u>
28	FEE AND COMMISSION INCOME			
	Branch banking customer fees		699,891	693,115
	Consumer finance related fees		168,076	64,000
	Card related fees (debit and credit cards)		1,542,596	1,406,977
	Credit related fees		561,277	321,927
	Investment banking fees		225,480	257,484
	Commission on trade		848,432	981,501
	Commission on guarantees		1,027,861	1,049,217
	Commission on remittances including home remittances		431,932	174,392
	Commission on cash management		78,077	62,354
	Commission on bancassurance		21,988	20,164
	Others		4,676	33,553
			<u>5,610,286</u>	<u>5,064,684</u>
29	GAIN ON SECURITIES			
	Realised	29.1	2,608,146	804,385
	Unrealised gain on securities measured at FVTPL		416,249	517,246
			<u>3,024,395</u>	<u>1,321,631</u>
29.1	Realised gain on:			
	Federal Government Securities		2,455,912	764,888
	Shares		152,234	39,497
			<u>2,608,146</u>	<u>804,385</u>



		Nine month period ended (Un-audited)	
		September 30, 2025	September 30, 2024
Note		----- Rupees in '000 -----	
<b>30</b>	<b>OTHER INCOME</b>		
	Gain on sale of property and equipment - net	32,581	10,563
	Rent of lockers	44,720	40,753
	Recovery of expenses from customers	288,451	244,750
	Gain on termination of lease contracts under IFRS - 16 Leases - net	23,149	31,978
	Amortization of deferred liability under IFRS 9	27,768	38,773
		<u>416,669</u>	<u>366,817</u>
<b>31</b>	<b>OPERATING EXPENSES</b>		
	<b>Total compensation expenses</b>	31.1 16,127,337	12,897,415
	<b>Property expense</b>		
	Rent and taxes	144,822	37,884
	Insurance	93,303	80,108
	Utilities cost	1,378,791	1,495,110
	Security cost (including guards)	982,809	723,636
	Repair & maintenance (including janitorial charges)	570,340	405,066
	Depreciation on right-of-use assets	1,763,520	1,642,294
	Depreciation	315,342	229,575
		<u>5,248,927</u>	<u>4,613,673</u>
	<b>Information technology expenses</b>		
	Software maintenance	985,539	783,681
	Hardware maintenance	173,921	156,541
	Depreciation	439,135	279,134
	Amortisation	169,979	163,646
	Network charges	299,258	261,408
		<u>2,067,832</u>	<u>1,644,410</u>
	<b>Other operating expenses</b>		
	Directors' fees, allowances	35,280	33,360
	Fees and allowances to shariah board	8,915	7,795
	Rates, taxes, insurance etc.	136,298	110,562
	Legal and professional charges	104,485	94,908
	Brokerage and commission	1,386,526	122,419
	NIFT clearing charges	102,091	77,269
	Repair and maintenance	825,047	678,548
	Communication	796,048	717,214
	Postage & Courier	178,444	115,722
	Stationery and printing	1,079,427	580,005
	Marketing, advertisement and publicity	504,292	213,812
	Donations	97,000	-
	Auditors' remuneration	51,048	48,176
	Travelling, conveyance and entertainment	478,669	405,316
	Depreciation	634,534	481,785
	Security service charges	526,809	530,218
	Training and development	68,824	23,449
	Deposit premium expense	739,441	643,203
	Outsourced service cost	764,666	541,867
	Card Related Expenses	1,105,153	788,201
	CNIC Verification	210,303	169,914
	Others	409,192	367,135
		<u>10,242,492</u>	<u>6,750,879</u>
		<u>33,686,588</u>	<u>25,906,376</u>
<b>31.1</b>	<b>Total compensation expense</b>		
	Managerial remuneration	11,872,984	9,132,861
	Charge for defined benefit / contribution plan	985,436	751,160
	Amortization of loans under IFRS - 9	1,298,906	1,167,136
	Other staff cost	31.1.1 1,970,011	1,846,258
		<u>16,127,337</u>	<u>12,897,415</u>
<b>31.1.1</b>	Other staff cost includes incentive to consumer sales staff, dearness allowance, cash handling allowance, staff group insurance, provision for severance etc.		

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

		Nine month period ended (Un-audited)	
		September 30, 2025	September 30, 2024
		----- Rupees in '000 -----	
<b>33 CREDIT LOSS ALLOWANCE / PROVISIONS AND WRITE OFFS - NET</b>			
Reversal of credit loss allowance for diminution in value of investments	(516,014)	(493,489)	
Charge of credit loss allowance against loans and advances	563,528	1,537,770	
Credit loss allowance / provision against other assets	26,563	227,614	
Reversal of credit loss allowance against lendings to financial institutions	(21,519)	(22,013)	
Charge of credit loss allowance against off-balance sheet obligations	843,104	21,543	
Charge of credit loss allowance against cash and balances with treasury banks	2,628	-	
Reversal of credit loss allowance against cash and bank balances	(684)	(13)	
Recovery of written off / charged off bad debts	(90,676)	(39,684)	
	<u>806,930</u>	<u>1,231,728</u>	
<b>34 TAXATION</b>			
Current	27,967,635	14,315,888	
Deferred	(2,681,650)	(633,707)	
	<u>25,285,985</u>	<u>13,682,181</u>	

#### 34.1 Tax status and contingencies

- i) The Bank has filed tax returns for and up to tax year 2025. The assessments for and up to tax year 2024 were amended by the tax authorities creating accumulated additional tax demand, mainly in the matters of admissibility of recoveries against doubtful debts for Rs 1,497 million, provision for diminution in the value of investments for Rs 3,144.44 million, bad debts written off for Rs 242.892 million, provision for substandard advances for Rs 74.95 million, Provision against other assets/fixed assets for Rs 165.2 million, disallowance of employee benefit expenses Rs 484.96 million, disallowance of depreciation on lease assets Rs 1,618.09 and other disallowances of expenses/credits for Rs 1390.50 million. Bank's appeals against these orders are currently pending before Commissioner Appeals, Appellate Tribunal and Islamabad High Court. The management and tax advisor of the Bank are confident that these matters will be decided in favor of the Bank and consequently no provision has been made thereon. Tax payments by the Bank against certain matters are being carried forward as receivable, as management and tax advisor of the Bank are confident of their realization.
- ii) Consequent upon the amalgamation with and into the Bank, the outstanding tax issues relating to Askari Leasing Limited (ALL) are as follows:  
Tax returns of ALL have been filed for and up to tax year 2010. The returns for the tax years 2003 to 2010 were amended by the tax authorities mainly in the matter of admissibility of initial allowance claimed on leased vehicles. On appeals filed by ALL, partial relief was provided by the CIR(A) by allowing initial allowance on commercial vehicles. Re-assessment has not yet been carried out by the tax department. A tax demand is however not likely to arise after re-assessment.  
For and up to the assessment years 2002–2003, reference applications filed by the tax authorities in the matter of computation of lease income are pending decisions by the High Court. However, the likelihood of an adverse decision is considered low due to a favorable decision of the High Court in a parallel case.
- iii) The Bank received show cause notices from the tax authorities for the period January 2012 to December 2015, alleging non-payment of Federal Excise Duty (FED) on banking services rendered in Sindh, Punjab, KPK, and Balochistan, despite the fact that sales tax on services had been duly paid in the respective provinces. The Bank challenged these notices through constitutional petitions filed in the Islamabad High Court (IHC) in 2016. In 2024, the IHC dismissed the petitions on the grounds that the Bank had not challenged the vires of the Federal Excise Act, 2005 and that the writ petitions were premature. The Bank subsequently filed Intra-Court Appeals (ICAs) before the IHC, which were also dismissed. The Bank has now filed Civil Petitions for Leave to Appeal (CPLAs) before the Supreme Court of Pakistan, which are currently pending and have not yet been fixed for hearing. Further, the department has issued orders raising demand of Rs 1,774 million. The Bank has contested the aforementioned orders before ATIR. The management is of the view that the matter will be decided in favour of the Bank.

		Nine month period ended (Un-audited)	
		September 30, 2025	September 30, 2024
<b>35 BASIC AND DILUTED EARNINGS PER SHARE</b>			
Profit for the period - Rupees in '000	18,064,259	14,022,205	
Weighted average number of Ordinary Shares - numbers	1,449,299,207	1,449,299,207	
Basic earnings per share - Rupees	<u>12.46</u>	<u>9.68</u>	

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

## **36 FAIR VALUE MEASUREMENTS**

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

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

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

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

### **36.1 Fair value of financial assets**

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

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

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, 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 following table provides the fair values of those of the Bank's financial assets and liabilities that are recognized or disclosed at fair value in these unconsolidated condensed interim financial statements:

September 30, 2025 (Un-audited)					
Carrying / Notional Value	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>					
Investments					
Federal Government Securities	1,884,260,957	97,734,500	1,786,526,457	-	1,884,260,957
Shares	16,210,468	14,729,498	-	1,480,970	16,210,468
Units of open end mutual funds	3,365,421	1,785,397	1,580,024	-	3,365,421
Fully paid preference shares	24,400	24,400	-	-	24,400
Non Government Debt Securities	12,621,417	-	12,621,417	-	12,621,417
	<u>1,916,482,663</u>	<u>114,273,795</u>	<u>1,800,727,898</u>	<u>1,480,970</u>	<u>1,916,482,663</u>
<b>Financial assets - disclosed but not measured at fair value</b>					
Investments					
Federal Government Securities	50,859,816	-	50,859,816	-	50,859,816
Subsidiaries	1,196,700	-	-	-	-
Lendings to financial institutions	10,564,339	-	-	-	-
Cash and balances with treasury banks	124,801,019	-	-	-	-
Balances with other banks	14,628,176	-	-	-	-
Advances	545,581,107	-	-	-	-
Other assets	104,862,505	-	-	-	-
	<u>852,493,662</u>	<u>-</u>	<u>50,859,816</u>	<u>-</u>	<u>50,859,816</u>
<b>Off-balance sheet financial instruments - measured at fair value</b>					
Forward purchase of foreign exchange	<u>215,231,656</u>	<u>-</u>	<u>(1,573,450)</u>	<u>-</u>	<u>(1,573,450)</u>
Forward sale of foreign exchange	<u>189,783,216</u>	<u>-</u>	<u>1,560,397</u>	<u>-</u>	<u>1,560,397</u>
December 31, 2024 (Audited)					
Carrying / Notional Value	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>					
Investments					
Federal Government Securities	1,432,008,563	448,530	1,431,560,033	-	1,432,008,563
Shares	9,385,993	9,385,993	-	-	9,385,993
Units of open end mutual funds	2,940,009	1,590,038	1,349,971	-	2,940,009
Fully paid preference shares	23,489	23,489	-	-	23,489
Non Government Debt Securities	14,031,394	693,273	13,338,121	-	14,031,394
	<u>1,458,389,448</u>	<u>12,141,323</u>	<u>1,446,248,125</u>	<u>-</u>	<u>1,458,389,448</u>
<b>Financial assets - disclosed but not measured at fair value</b>					
Investments					
Federal Government Securities	49,809,613	-	47,100,000	-	47,100,000
Unlisted Shares	350,000	-	-	-	-
Cash and balances with treasury banks	133,505,285	-	-	-	-
Balances with other banks	10,776,034	-	-	-	-
Lendings to financial institutions	4,567,619	-	-	-	-
Advances	695,758,143	-	-	-	-
Other assets	85,102,624	-	-	-	-
	<u>979,869,318</u>	<u>-</u>	<u>47,100,000</u>	<u>-</u>	<u>47,100,000</u>
<b>Off-balance sheet financial instruments - measured at fair value</b>					
Forward purchase of foreign exchange	<u>118,183,587</u>	<u>-</u>	<u>(1,602,237)</u>	<u>-</u>	<u>(1,602,237)</u>
Forward sale of foreign exchange	<u>82,377,560</u>	<u>-</u>	<u>937,767</u>	<u>-</u>	<u>937,767</u>

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

		(Un-audited) September 30, 2025	(Audited) December 31, 2024
		----- Rupees in '000 -----	----- Rupees in '000 -----
		Level 2	Level 2
<b>36.2 Fair value of non-financial assets</b>			
Fixed assets			
Property and equipment (freehold and leasehold land)		13,238,392	13,238,392
Assets held for sale		-	1,750,000
Other assets			
Non-banking assets acquired in satisfaction of claims		973,967	991,121

### 36.4 Valuation techniques used in determination of fair values

#### 36.4.1 Fair value of financial assets

##### (a) Financial instruments in level 1

Financial instruments included in level 1 comprise of investments in ordinary shares of listed companies, listed GoP Sukuks, listed preference shares, listed non government debt securities and listed units of mutual funds.

##### (b) Financial instruments in level 2

Financial instruments included in level 2 comprise of Market Treasury Bills, Pakistan Investment Bonds, GoP Sukuks, non government debt securities, units of mutual funds, forward foreign exchange contracts.

##### (c) Financial instruments in level 3

Financial instruments included in level 3 comprise of unlisted ordinary shares, unlisted preference shares. Valuation techniques are mentioned in the table below.

The fair value of 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.

#### 36.4.2 Fair value of non financial assets

Certain categories of property and equipment (freehold and leasehold land), asset held for sale and non banking assets acquired in satisfaction of claims are carried at revalued amounts (level 3 measurement) determined by professional valuers. The valuations are conducted by the valuation experts appointed by the Bank which are also on the panel of the State Bank of Pakistan

#### 36.4.3 Valuation techniques

Item	Valuation approach and input used
Market Treasury Bills (MTB) / Pakistan Investment Bonds (PIB), and GoP Sukuks (GIS) including their forward contracts	The fair value of MTBs and PIBs are derived using PKRV rates. Floating rate PIBs are revalued using PKFRV rates. The fair value of GoP sukuku listed on the Pakistan Stock Exchange has been determined through closing rates of the Pakistan Stock Exchange. The fair value of other GIS are revalued using PKISRV rates.
GoP Euro Bonds	The fair value of overseas government sukuku, and overseas bonds are determined on the basis of price available on Reuters.
Debt Securities (TFCs and Sukuk other than Government)	Investment in sukuku, debt securities (comprising term finance certificates, bonds and any other security issued by a company or a body corporate for the purpose of raising funds in the form of redeemable capital) are valued on the basis of the rates announced by the Mutual Funds Association of Pakistan in accordance with the methodology prescribed by the Securities and Exchange Commission of Pakistan
Shares - listed	The fair value of investments in listed equity securities are valued on the basis of closing quoted market price available at the Pakistan Stock Exchange.
Shares - unlisted	The fair value of investments in unlisted equity securities are valued on the basis of income and market approach.
Preference shares - unlisted	The fair value of investment in unlisted preference shares are valued at market approach.
Forward foreign exchange contracts	The valuation has been determined by interpolating the FX revaluation rates announced by the SBP.
Property and equipment, asset held for sale and non banking assets acquired in satisfaction of claims	Land and non banking assets acquired in satisfaction of claims are valued on a periodic basis using professional valuers. The valuation is based on their assessments of the market value of the assets. Asset held for sale is carried at sale price that is reasonable in relation to its fair value.

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements of investment and advances, (The valuation techniques are stated above):

Description	(Un-audited) Fair value as at Sep 30, 2025 Rupees in '000	Unobservable inputs	Discount rate	Relationship of unobservable inputs to fair value
Shares - unlisted (income approach)	402,050	Discount rate	19.18%	Increase / (decrease) in discount rate by 1% with all other variables held constant, would (decrease) / increase the fair value by Rs. 11.778 million and Rs. 12.311 million respectively.
Shares - unlisted (market approach)	1,078,920	Market multiple	Not applicable	Not applicable.

The following table shows reconciliation of investments' Level 3 fair value movement:

	(Un-audited) September 30, 2025 Rupees in '000
Opening balance	350,000
Impact of adoption of IFRS 9	900,834
Balance as at January 1,	1,250,834
Remeasurement recognised in OCI	230,136
Closing balance	1,480,970

## 37 Segment Information

### 37.1 Segment details with respect to Business Activities

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

	For the nine month period ended September 30, 2025 (Un-audited)						
	Branch banking	Corporate banking	Treasury	Consumer banking	Islamic banking	Foreign operations	Head Office / others
	----- Rupees in '000 -----						
<b>Profit and loss</b>							
Net mark-up / return / profit	(51,967,781)	24,866,408	82,965,249	3,048,165	8,409,632	1,739,437	(3,792,155)
Inter segment revenue - net	75,671,107	(15,034,701)	(67,844,647)	(1,748,581)	(200,223)	(916,972)	10,074,017
Non mark-up / return / interest income	2,237,829	3,393,878	5,945,395	459,812	496,002	4,026	533,727
<b>Total income</b>	25,941,155	13,225,585	21,065,997	1,759,396	8,705,411	826,491	6,815,589
Segment direct expenses	16,606,304	849,496	415,194	1,491,963	4,418,950	178,640	10,221,903
Inter segment expense allocation	265,144	1,385,349	9,723	99,634	-	-	(1,759,850)
<b>Total expenses</b>	16,871,448	2,234,845	424,917	1,591,597	4,418,950	178,640	8,462,053
Credit loss allowance	(87,243)	613,543	(18,855)	458,157	246,320	(497,159)	92,167
<b>Profit before tax</b>	9,156,950	10,377,197	20,659,935	(290,358)	4,040,141	1,145,010	(1,738,631)

	As at September 30, 2025 (Un-audited)						
	Branch banking	Corporate banking	Treasury	Consumer banking	Islamic banking	Foreign operations	Head Office / others
	----- Rupees in '000 -----						
<b>Statement of financial position</b>							
Cash and bank balances	29,774,400	-	88,396,990	103,241	16,339,137	4,815,427	-
Investments	-	8,485,073	1,779,250,455	-	164,683,557	14,662,520	1,457,574
Net inter segment lending	-	-	-	-	-	-	-
Lendings to financial institutions	-	-	2,998,029	-	-	7,566,310	-
Advances - performing - net of credit loss allowance	21,625,178	398,838,378	-	20,792,393	92,302,256	4,759,807	5,801,494
Advances - non-performing - net of credit loss allowance	165,232	606,126	-	95,013	595,230	-	-
Others	2,355,819	21,771,851	70,246,167	(477,614)	24,209,822	694,936	44,444,132
<b>Total Assets</b>	53,920,629	429,701,428	1,940,891,641	20,513,033	298,130,002	32,499,000	51,703,200
Borrowings	1,253,636	25,676,452	990,799,659	3,382,558	46,193,282	1,406,587	-
Subordinated debts	-	-	-	-	-	-	6,000,000
Deposits and other accounts	1,067,202,238	239,156,933	-	3,200	206,487,023	2,379,571	-
Lease liabilities	-	-	-	-	-	-	15,858,563
Net inter segment balances - net	(1,035,280,400)	143,729,675	944,837,564	16,086,061	2,320,250	21,716,570	(93,409,720)
Others	20,745,155	21,138,368	5,254,418	1,041,214	13,815,290	6,996,272	11,169,718
<b>Total liabilities</b>	53,920,629	429,701,428	1,940,891,641	20,513,033	268,815,845	32,499,000	(60,381,439)
Equity	-	-	-	-	29,314,157	-	112,084,638
<b>Total Equity and liabilities</b>	53,920,629	429,701,428	1,940,891,641	20,513,033	298,130,002	32,499,000	51,703,200
<b>Contingencies and commitments</b>	10,929,602	414,320,903	414,733,361	539,920	19,815,885	-	1,133,237

	For the nine month period ended September 30, 2024 (Un-audited) - Restated						
	Branch banking	Corporate banking	Treasury	Consumer banking	Islamic banking	Foreign operations	Head Office / others
	----- Rupees in '000 -----						
<b>Profit and loss</b>							
Net mark-up / return / profit	(89,610,300)	37,230,406	79,910,723	3,771,943	13,500,621	1,039,813	(1,538,092)
Inter segment revenue - net	114,112,610	(33,006,571)	(80,584,050)	(2,778,929)	(5,530,139)	(460,114)	8,247,193
Non mark-up / return / interest income	1,909,947	3,284,867	4,840,250	441,372	702,449	2,277	(174,401)
<b>Total income</b>	26,412,257	7,508,702	4,166,923	1,434,386	8,672,931	581,976	6,534,700
Segment direct expenses	13,544,579	936,718	352,141	2,548,044	3,202,016	182,006	5,610,257
Inter segment expense allocation	121,321	(40,561)	5,812	21,973	-	-	(108,545)
<b>Total expenses</b>	13,665,900	896,157	357,953	2,570,017	3,202,016	182,006	5,501,712
Credit loss allowance	(57,821)	980,831	(69,153)	(333,998)	933,733	(442,591)	220,727
<b>Profit before tax</b>	12,804,178	5,631,714	3,878,123	(801,633)	4,537,182	842,561	812,261

	As at December 31, 2024 (Audited)						
	Branch banking	Corporate banking	Treasury	Consumer banking	Islamic banking	Foreign operations	Head Office / others
	----- Rupees in '000 -----						
<b>Statement of financial position</b>							
Cash and bank balances	36,921,143	-	95,246,945	-	12,029,791	83,440	-
Investments	-	8,134,146	1,408,084,327	-	82,416,700	9,590,854	1,519,734
Lendings to financial institutions	-	-	-	-	4,567,619	-	-
Advances - performing - net of credit loss allowance	17,604,851	580,061,857	-	23,598,799	67,142,842	552,952	4,649,058
Advances - non-performing - net of credit loss allowance	333,254	1,393,713	-	32,399	388,418	-	-
Others	1,464,361	38,653,942	46,866,118	1,764,432	10,232,932	216,903	44,822,676
<b>Total Assets</b>	56,323,609	628,243,658	1,550,197,390	25,395,630	176,778,302	10,444,150	50,991,468
Borrowings	1,518,088	31,799,065	826,098,845	4,252,855	5,543,557	-	-
Subordinated debts	-	-	-	-	-	-	12,000,000
Deposits and other accounts	988,117,223	239,485,532	-	3,200	135,125,206	1,003,954	-
Net inter segment balances - net	(980,501,293)	328,179,440	708,893,021	20,469,236	(5,153,532)	9,347,574	(81,234,446)
Others	47,189,591	28,779,621	15,205,524	670,339	16,292,345	92,622	23,568,081
<b>Total liabilities</b>	56,323,609	628,243,658	1,550,197,390	25,395,630	151,807,576	10,444,150	(45,666,365)
Equity	-	-	-	-	24,970,726	-	96,657,833
<b>Total Equity and liabilities</b>	56,323,609	628,243,658	1,550,197,390	25,395,630	176,778,302	10,444,150	50,991,468
<b>Contingencies and commitments</b>	6,946,750	508,539,842	405,171,147	1,056,666	27,012,469	-	1,028,949

### 38 RELATED PARTY TRANSACTIONS

Fauji Consortium comprising of Fauji Foundation and Fauji Fertilizer Company Limited (the Parent) holds 71.91% of the Bank's share capital at the period end. Accordingly, all the subsidiaries and associates of the Fauji consortium are the related parties of the Bank. The Bank also has related party relationships with its directors, key management personnel and employees' funds.

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

Details of transactions with related parties and balances are as follows:

	As at September 30, 2025 (Un-audited)					As at December 31, 2024 (Audited)				
	Parent	Directors	Key management personnel & their relatives	Subsidiaries	Other related parties	Parent	Directors	Key management personnel & their relatives	Subsidiaries	Other related parties
	----- Rupees in '000 -----									
<b>Investments</b>										
Opening balance	-	-	-	1,196,700	4,283,287	-	-	-	196,700	1,420,050
Investment made during the period / year	-	-	-	-	20,615	-	-	-	1,000,000	-
Investment redeemed / disposed off during the period / year	-	-	-	-	-	-	-	-	-	(500,000)
Revaluation adjustment	-	-	-	-	3,263,393	-	-	-	-	1,346,252
Transfer in / (out) - net	-	-	-	-	-	-	-	-	-	2,016,985
Closing balance	-	-	-	1,196,700	7,567,295	-	-	-	1,196,700	4,283,287
Credit loss allowance for diminution in value of investments	-	-	-	-	898,458	-	-	-	-	898,458
<b>Advances</b>										
Opening balance	17,970,281	1,292	266,834	71,926	13,638,055	8,108,881	-	496,686	86,678	25,003,594
Addition during the period / year	641,547,300	30,300	73,573	2,321,074	76,557,168	1,196,156,040	25,076	169,998	837,248	258,248,620
Repaid during the period / year	(651,172,769)	(26,061)	(50,290)	(1,893,000)	(75,973,792)	(1,186,294,641)	(23,784)	(112,135)	(852,000)	(257,568,925)
Transfer in / (out) - net	-	(83)	(88,931)	-	-	-	-	(287,715)	-	(12,045,234)
Closing balance	8,344,812	5,448	201,186	500,000	14,221,431	17,970,281	1,292	266,834	71,926	13,638,055
Credit loss allowance against advances	2,483	9	91	798	3,142,833	2,191	-	1,452	141	3,150,241
<b>Other Assets</b>										
Interest / mark-up accrued	180,450	60	28,814	183	290,353	66,417	-	49,135	-	151,802
Advance rent	2,362	-	-	-	-	999	-	-	-	-
Acceptances	-	-	-	-	479,551	3,837	-	-	-	424,116
Receivable from staff retirement fund	-	-	-	-	14,168	-	-	-	-	424,395
Other receivable	-	-	-	169,637	-	-	-	-	92,412	-
<b>Borrowings</b>										
Opening balance	-	-	-	-	4,252,855	-	-	-	-	2,992,873
Borrowings during the period / year	-	-	-	-	-	-	-	-	-	2,000,000
Settled during the period	-	-	-	-	(870,297)	-	-	-	-	(740,018)
Closing balance	-	-	-	-	3,382,558	-	-	-	-	4,252,855
<b>Deposits and other accounts</b>										
Opening balance	18,698,701	43,251	234,398	884,611	25,168,932	39,101,224	63,502	299,420	350,869	49,059,956
Received during the period / year	593,614,266	537,764	569,622	34,687,077	805,450,602	1,251,319,810	545,392	1,008,533	23,085,691	1,375,477,575
Withdrawn during the period / year	(594,143,486)	(536,242)	(522,601)	(33,950,399)	(796,607,268)	(1,271,722,333)	(523,615)	(973,309)	(22,551,949)	(1,404,518,301)
Transfer in / (out) - net	-	87,216	(152,185)	-	422,260	-	(42,028)	(100,246)	-	5,149,701
Closing balance	18,169,481	131,989	129,235	1,621,290	34,434,526	18,698,701	43,251	234,398	884,611	25,168,932
<b>Other Liabilities</b>										
Interest / mark-up payable	17,052	305	1,050	6,493	295,345	821,174	-	4	-	802,755
Acceptances	-	-	-	-	479,551	-	-	-	-	-
Security deposits payable	-	-	-	-	737,546	-	-	-	-	597,202
Others	-	-	36,102	-	23,372	-	-	57,965	1,740	12,035
<b>Guarantees and Commitments</b>										
Guarantees and Commitments	1,518,565	-	-	-	9,136,373	3,983,736	-	-	-	6,182,135
<b>Others</b>										
Dividend paid	5,211,121	-	-	-	-	2,605,561	-	-	-	-
Commitment in respect of Government securities transactions	-	-	-	-	-	17,560,000	-	-	-	6,500,000
Securities held as custodian	64,540,000	9,400	12,300	540,500	14,250,105	27,810,000	-	9,600	500,000	17,905,460

For the nine month ended September 30, 2025 (Un-Audited)

For the nine month ended September 30, 2024 (Un-Audited)

Parent	Directors	Key management personnel & their relatives	Subsidiaries	Other related parties	Parent	Directors	Key management personnel & their relatives	Subsidiaries	Other related parties
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----- Rupees in '000 -----

**Income**

Mark-up / return / interest earned	611,176	365	5,012	1,253	613,674	315,752	-	14,312	398	925,838
Fee and commission income	2,183	-	-	-	38,341	13,536	-	-	-	69,337
Dividend income	-	-	-	44,064	296,500	-	-	-	29,376	252,619
Other Income	3,461	-	-	-	8,067	-	-	-	-	-

**Expense**

Mark-up / return / interest expensed	2,036,627	11,394	7,708	58,731	5,279,590	6,273,395	5,156	55,727	94,075	5,085,251
Charge to defined benefit plan	-	-	-	-	625,864	-	-	-	-	457,747
Contribution to defined contribution plan	-	-	-	-	359,573	-	-	-	-	293,413
Remuneration and allowances	-	-	462,125	-	8,915	-	-	881,522	-	7,795
Rent	2,888	-	-	-	198	2,349	-	-	-	-
Communications	-	-	-	-	204,540	-	-	-	-	151,793
Brokerage and Commission	-	-	-	-	81,704	-	-	-	-	80,090
Directors' Fee, Allowances	-	35,280	-	-	-	-	33,360	-	-	-
Donations	-	-	-	-	97,000	-	-	-	-	-
Others	3,081	-	-	-	-	1,175	-	-	-	-

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

The term 'related party' shall have the same meaning as defined in IAS 24 - Related party disclosures.



### 39 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

	(Un-audited) September 30, 2025	(Audited) December 31, 2024
	----- Rupees in '000 -----	
<b>Minimum Capital Requirement (MCR):</b>		
Paid-up capital (net of losses)	14,492,992	14,492,992
<b>Capital Adequacy Ratio (CAR):</b>		
Eligible Common Equity Tier 1 (CET 1) Capital	117,069,729	105,772,562
Eligible Additional Tier 1 (ADT 1) Capital	5,854,071	6,000,000
Total Eligible Tier 1 Capital	122,923,801	111,772,562
Eligible Tier 2 Capital	24,736,363	21,952,000
Total Eligible Capital (Tier 1 + Tier 2)	147,660,164	133,724,562
<b>Risk Weighted Assets (RWAs):</b>		
Credit Risk	411,656,701	419,874,894
Market Risk	113,222,531	79,618,578
Operational Risk	125,480,495	125,480,495
Total	650,359,726	624,973,967
Common Equity Tier 1 Capital Adequacy Ratio	18.00%	16.92%
Tier 1 Capital Adequacy Ratio	18.90%	17.88%
Total Capital Adequacy Ratio	22.70%	21.40%
<b>Leverage Ratio (LR):</b>		
Eligible Tier-1 Capital	122,923,801	111,772,562
Total Exposures	3,318,939,777	3,118,234,947
Leverage Ratio	3.70%	3.58%
<b>Liquidity Coverage Ratio (LCR):</b>		
Total High Quality Liquid Assets	1,148,949,476	758,341,064
Total Net Cash Outflow	542,633,666	348,499,703
Liquidity Coverage Ratio	211.74%	217.60%
<b>Net Stable Funding Ratio (NSFR):</b>		
Total available stable funding	1,512,274,168	1,412,569,464
Total required stable funding	620,854,323	665,336,800
Net Stable Funding Ratio	243.58%	212.31%

**39.1** The SBP in its application instructions for IFRS 9 has permitted the banks to adopt a transitional approach to phase in the initial impact of ECL for stage 1 and 2 financial assets over a period of five years. Had this relaxation not been availed, the Bank's CAR would have been lower by 0.18% and leverage would have been lower by 0.03%.

#### 40. ISLAMIC BANKING BUSINESS

The Bank is operating 270 Islamic banking branches including 4 sub-branches at September 30, 2025 as compared to 198 Islamic banking branches including 4 sub-branches at year ended December 31, 2024.

		(Un-audited) September 30, 2025	(Audited) December 31, 2024
	Note	(Rupees in '000)	
<b>ASSETS</b>			
Cash and balances with treasury banks		15,780,010	11,820,698
Balances with other banks		559,127	209,093
Due from financial Institutions	40.1	-	4,567,619
Investments	40.2	164,683,557	82,416,700
Islamic financing and related assets - net	40.3	92,897,486	67,531,260
Property and Equipment		2,616,652	1,217,567
Right-of-use assets'		4,441,126	2,894,186
Other assets		17,152,044	11,271,226
Total assets		298,130,002	181,928,349
<b>LIABILITIES</b>			
Bills payable		3,076,216	8,005,916
Due to financial institutions		46,193,282	5,543,557
Deposits and other accounts	40.4	206,487,023	135,125,206
Due to head office		2,000,000	-
Lease liabilities		5,257,845	3,316,267
Other liabilities		5,801,479	4,966,677
		268,815,845	156,957,623
<b>NET ASSETS</b>		<b>29,314,157</b>	<b>24,970,726</b>
<b>REPRESENTED BY</b>			
Islamic Banking Fund		4,600,000	4,600,000
Surplus on revaluation of assets		1,466,724	1,100,268
Unappropriated profit	40.5	23,247,433	19,270,458
		<b>29,314,157</b>	<b>24,970,726</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	40.6	19,773,876	27,012,469

The profit and loss account of the Bank's Islamic banking branches for the period ended September 30, 2025 is as follows:

		(Un-audited) For the nine month period ended September 30, 2025	(Restated) September 30, 2024
	Note	(Rupees in '000)	
Profit / return earned	40.8	19,171,614	24,946,444
Profit / return expensed	40.9	10,962,205	16,975,962
Net Profit / return		8,209,409	7,970,482
<b>Other income</b>			
Fee and Commission Income		304,182	313,635
Dividend Income		13,813	9,559
Foreign Exchange Income		58,863	267,049
(Loss) / Gain on securities		23,009	27,874
Other Income		96,135	84,332
Total other income		496,002	702,449
Total Income		8,705,411	8,672,931
<b>Other expenses</b>			
Operating expenses		4,418,062	3,201,814
Other charges		888	202
Total other expenses		4,418,950	3,202,016
Profit before credit loss allowance		4,286,461	5,470,915
Credit loss allowance - net		246,320	933,733
Profit before taxation		<b>4,040,141</b>	<b>4,537,182</b>

**40.1 Due from financial institutions**

	September 30, 2025 (Un-audited)			December 31, 2024 (Audited)		
	In local currency	In foreign currencies (Rupees in '000)	Total	In local currency	In foreign currencies (Rupees in '000)	Total
Secured	-	-	-	-	-	-
Unsecured	-	-	-	1,500,000	-	1,500,000
Bai Muajjal Receivable from other Financial Institutions	-	-	-	3,068,218	-	3,068,218
Bai Muajjal Receivable from State Bank of Pakistan	-	-	-	-	-	-
	-	-	-	4,568,218	-	4,568,218
Less: Credit Loss Allowance						
Stage 1	-	-	-	599	-	599
Stage 2	-	-	-	-	-	-
Stage 3	-	-	-	-	-	-
	-	-	-	599	-	599
Due from financial institutions - net of credit loss allowance	-	-	-	4,567,619	-	4,567,619

**40.2 Investments by segments:**
**Debt Instruments**
**Classified / Measured at amortised cost**

Non Government Debt Securities	106,181	(106,181)	-	-	110,000	(110,000)	-	-
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**Classified / Measured at FVOCI**

Federal Government Securities:	-	-	-	-	-	-	-	-
- Ijarah Sukuks	157,043,610	-	1,466,724	158,510,334	71,548,522	-	1,100,268	72,648,790
Non Government Debt Securities	3,542,099	(151,792)	-	3,390,307	4,105,826	(155,408)	-	3,950,418
	160,585,709	(151,792)	1,466,724	161,900,641	75,654,348	(155,408)	1,100,268	76,599,208

**Classified / Measured at FVTPL**

Non Government Debt Securities	2,066,000	-	6,274	2,072,274	2,066,000	-	(25,815)	2,040,185
Islamic Naya Pakistan Certificates	606,813	-	-	606,813	3,668,096	-	-	3,668,096
Units of Open end Mutual Fund	100,000	-	3,829	103,829	100,000	-	9,211	109,211
Total investments	163,464,703	(257,973)	1,476,827	164,683,557	81,598,444	(265,408)	1,083,664	82,416,700

**40.2.1 Particulars of credit loss allowance**

	September 30, 2025 (Un-audited)				December 31, 2024 (Audited)			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	(Rupees in '000)							
Federal Government Securities	-	-	-	-	-	-	-	-
Non Government Debt Securities	1,792	-	256,181	257,973	5,408	-	260,000	265,408
	1,792	-	256,181	257,973	5,408	-	260,000	265,408

			(Un-audited) September 30, 2025	(Audited) December 31, 2024
40.3	<b>Islamic Financing and Related Assets</b>	Note	(Rupees in '000)	
	Ijarah		5,311,249	4,086,226
	Murabaha	40.3.1	7,205,271	6,412,849
	Musharakah		23,900,889	11,380,383
	Diminishing Musharakah		32,227,752	22,577,271
	Salam		4,363,971	7,746,593
	Istisna		5,671,359	5,985,000
	Receivable against sale of Istisna / Salam Inventory		2,344,310	1,802,497
	Service Ijarah		5,288,044	2,076,088
	Wakalah		1,181,453	1,427,744
	Other Islamic Modes (Qard)		1,440,010	1,497,385
	Advances against Islamic assets	40.3.2	6,071,894	4,107,973
	Inventory related to Islamic financing	40.3.3	2,483,720	2,706,498
	Gross Islamic financing and related assets		97,489,922	71,806,507
	Less: Credit loss allowance against Islamic financings			
	- Stage 1		117,285	152,428
	- Stage 2		158,593	79,586
	- Stage 3		4,316,558	4,043,233
			4,592,436	4,275,247
	Islamic financing and related assets - net of Credit loss allowance		92,897,486	67,531,260

40.3.1 Includes advance against Murabaha of Rs.1,519,196 thousand (December 31, 2024: Rs.384,018 thousand) and Inventory against Murabaha of Rs.61,551 thousand (December 31, 2024: NIL)

40.3.2 **Advance against Islamic assets**

	Ijarah	Musawamah	Diminishing Musharakah	Salam	Istisna	Total
	(Rupees in '000)					
September 30, 2025 (Un-audited)	1,507,963	-	4,563,931	-	-	6,071,894
December 31, 2024 (Audited)	208,120	-	3,899,853	-	-	4,107,973

40.3.3 **Inventory related to Islamic financing**

	Ijarah	Musawamah	Diminishing Musharakah	Salam	Istisna	Total
	(Rupees in '000)					
September 30, 2025 (Un-audited)	-	500,000	-	405,091	1,578,629	2,483,720
December 31, 2024 (Audited)	-	135,000	-	826,014	1,745,484	2,706,498

	(Un-audited) September 30, 2025	(Audited) December 31, 2024
	(Rupees in '000)	
<b>40.4 Deposits and Other Accounts</b>		
<b>Customers</b>		
Current deposits - non remunerative	90,195,415	48,810,735
Current deposits - remunerative	2,034,842	1,775,224
Savings deposits	75,435,436	45,673,585
Term deposits	17,818,608	21,401,487
Others	2,273,106	262,498
	<u>187,757,407</u>	<u>117,923,529</u>
<b>Financial Institutions</b>		
Current deposits - non remunerative	62,255	416,917
Current deposits - remunerative	21,857	504,369
Savings deposits	8,407,504	7,924,891
Term deposits	10,238,000	8,355,500
	<u>18,729,616</u>	<u>17,201,677</u>
	<u>206,487,023</u>	<u>135,125,206</u>
<b>40.5 Islamic Banking Business Unappropriated Profit</b>		
Opening balance	19,270,458	13,878,806
Less: Impact of IFRS-9 - adoption	(63,166)	(1,595,805)
Add: Islamic banking profit for the period	4,040,141	6,987,457
Closing Balance	<u>23,247,433</u>	<u>19,270,458</u>
<b>40.6 Contingencies And Commitments</b>		
- Guarantees	7,289,394	11,583,306
- Commitments	12,484,482	15,429,163
	<u>19,773,876</u>	<u>27,012,469</u>
<b>40.7 Charity Fund</b>		
Opening balance	29,496	46,063
Additions during the period		
- Received from customers on delayed payments	17,842	40,848
- Non Shariah Compliant Income	-	-
- Profit on charity account	18	48
- Others	669	1,026
	18,529	41,922
Payments / utilization during the period		
- Education	-	-
- Relief related activities	-	(30,000)
- Health	-	(28,489)
- Orphanage	-	-
	-	(58,489)
Closing balance	<u>48,025</u>	<u>29,496</u>

(Un-audited)	
Nine month period ended	
September 30, 2025	September 30, 2024 (Restated)
(Rupees in '000)	

**40.8 Profit / Return Earned on Financing, Investments and Placements**

Profit earned on:

Financing	8,091,795	17,389,118
Investments	11,017,698	7,069,752
Placements	62,121	487,574
	<u>19,171,614</u>	<u>24,946,444</u>

**40.9 Profit on Deposits and Other Dues Expensed**

Deposits and other accounts	5,882,844	10,368,443
Due to financial institutions	3,383,470	863,441
Due to head office	1,320,106	5,530,140
Lease liability against right-of-use assets	375,785	213,938
	<u>10,962,205</u>	<u>16,975,962</u>

**41 GENERAL**

**41.1 Non-adjusting events after the balance sheet date**

The Board of Directors in its meeting held on October 29, 2025 has announced an interim cash dividend of Rs. 1.25 per share (September 30, 2024: nil) for the quarter ended September 30, 2025. These unconsolidated condensed interim financial statements for the period ended September 30, 2025 do not include the effect of this appropriation which will be accounted for subsequent to the period end.

**41.2 Reclassification of comparative figures**

Where necessary, comparative information has been reclassified, rearranged, restated or additionally incorporated in these unconsolidated condensed interim financial statements. The effects of restatement due to adoption of IFRS 9 is mentioned in note 3.1.1 of these unconsolidated condensed interim financial statements.

**42 DATE OF AUTHORIZATION FOR ISSUE**

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

Chief Financial Officer

President & Chief Executive

Director

Director

Chairman



CONDENSED INTERIM  
CONSOLIDATED  
FINANCIAL STATEMENTS

FOR THE NINE MONTH PERIOD ENDED  
SEPTEMBER 30, 2025

(UN-AUDITED)

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

		(Un-audited) September 30, 2025	(Audited) December 31, 2024
	Note	----- Rupees in '000 -----	
<b>ASSETS</b>			
Cash and balances with treasury banks	6	124,899,462	133,535,448
Balances with other banks	7	16,547,901	12,958,886
Lendings to financial institutions	8	10,564,339	4,567,619
Investments	9	1,968,246,756	1,509,368,801
Advances	10	545,081,107	695,692,118
Property and equipment	11	23,512,285	21,834,904
Right-of-use assets	12	13,474,364	12,196,186
Intangible assets	13	1,858,949	1,849,778
Assets held for sale	14	-	1,750,000
Deferred tax assets	21	-	-
Other assets	15	126,089,261	107,627,956
<b>Total Assets</b>		<b>2,830,274,424</b>	<b>2,501,381,696</b>
<b>LIABILITIES</b>			
Bills payable	16	17,473,176	66,704,448
Borrowings	17	1,068,712,174	869,212,410
Deposits and other accounts	18	1,513,607,675	1,362,850,503
Lease liabilities	19	16,034,527	14,174,653
Subordinated debts	20	6,000,000	12,000,000
Deferred tax liabilities	21	7,182,975	737,821
Other liabilities	22	58,980,424	53,291,573
<b>Total Liabilities</b>		<b>2,687,990,951</b>	<b>2,378,971,408</b>
<b>NET ASSETS</b>		<b>142,283,473</b>	<b>122,410,288</b>
<b>REPRESENTED BY</b>			
Share capital		14,492,992	14,492,992
Reserves		88,542,464	74,690,127
Surplus on revaluation of assets - net of tax	23	24,120,100	16,235,737
Unappropriated profit		14,700,913	16,522,092
Non-Controlling interest		427,004	469,340
		<b>142,283,473</b>	<b>122,410,288</b>

**CONTINGENCIES AND COMMITMENTS**

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

Chief Financial Officer

President & Chief Executive Officer

Director

Director

Chairman



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

		Quarter ended		Period ended	
		September 30, 2025	September 30, 2024 (Restated)	September 30, 2025	September 30, 2024 (Restated)
		----- Rupees in '000 -----			
Note					
Mark-up / return / interest earned	26	76,593,551	105,296,746	225,285,222	311,794,245
Mark-up / return / interest expensed	27	53,701,580	86,350,836	159,769,413	267,291,542
Net mark-up / interest income		22,891,971	18,945,910	65,515,809	44,502,703
<b>NON MARK-UP / INTEREST INCOME</b>					
Fee and commission income	28	2,592,732	1,731,738	6,181,129	5,405,298
Dividend income		248,459	146,863	663,728	651,443
Foreign exchange income		1,570,439	1,159,558	3,324,915	3,574,024
Income / (loss) from derivatives		-	-	-	-
Gain on securities	29	2,071,486	426,767	3,033,537	1,326,786
Net gains/(loss) on derecognition of financial assets measured at amortised cost		-	-	-	-
Other income	30	103,127	168,113	416,669	404,932
Total non-markup / interest income		6,586,243	3,633,039	13,619,978	11,362,483
Total income		29,478,214	22,578,949	79,135,787	55,865,186
<b>NON MARK-UP / INTEREST EXPENSES</b>					
Operating expenses	31	13,387,480	9,104,080	34,232,565	26,254,430
Workers' Welfare Fund		186,050	139,262	478,128	409,262
Other charges	32	17,559	55,115	20,862	64,387
Total non-markup / interest expenses		13,591,089	9,298,457	34,731,555	26,728,079
Profit before credit loss allowance		15,887,125	13,280,492	44,404,232	29,137,107
Credit loss allowance / provisions and write offs - net	33	171,562	1,685,019	808,180	1,232,728
Extraordinary / unusual items		-	-	-	-
<b>PROFIT BEFORE TAXATION</b>		15,715,563	11,595,473	43,596,052	27,904,379
Taxation	34	8,213,746	5,573,686	25,398,748	13,745,903
<b>PROFIT AFTER TAXATION</b>		7,501,817	6,021,787	18,197,304	14,158,476
Profit attributable to					
Non-controlling interest		51,847	29,391	109,725	73,198
Equity holders of the Bank		7,449,970	5,992,396	18,087,579	14,085,278
		7,501,817	6,021,787	18,197,304	14,158,476
----- Rupees -----					
<b>Basic and diluted earnings per share</b>	35	5.18	4.15	12.56	9.77

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

Chief Financial Officer

President & Chief Executive Officer

Director

Director

Chairman

**ASKARI BANK LIMITED**  
**CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
**FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2025**

	Quarter ended		Period ended	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
	----- Rupees in '000 -----			
Profit after taxation for the period	7,501,817	6,021,787	18,197,304	14,158,476
<b>Other comprehensive income</b>				
<b>Items that may be reclassified to statement of profit and loss account in subsequent periods:</b>				
Effect of translation of net investment in Wholesale Bank Branch	(48,606)	(12,535)	54,705	(74,307)
Movement in surplus on revaluation of debt investments through FVOCI - net of tax	(913,664)	9,571,755	6,077,141	10,680,614
	(962,270)	9,559,220	6,131,846	10,606,307
<b>Items that will not be reclassified to statement of profit and loss account in subsequent periods:</b>				
Movement in surplus on revaluation of equity investments through FVOCI - net of tax	1,621,524	(22,811)	2,915,018	604,278
Remeasurement (loss) / gain on defined benefit obligation	12,240	-	(73,933)	367,245
	1,633,764	(22,811)	2,841,085	971,523
<b>Total comprehensive income</b>	<b>8,173,311</b>	<b>15,558,196</b>	<b>27,170,235</b>	<b>25,736,306</b>
<b>Total comprehensive income attributable to</b>				
Non-controlling interest	14,976	29,391	73,198	73,198
Equity holders of the Bank	8,158,335	15,528,805	27,097,037	25,663,108
	<b>8,173,311</b>	<b>15,558,196</b>	<b>27,170,235</b>	<b>25,736,306</b>

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

Chief Financial Officer	President & Chief Executive Officer	Director	Director	Chairman
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**ASKARI BANK LIMITED**  
**CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY**  
**FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2025**

	Surplus / (deficit) on revaluation of									
	Share capital	Exchange translation reserve	Merger reserve	Statutory reserve	General reserve	Investments	Property and equipment / Non banking assets	Un-appropriated profit	Non-controlling interest	Total
	----- Rupees in '000 -----									
<b>Balance as at January 1, 2024 (audited)</b>	14,492,992	1,912,226	128,355	17,748,529	38,066,642	(4,615,633)	10,825,685	14,862,242	376,698	93,797,736
<b>Total comprehensive income for the nine month ended September 30, 2024</b>										
Profit after taxation for the nine month period ended September 30, 2024	-	-	-	-	-	-	-	14,085,278	73,198	14,158,476
Other comprehensive income - net of tax	-	(74,307)	-	-	-	11,284,892	-	367,245	-	11,577,830
	-	(74,307)	-	-	-	11,284,892	-	14,452,523	73,198	25,736,306
Transfer to statutory reserve	-	-	-	1,402,221	-	-	-	(1,402,221)	-	-
Transfer to general reserve	-	-	-	-	16,820,822	-	-	(16,820,822)	-	-
Gain on disposal of equity securities measured at FVOCI - net of tax	-	-	-	-	-	(199,541)	-	199,541	-	-
<b>Transactions with owners, recorded directly in equity</b>										
Final dividend 2023	-	-	-	-	-	-	-	(3,623,248)	(28,224)	(3,651,472)
<b>Balance as at September 30, 2024 (un-audited) - Restated</b>	14,492,992	1,837,919	128,355	19,150,750	54,887,464	6,469,718	10,825,685	7,668,015	421,672	115,882,570
<b>Total comprehensive income for the three month period ended December 31, 2024</b>										
Profit after taxation for the three month period ended December 31, 2024	-	-	-	-	-	-	-	7,052,416	44,962	7,097,378
Other comprehensive income - net of tax	-	24,125	-	-	-	(1,179,182)	142,282	440,409	2,706	(569,660)
	-	24,125	-	-	-	(1,179,182)	142,282	7,492,825	47,668	6,527,718
Transfer to statutory reserve	-	-	-	700,046	-	-	-	(700,046)	-	-
Transfer to general reserve	-	-	-	-	(2,038,532)	-	-	2,038,532	-	-
Gain on disposal of equity instruments measured at FVOCI - net of tax	-	-	-	-	-	(22,766)	-	22,766	-	-
<b>Balance as at December 31, 2024 (audited)</b>	14,492,992	1,862,044	128,355	19,850,796	52,848,932	5,267,770	10,967,967	16,522,092	469,340	122,410,288
Effect of remeasurement on adoption of IFRS9 (net of tax)	-	-	-	-	-	432,400	-	-	-	432,400
Effect of adoption of IFRS9 - ECL (net of tax)	-	-	-	-	-	-	-	(440,618)	-	(440,618)
<b>Balance as at January 1, 2025 (restated)</b>	14,492,992	1,862,044	128,355	19,850,796	52,848,932	5,700,170	10,967,967	16,081,474	469,340	122,402,070
<b>Total comprehensive income for the nine month period ended September 30, 2025</b>										
Profit after taxation for the nine month period ended September 30, 2025	-	-	-	-	-	-	-	18,197,304	-	18,197,304
Other comprehensive income - net of tax	-	54,705	-	-	-	8,992,159	-	(73,933)	-	8,972,931
	-	54,705	-	-	-	8,992,159	-	18,123,371	-	27,170,235
Transfer to statutory reserve	-	-	-	1,819,730	-	-	-	(1,819,730)	-	-
Transfer to general reserve	-	-	-	-	11,977,902	-	-	(11,977,902)	-	-
Transfer from surplus on revaluation of property and equipment to unappropriated profit - net of tax	-	-	-	-	-	-	(980,987)	980,987	-	-
Gain on disposal of equity securities measured at FVOCI - net of tax	-	-	-	-	-	(559,209)	-	559,209	-	-
Transfer to General reserve	-	-	-	-	-	-	-	-	-	-
<b>Transactions with owners, recorded directly in equity</b>										
Final dividend 2024: Rs. 3 per share	-	-	-	-	-	-	-	(4,347,898)	(42,336)	(4,390,234)
Interim dividend 2025: Rs. 2 per share	-	-	-	-	-	-	-	(2,898,598)	-	(2,898,598)
<b>Balance as at September 30, 2025 (un-audited)</b>	14,492,992	1,916,749	128,355	21,670,526	64,826,834	14,133,120	9,986,980	14,700,913	427,004	142,283,473

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

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

		Period ended	
		September 30, 2025	September 30, 2024
Note		----- Rupees in '000 -----	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit before taxation		43,596,052	27,904,379
Less: Dividend income		(663,728)	(651,443)
		42,932,324	27,252,936
Adjustments:			
Depreciation		1,402,676	996,271
Amortization		170,993	163,773
Depreciation on right-of-use assets		1,772,659	1,642,294
Finance charges on leased assets		1,442,004	1,076,507
Gain on termination of lease contracts		(23,149)	(31,978)
Charge for defined benefit plan		625,864	457,748
Credit loss allowance and write offs	33	898,856	1,272,412
Unrealised (loss) / gain on revaluation of securities - FVTPL		(416,249)	(517,234)
Gain on sale of property and equipment		(32,581)	(10,578)
		5,841,073	5,049,215
		48,773,397	32,302,151
Decrease / (increase) in operating assets			
Lendings to financial institutions		(5,975,201)	(24,677,709)
Securities classified as FVTPL		1,620,805	(5,597,588)
Advances		155,478,631	159,558,395
Other assets (excluding advance taxation)		(21,416,683)	(51,824,154)
		129,707,553	77,458,944
Increase / (decrease) in operating liabilities			
Bills payable		(49,231,272)	(2,827,228)
Borrowings from financial institutions		199,499,764	41,772,506
Deposits		150,757,172	112,412,073
Other liabilities		4,407,306	(4,542,660)
		305,432,970	146,814,691
		483,913,919	256,575,786
Payment made to defined benefit plan		(50,139)	(147,976)
Income tax paid		(26,142,290)	(17,263,584)
<b>Net cash flow from operating activities</b>		457,721,490	239,164,226
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Net investments in securites classified as FVOCI		(439,654,301)	(287,466,128)
Net investments in amortized cost securities		(300,735)	7,495,932
Amount received on disposal of assets held for sale		1,308,750	-
Dividend received		642,447	585,161
Investments in property and equipment		(3,106,489)	(2,524,258)
Investments in intangible assets		(179,632)	(200,890)
Disposals of property and equipment		59,139	22,553
Effect of translation of net investment in Wholesale Bank Branch		54,705	(74,307)
<b>Net cash flow used in investing activities</b>		(441,176,117)	(282,161,937)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Payments of lease obligation against right-of-use assets		(2,618,714)	(2,097,172)
Payment of subordinated debt		(6,000,000)	-
Dividend paid		(7,209,991)	(3,613,383)
<b>Net cash flow used in financing activities</b>		(21,828,705)	(5,710,555)
<b>Decrease in cash and cash equivalents</b>		(5,283,332)	(48,708,266)
Cash and cash equivalents at beginning of the period		146,494,334	174,848,644
Cash and cash equivalents at end of the period		141,211,002	126,140,378

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

**ASKARI BANK LIMITED**  
**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)**  
**FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2025**

**1 STATUS AND NATURE OF BUSINESS**

The Group consists of Askari Bank Limited, the holding company, Foundation Securities Limited, a 51% owned subsidiary and Askari Currency Exchange (Private) Limited, a 100% owned subsidiary.

Askari Bank Limited (the Bank) was incorporated in Pakistan on October 9, 1991 as a Public Limited Company and is listed on the Pakistan Stock Exchange. The registered office of the Bank is situated at AWT Plaza, the Mall, Rawalpindi. The Bank is a scheduled commercial bank and is principally engaged in the business of banking as defined in the Banking Companies Ordinance, 1962. The Fauji Consortium: comprising of Fauji Foundation (FF) and Fauji Fertilizer Company Limited (FFCL) collectively own 71.91 (2024: 71.91 ) percent shares of the Bank. The ultimate parent of the Bank is Fauji Foundation. The Bank has 729 branches (2024: 720 branches); 728 (2024: 719) in Pakistan and Azad Jammu and Kashmir including 270 (2024: 198) Islamic Banking branches and 62 (2024: 68) sub-branches and a Wholesale Bank Branch (WBB) in the Kingdom of Bahrain. The Pakistan Credit Rating Agency (PACRA) has assigned long term rating of AA+ and short term rating of A1+ to the Bank with stable outlook.

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

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

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

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

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

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

**2.1 BASIS OF PREPARATION**

**2.1.1** These consolidated condensed interim financial statements have been presented in Pak Rupees, which is the Group's functional and presentation currency. The figures have been rounded off to the nearest thousand rupees, unless otherwise stated.

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

**2.1.3** These consolidated condensed interim financial statements have been prepared under the historical cost convention except that certain class of property and equipment and non-banking assets acquired in satisfaction of claims are stated at revalued amounts; investments classified at fair value through profit or loss and fair value through other comprehensive income are stated at fair value; staff loans, Temporary Economic Refinance Facilities (TERF) loans and corresponding borrowings from State Bank of Pakistan (SBP) are measured at fair value at initial recognition; and staff retirement benefits, lease liabilities and corresponding right-of-use assets are stated at present value, as disclosed in their respective notes.

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

## **2.2 STATEMENT OF COMPLIANCE**

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

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

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

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

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

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

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

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Group's accounting periods beginning on or after January 1, 2025 but are considered not to be relevant or do not have any material effect on the Group's financial statements and therefore are not detailed in these consolidated condensed interim financial statements. The impact of IFRS 9 for the current period is disclosed in note 3.1.3 to these consolidated condensed interim financial statements. Further, the comparative period has been restated to incorporate the impact of adoption of IFRS 9 as disclosed in note 3.1.1 to these consolidated condensed interim financial statements.

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

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Group's accounting periods beginning on or after January 1, 2026 but are considered not to be relevant or do not have any material effect on the Group's consolidated condensed interim financial statements except for:

- IFRS 18 'Presentation and Disclosure in Financial Statements' (published in April 2024) with applicability date of January 1, 2027 by IASB. IFRS 18 is yet to be adopted in Pakistan. IFRS 18 when adopted and applicable shall impact the presentation of 'Statement of Profit and Loss Account' with certain additional disclosures in the consolidated condensed interim financial statements.
- amendments to IFRS 9 'Financial Instruments' which clarify the date of recognition and derecognition of a financial asset or financial liability including settlement of liabilities through banking instruments and channels including electronic transfers. The amendment when applied may impact the timing of recognition and derecognition of financial liabilities.
- amendment to IAS 21 'The Effects of Changes in Foreign Exchange Rates' which will require Banks to apply a consistent approach in assessing whether a currency can be exchanged into another currency and, when it cannot, in determining the exchange rate to use and the disclosures to provide.

**3 MATERIAL ACCOUNTING POLICY INFORMATION**

The material accounting policies applied in the preparation of these consolidated condensed interim financial statements are consistent with those applied in the preparation of the annual audited consolidated financial statements of the Group for the year ended December 31, 2024. Impacts of adoption of IFRS 9 for comparative and current period are disclosed in note 3.1 below.

**3.1 IFRS 9 - Financial Instruments**

**3.1.1** The Group had adopted IFRS 9 effective from January 1, 2024 with modified retrospective approach for restatement permitted under IFRS 9. The cumulative impact of initial application amounting to Rs. 3,897,926 thousand was recorded as an adjustment to equity at the beginning of the previous accounting period.

The Group, in compliance with extended timelines prescribed in SBP's BPRD Circular Letter No. 16 dated July 29, 2024 and BPRD Circular Letter No. 1 dated January 22, 2025 had incorporated certain IFRS 9 related impacts in the last quarter of 2024. Therefore, the consolidated condensed interim statement of profit and loss account (un-audited) for the nine month period ended September 30, 2024 have been restated to incorporate these impacts. The details are tabulated below:

Financial statement line item	Without impact of restatement	Effect of restatement	As presented	Description
	----- Rupees in '000 -----			
Mark-up/ return/ interest earned	309,922,679	1,871,566	311,794,245	Fair value impact of subsidised advances and staff loans
Other income	366,159	38,773	404,932	Amortisation of deferred grant on subsidised refinance loans
Mark-up/ return/ interest expense	(266,548,339)	(743,203)	(267,291,542)	Fair value impact of subsidised borrowings
Operating expenses	(25,087,294)	(1,167,136)	(26,254,430)	Fair value impact of staff loans
Profit before taxation	27,904,379	-	27,904,379	

**3.1.2** The SBP in a separate instruction BPRD/RPD/822456/25 dated January 22, 2025 has allowed extension for application of Effective Interest Rate upto December 31, 2025.

**3.1.3** During the current period, in compliance with BPRD Circular No. 03 of 2022 dated July 5, 2022, and BPRD Circular Letter No. 16 dated July 29, 2024, the Group has applied IFRS 9 'Financial Instruments' for the measurement of unquoted equity securities at fair value and for the calculation of Exposure At Default (EAD) on revolving credit products beyond their contractual maturity dates. The respective impacts, amounting to Rs. 432,400 thousand and Rs. 440,618 thousand net of tax, have been recognized as an adjustment to equity at the beginning of the current period.

**3.1.4** The SBP has directed the Group through its BPRD Circular Letter No. 1 dated January 22, 2025 to continue the existing revenue recognition methodology for Islamic Operations, including the requirements of IFAS 1 and IFAS 2 until further instructions. Had IFRS 9 been adopted in its entirety for revenue recognition from Islamic operations, the revenue of the Group would have been higher by Rs. 889,850 thousand.

#### **4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS**

The basis for accounting estimates adopted in the preparation of these consolidated condensed interim financial statements are same as that applied in the preparation of the annual audited consolidated financial statements for the year ended December 31, 2024, except for matters related to IFRS 9 which have been disclosed in note 3.1 to these consolidated condensed interim financial statements.

#### **5 FINANCIAL RISK MANAGEMENT**

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



		(Un-audited) September 30, 2025	(Audited) December 31, 2024
<b>6 CASH AND BALANCES WITH TREASURY BANKS</b>	<b>Note</b>	<b>----- Rupees in '000 -----</b>	
<b>In hand:</b>			
Local currency		27,794,288	35,304,422
Foreign currencies		4,484,112	3,740,358
		<u>32,278,400</u>	<u>39,044,780</u>
<b>With State Bank of Pakistan in</b>			
Local currency current accounts		69,202,461	72,316,040
Foreign currency current account		7,349,633	7,421,460
Foreign currency deposit account		12,895,726	13,685,296
		<u>89,447,820</u>	<u>93,422,796</u>
<b>With National Bank of Pakistan in</b>			
Local currency current accounts		3,153,434	1,028,257
Prize Bonds		22,436	39,615
Less: Credit loss allowance held against cash and balances with treasury banks		(2,628)	-
Cash and balances with treasury banks - net of credit loss allowance		<u>124,899,462</u>	<u>133,535,448</u>
<b>7 BALANCES WITH OTHER BANKS</b>			
<b>In Pakistan</b>			
In current accounts		1,203,631	318,151
In saving accounts		1,647,586	1,977,079
		<u>2,851,216</u>	<u>2,295,230</u>
<b>Outside Pakistan</b>			
In current accounts		6,393,416	1,908,941
In deposit accounts		7,303,975	8,756,105
		<u>13,697,391</u>	<u>10,665,046</u>
Less: Credit loss allowance held against balances with other banks		(706)	(1,390)
Balances with other banks - net of credit loss allowance		<u>16,547,901</u>	<u>12,958,886</u>
<b>8 LENDINGS TO FINANCIAL INSTITUTIONS</b>			
Call / clean money lendings		-	1,500,000
Repurchase agreement lendings (Reverse Repo)		2,999,400	-
Bai Muajjal receivable - other financial institutions		-	3,068,218
Placements with financial institutions		7,566,310	-
Purchase under resale arrangement of equity securities		37,152	59,443
		<u>10,602,862</u>	<u>4,627,661</u>
Less: Credit loss allowance held against lending to financial institutions	8.1	(38,523)	(60,042)
Lendings to financial institutions - net of credit loss allowance		<u>10,564,339</u>	<u>4,567,619</u>

		September 30, 2025 (Un-audited)		December 31, 2024 (Audited)	
		Lending	Credit Loss Allowance Held	Lending	Credit Loss Allowance Held
<b>8.1 Lendings To Financial Institutions - particulars of credit loss allowance</b>		<b>----- Rupees in '000 -----</b>			
<b>Domestic</b>					
Performing	Stage 1	2,999,400	1,371	4,568,218	599
Non-performing	Stage 3				
Loss		37,152	37,152	59,443	59,443
		<u>3,036,552</u>	<u>38,523</u>	<u>4,627,661</u>	<u>60,042</u>
<b>Overseas</b>					
Performing	Stage 1	7,566,310	-	-	-
		<u>10,602,862</u>	<u>38,523</u>	<u>4,627,661</u>	<u>60,042</u>

## 9 INVESTMENTS

September 30, 2025 (Un-audited)				December 31, 2024 (Audited)			
Cost / amortized cost	Credit Loss allowance	Surplus / (deficit)	Carrying value	Cost / amortized cost	Credit Loss allowance	Surplus / (deficit)	Carrying value
----- Rupees in '000 -----							

### 9.1 Investments by type:

#### FVTPL

Ordinary shares	1,252,854	-	35,577	1,288,431	461,078	-	41,941	503,019
Units of open end mutual funds	1,825,672	-	1,584,358	3,410,030	1,826,479	-	1,158,946	2,985,425
Federal Government Securities	1,256,356	-	-	1,256,356	3,668,096	-	-	3,668,096
Non Government Debt Securities	4,603,773	-	(1,111,970)	3,491,803	4,603,807	-	(1,086,134)	3,517,673
	8,938,655	-	507,965	9,446,620	10,559,460	-	114,753	10,674,213

#### FVOCI

Federal Government Securities	1,864,373,273	(65,656)	19,346,527	1,883,654,144	1,422,059,838	(406,352)	6,686,981	1,428,340,467
Shares	4,850,664	-	10,120,848	14,971,512	4,952,578	-	4,317,609	9,270,187
Fully paid preference shares	27,314	-	(2,914)	24,400	27,314	-	(3,825)	23,489
Non Government Debt Securities	9,527,887	(377,813)	(20,460)	9,129,614	10,920,088	(380,124)	(26,243)	10,513,721
	1,878,779,138	(443,469)	29,444,001	1,907,779,670	1,437,959,818	(786,476)	10,974,522	1,448,147,864

#### Amortised cost

Federal Government Securities	51,041,066	(20,600)	-	51,020,466	50,736,512	(189,788)	-	50,546,724
Non Government Debt Securities	106,181	(106,181)	-	-	110,000	(110,000)	-	-
	51,147,247	(126,781)	-	51,020,466	50,846,512	(299,788)	-	50,546,724

Total investments	1,938,865,040	(570,250)	29,951,966	1,968,246,756	1,499,365,790	(1,086,264)	11,089,275	1,509,368,801
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(Un-audited)	(Audited)
September 30, 2025	December 31, 2024

(Rupees in '000)

### 9.1.1 Investments given as collateral

The market value of investments given as collateral is;

Market Treasury Bills	-	2,353,915
Pakistan Investment Bonds	884,426,330	701,101,750
Shares	308,787	247,544
	884,735,117	703,703,209

	(Un-audited) September 30, 2025	(Audited) December 31, 2024
	----- Rupees in '000 -----	
<b>9.2 Credit loss allowance for diminution in value of investments</b>		
<b>9.2.1</b> Opening balance	1,086,264	3,352,687
Impact of adoption of IFRS 9	-	(833,466)
Balance as of January 01,	1,086,264	2,519,221
Exchange adjustments	-	(1,372)
Charge / (reversals) - net		
Reversal for the period / year	(516,014)	(533,128)
Transfer of provision to revaluation surplus	-	(898,457)
	(516,014)	(1,431,585)
Closing balance	570,250	1,086,264

### 9.2.2 Particulars of credit loss allowance against debt securities

		September 30, 2025 (Un-audited)		December 31, 2024 (Audited)	
		Outstanding Amount	Credit loss allowance held	Outstanding Amount	Credit loss allowance held
		----- Rupees in '000 -----			
<b>Domestic</b>					
Performing	Stage 1	1,696,056	7,065	2,418,507	7,934
Non-performing	Stage 3				
Loss		476,929	476,929	482,190	482,190
Total		2,172,985	483,994	2,900,697	490,124
<b>Overseas</b>					
Performing	Stage 1	14,748,776	86,256	9,841,923	596,140
Total		16,921,761	570,250	12,742,620	1,086,264

**9.3** The market value of securities classified as amortized cost as at September 30, 2025 is Rs. 49,790,123 thousand (December 31, 2024: Rs. 47,100,000 thousand).

# 10 ADVANCES

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

Performing		Non Performing		Total	
(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)
September 30, 2025	December 31, 2024	September 30, 2025	December 31, 2024	September 30, 2025	December 31, 2024
----- Rupees in '000 -----					
439,802,542	614,910,422	27,293,992	27,639,228	467,096,534	642,549,650
92,580,404	67,351,156	4,909,518	4,455,351	97,489,922	71,806,507
17,083,917	16,316,956	2,102,162	2,334,069	19,186,079	18,651,025
549,466,863	698,578,534	34,305,672	34,428,648	583,772,535	733,007,182
(1,089,724)	(1,140,828)	-	-	(1,089,724)	(1,140,828)
(4,757,634)	(3,893,372)	-	-	(4,757,634)	(3,893,372)
-	-	(32,844,070)	(32,280,864)	(32,844,070)	(32,280,864)
(5,847,358)	(5,034,200)	(32,844,070)	(32,280,864)	(38,691,428)	(37,315,064)
543,619,505	693,544,334	1,461,602	2,147,784	545,081,107	695,692,118

## 10.1 Particulars of advances (gross)

In local currency  
In foreign currencies

(Un-audited)	(Audited)
September 30, 2025	December 31, 2024
----- Rupees in '000 -----	
535,169,818	676,924,670
48,602,717	56,082,512
583,772,535	733,007,182

10.2 Advances include amount of Rs. 34,305,672 (2024: 34,428,648) thousand which have been placed under non-performing status / stage 3 as detailed below:

### Category of classification (Stage 3)

Domestic  
Other Assets Especially Mentioned (OAEM)  
Substandard  
Doubtful  
Loss

September 30, 2025 (Un-audited)		December 31, 2024 (Audited)	
Non Performing Loans	Credit loss Allowance	Non Performing Loans	Credit loss Allowance
----- Rupees in '000 -----			
100,186	47,400	141,213	85,324
3,011,871	2,035,111	3,149,887	2,060,417
716,654	629,421	2,217,365	1,564,045
30,476,961	30,132,138	28,920,183	28,571,078
34,305,672	32,844,070	34,428,648	32,280,864

## 10.3 Particulars of credit loss allowance against advances

Opening balance  
Impact of adoption of IFRS-9  
Balance as at January 01  
Charge for the period  
Reversal for the period  
Closing balance

September 30, 2025 (Un-audited)			
Stage 1	Stage 2	Stage 3	Total
----- Rupees in '000 -----			
1,140,828	3,893,372	32,280,864	37,315,064
211,322	601,514	-	812,836
1,352,150	4,494,886	32,280,864	38,127,900
228,813	378,239	1,755,695	2,362,746
(491,239)	(115,491)	(1,192,489)	(1,799,218)
(262,426)	262,748	563,206	563,529
1,089,724	4,757,634	32,844,070	38,691,429

Opening balance (including impact of adoption of IFRS 9)  
Charge for the year  
Reversal for the year  
Amounts written off  
Closing balance

December 31, 2024 (Audited)			
Stage 1	Stage 2	Stage 3	Total
----- Rupees in '000 -----			
3,533,735	6,801,929	27,783,828	38,119,492
2,168,486	7,121,410	7,338,185	16,628,081
(4,561,393)	(10,029,967)	(2,470,141)	(17,061,501)
(2,392,907)	(2,908,557)	4,868,044	(433,420)
-	-	(371,008)	(371,008)
1,140,828	3,893,372	32,280,864	37,315,064

#### 10.4 Advances - particulars of credit loss allowance

	September 30, 2025 (Un-audited)		
	Stage 1	Stage 2	Stage 3
	----- Rupees in '000 -----		
Opening balance	1,140,828	3,893,372	32,280,864
Impact of adoption of IFRS-9	211,322	601,514	-
Balance as at January 01	1,352,150	4,494,886	32,280,864
New Advances	60,528	71,468	1,470,198
Advances repaid	(374,507)	(15,611)	(1,190,806)
Transfer to / from stage 1	(116,732)	111,247	5,485
Transfer to / from stage 2	7,787	(99,879)	92,092
Transfer to / from stage 3	362	1,320	(1,682)
Amounts written off / charged off	-	-	-
Changes in risk parameters	160,135	194,204	187,919
Closing balance	1,089,724	4,757,634	32,844,070

	December 31, 2024 (Audited)		
	Stage 1	Stage 2	Stage 3
	----- Rupees in '000 -----		
Opening balance (including impact of adoption of IFRS 9)	3,533,735	6,801,929	27,783,828
New Advances	2,105,443	6,904,728	336,939
Advances repaid	(1,307,334)	(2,406,833)	(2,339,326)
Transfer to / from stage 1	63,043	(63,043)	-
Transfer to / from stage 2	(213,952)	216,681	(2,730)
Transfer to / from stage 3	(304,459)	(6,696,787)	7,001,246
Amounts written off / charged off	-	-	(371,008)
Changes in risk parameters	(2,735,649)	(863,304)	(128,086)
Closing balance	1,140,828	3,893,372	32,280,864

#### 10.5 Advances - category of classification

Domestic					
Performing	Stage 1	411,523,355	1,067,137	638,420,368	1,140,828
Underperforming	Stage 2	133,161,114	4,757,634	57,255,844	3,889,224
Non-Performing	Stage 3				
Other assets especially mentioned (OAEM)		100,186	47,400	141,213	85,324
Substandard		3,011,871	2,035,111	3,149,887	2,060,417
Doubtful		716,654	629,421	2,217,365	1,564,045
Loss		30,476,961	30,132,138	28,920,183	28,571,078
		34,305,672	32,844,070	34,428,648	32,280,864
Sub Total		578,990,141	38,668,841	730,104,860	37,310,916
Overseas					
Performing	Stage 1	4,782,394	22,587	-	-
Underperforming	Stage 2	-	-	2,902,322	4,148
Total		583,772,535	38,691,428	733,007,182	37,315,064

#### 11 PROPERTY AND EQUIPMENT

	Note	(Un-audited)	(Audited)
		September 30, 2025	December 31, 2024
		----- Rupees in '000 -----	
Capital work-in-progress	11.1	1,295,563	822,004
Property and equipment		22,216,722	21,012,900
		23,512,285	21,834,904

11.1 This represents advances to suppliers and contractors.

		Nine month period ended (Un-audited)	
		September 30, 2025	September 30, 2024
		----- Rupees in '000 -----	
<b>11.2 Additions to property and equipment</b>			
The following additions have been made to property and equipment during the period:			
<b>Capital work-in-progress</b>		1,010,839	458,008
<b>Property and equipment</b>			
Renovation of premises		629,239	558,735
Furniture, fixtures and office equipment		513,506	352,264
Machine and equipment		858,165	910,136
Computer equipment		529,615	556,127
Vehicles		102,405	47,012
		2,632,930	2,424,274
Total		3,643,770	2,882,282
<b>11.3 Disposal of property and equipment</b>			
The net book value of property and equipment disposed off during the period is as follows:			
Renovation of premises		2,953	1,491
Furniture, fixtures and office equipment		5,611	5,739
Machine and equipment		3,445	2,386
Computer equipment		238	49
Vehicles		14,311	2,310
Total		26,558	11,975
<b>12 RIGHT-OF-USE ASSETS</b>			
----- Rupees in '000 -----			
Net carrying amount at January 1,		12,196,186	8,312,812
Additions during the period / year		3,385,948	6,262,557
Depreciation for the period / year		(1,772,659)	(2,258,248)
Deletions and other adjustments		(335,111)	(120,935)
Net carrying amount at period / year end		13,474,364	12,196,186
<b>13 INTANGIBLE ASSETS</b>			
Computer software		1,395,814	1,422,143
Capital work-in-progress		463,135	427,635
		1,858,949	1,849,778

		Nine month period ended (Un-audited)	
		September 30, 2025	September 30, 2024
		----- Rupees in '000 -----	
<b>13.1 Additions to intangible assets</b>			
The following additions have been made to intangible assets during the period:			
Capital work in progress		120,488	105,919
Computer Software		143,637	170,521
		<u>264,125</u>	<u>276,440</u>

- 14** The Bank has sold its land located at Haider Road, Rawalpindi during the current reporting period which was previously classified under non-current assets held for sale. The process of transfer of title is in process and is expected to be complete before the end of this year.

		(Un-audited) September 30, 2025	(Audited) December 31, 2024
		----- Rupees in '000 -----	
<b>15 OTHER ASSETS</b>			
Income / mark-up accrued in local currency		90,344,595	65,693,368
Income / mark-up accrued in foreign currencies		1,398,054	1,100,279
Advances, deposits, advance rent and other prepayments	15.1	8,631,435	7,699,158
Advance taxation		5,470,292	8,011,118
Trade debts - unsecured - considered good		818,360	411,513
Deferred cost on recognition of loan at fair value	15.2	4,542,544	4,931,905
Non-banking assets acquired in satisfaction of claims		371,737	388,891
Receivable against trading of securities		-	5,161
Stationary and stamps in hand		379,385	162,096
Receivable from defined benefit plan		7,549	415,569
Dividend receivable		24,069	2,788
Margin against stand by letter of credit (SBLC)		159,504	1,056,666
Acceptances		11,719,365	16,916,015
Others		2,126,586	709,831
		<u>125,993,476</u>	<u>107,504,358</u>
Less: Credit loss allowance / provision held against other assets	15.3	<u>(506,445)</u>	<u>(478,632)</u>
Other assets - net of credit loss allowance / provision		125,487,031	107,025,726
Surplus on revaluation of non-banking assets acquired in satisfaction of claims		602,230	602,230
Other assets - total		<u>126,089,261</u>	<u>107,627,956</u>

- 15.1** This includes the prepaid employment benefit recognized in connection with concessional staff facilities provided to employees. These facilities have been recognized at fair value on the date of disbursement due to the adoption of IFRS 9 as applicable in Pakistan. The resultant benefit arising from these concessional facilities is subsequently accounted for under IAS 19 Employee Benefits. The prepaid employee benefit is amortized in a manner that reflects the concessional facilities' income recognition. The current period amortization of prepaid employee benefit amounts to Rs. 1,298,906 thousand (Sep 30, 2024 : Rs. 1,167,136 thousand).

- 15.2** This represents deferred portion of fair value loss arisen on initial recognition of loan to PIA Holding Company Limited (PIAHCL). SBP through its circular BPRD/BRD/PIAHCL/733688-2024 dated August 01, 2024 has allowed staggering of such fair value impact over a period of 6 years at rates of 5%, 10%, 15%, 20%, 25%, and 25% from year 1 to year 6. Accordingly, 10% is being amortized during the current year (December 31, 2024: 5%).

		(Un-audited) September 30, 2025	(Audited) December 31, 2024
		----- Rupees in '000 -----	
<b>15.3 Credit loss allowance / provision held against other assets</b>			
Advances, deposits, advance rent and other prepayments		4,838	4,838
Acceptances		314,303	285,239
Others		187,304	188,555
		<u>506,445</u>	<u>478,632</u>

	(Un-audited) September 30, 2025	(Audited) December 31, 2024
	----- Rupees in '000 -----	
<b>15.3.1 Movement in credit loss allowance / provision against other assets</b>		
Opening balance	478,632	212,988
Impact of ECL recognized on adoption of IFRS 9	-	431,571
	478,632	644,559
Charge / (reversal) for the period / year	27,812	(165,927)
Closing balance	506,445	478,632
<b>16 BILLS PAYABLE</b>		
In Pakistan	17,473,176	66,704,448
<b>17 BORROWINGS</b>		
<b>Secured</b>		
Borrowings from the State Bank of Pakistan under:		
Export refinance scheme	11,134,592	15,106,530
Long term financing facility	4,960,555	6,714,408
Financing facility for storage of agricultural produce	63,600	72,000
Renewable energy financing facility	3,569,658	3,663,688
Refinance from SBP		
- Credit guarantee scheme for women entrepreneurs	59,097	44,384
- Payment of wages and salaries	1,722	-
- Temporary economic refinance facility	6,027,112	7,029,796
- Modernization of SME	323,285	275,855
- Combating COVID-19	81,625	237,209
- Rupee based discounting of bills / receivable	3,666,743	3,689,838
- Special Persons	380	-
- Working Capital Financing	60,000	27,000
	29,948,369	36,860,708
Repurchase agreement borrowings		
State Bank of Pakistan	859,181,760	639,094,000
Financial institutions	20,997,000	64,095,350
	880,178,760	703,189,350
Refinance from Pakistan Mortgage Refinance Company	3,382,557	4,252,855
<b>Total secured</b>	913,509,686	744,302,913
<b>Unsecured</b>		
Call borrowings	153,559,540	124,908,650
Overdrawn nostro accounts	236,361	847
Others	1,406,587	-
<b>Total unsecured</b>	155,202,488	124,909,497
	1,068,712,174	869,212,410



**18 DEPOSITS AND OTHER ACCOUNTS**

	September 30, 2025 (Un-audited)			December 31, 2024 (Audited)		
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
	----- Rupees in '000 -----					
<b>Customers</b>						
Current deposits	452,574,173	34,530,169	487,104,342	357,652,273	28,984,350	386,636,623
Savings deposits	800,148,093	65,022,313	865,170,406	752,321,272	72,565,181	824,886,453
Fixed deposits	105,934,163	31,915,747	137,849,910	101,844,430	29,497,256	131,341,686
	1,358,656,429	131,468,229	1,490,124,658	1,211,817,975	131,046,787	1,342,864,762
<b>Financial institutions</b>						
Current deposits	1,143,847	640,554	1,784,401	1,057,931	236,526	1,294,457
Savings deposits	11,364,453	36,163	11,400,616	10,272,784	-	10,272,784
Fixed deposits	10,298,000	-	10,298,000	8,418,500	-	8,418,500
	22,806,300	676,717	23,483,017	19,749,215	236,526	19,985,741
	<u>1,381,462,729</u>	<u>132,144,946</u>	<u>1,513,607,675</u>	<u>1,231,567,190</u>	<u>131,283,313</u>	<u>1,362,850,503</u>

**19 LEASE LIABILITIES**

	(Un-audited) September 30, 2025	(Audited) December 31, 2024
	----- Rupees in '000 -----	
Outstanding amount at the start of the period / year	14,174,653	9,699,474
Additions during the period / year	3,322,380	6,262,557
Lease payments including interest	(2,618,714)	(3,309,401)
Interest expense for the period / year	1,442,005	1,544,722
Termination and other adjustments	(285,796)	(22,699)
Outstanding amount at the end of the period / year	<u>16,034,527</u>	<u>14,174,653</u>

**19.1 Contractual maturities of lease liabilities**

Not later than one year	1,211,346	1,090,562
Later than one year and upto five years	6,171,953	5,124,890
Over five years	8,651,229	7,959,201
Total at the end of the period / year	<u>16,034,527</u>	<u>14,174,653</u>

	(Un-audited) September 30, 2025	(Audited) December 31, 2024
<b>20 SUBORDINATED DEBTS</b>	----- Rupees in '000 -----	
Term Finance Certificates - VI (ADT-1)	6,000,000	6,000,000
Term Finance Certificates - VII	-	6,000,000
	<u>6,000,000</u>	<u>12,000,000</u>

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

	<u>Term Finance Certificates - VI (ADT-1)</u>
Outstanding amount - Rupees in '000	6,000,000
Issue amount	Rupees 6,000 million
Issue date	July 03, 2018
Maturity Date	Perpetual
Rating	AA-
Security	Unsecured
Listing	Listed
Mark-Up payment frequency	Payable six monthly
Redemption	Perpetual
Mark-Up	Base Rate plus 1.50%
	Base Rate is the simple average of the ask rate of six month KIBOR prevailing on the base rate setting date.
Call option	Exercisable after 60 months from the date of issue subject to approval by the SBP.
Lock-in-clause	Payment of profit will be subject to the condition that such payment will not result in breach of the Group's regulatory Minimum Capital Requirement or Capital Adequacy Ratio set by SBP from time to time. Any inability to exercise lock-in clause or the non-cumulative features will subject these TFCs to mandatory conversion into common shares / write off at the discretion of SBP.
Loss absorption clause	The Instrument will be subject to loss absorption and / or any other requirements of SBP upon the occurrence of a Point of Non-Viability event as per Section A-5-3 of Annexure 5 of the Circular, which stipulates that SBP may, at its option, fully and permanently convert the TFCs into common shares of the issuer and / or have them immediately written off (either partially or in full). Number of shares to be issued to TFC holders at the time of conversion will be equal to the 'Outstanding Value of the TFCs' divided by market value per share of the Group's common share on the date of trigger event as declared by SBP, subject to a specified cap.

- 20.2** The Group has exercised call option in respect of TFC VII after obtaining SBP approval and has paid the entire principal along with mark-up during the period. Accordingly, financial liability has been derecognised.

		(Un-audited) September 30, 2025	(Audited) December 31, 2024
	Note	----- Rupees in '000 -----	
<b>21 DEFERRED TAX ASSETS / (LIABILITIES)</b>			
(Taxable) / deductible temporary differences on			
- Accelerated tax depreciation		680,386	624,405
- Surplus on revaluation of investments		15,310,880	5,706,752
- Lease liabilities net of right-of-use assets		(2,670,230)	-
- Credit loss allowance against advances and others		(6,138,061)	(5,593,336)
		<u>7,182,975</u>	<u>737,821</u>
<b>22 OTHER LIABILITIES</b>			
Mark-up / return / interest payable in local currency		9,318,903	12,250,985
Mark-up / return / interest payable in foreign currencies		763,691	1,498,234
Unearned commission and income on bills discounted		1,214,707	1,586,242
Accrued expenses		4,029,242	3,774,114
Trade payables		3,268,863	2,867,062
Advance payments		358,049	364,016
Acceptances		11,719,365	16,916,015
Dividend payable		308,774	229,933
Advance against sale of properties		106,519	513,955
Mark to market loss on forward foreign exchange contracts		11,560	664,470
Branch adjustment account		516,313	647,591
Provision for employees' compensated absences		1,038,986	797,348
Security deposit against lease / Ijarah financing		5,287,195	3,625,392
Levies and taxes payable		1,072,466	1,919,670
Workers' Welfare Fund		2,316,596	1,852,335
Liability against trading of securities		94,896	-
Switch settlement accounts		14,039,988	1,168,145
Deferred grant on subsidised refinance loans		47,439	45,345
Credit loss allowance against off-balance sheet obligations	22.1	1,703,984	755,760
Others		<u>1,762,887</u>	<u>1,814,962</u>
		<u>58,980,424</u>	<u>53,291,573</u>
<b>22.1 Credit loss allowance against off-balance sheet obligations</b>			
Opening balance		755,760	160,558
Impact of on adoption of IFRS 9		105,120	1,112,808
		<u>860,880</u>	<u>1,273,366</u>
Charge / (reversal) for the period / year		843,104	(517,606)
Closing balance		<u>1,703,984</u>	<u>755,760</u>
<b>23 SURPLUS ON REVALUATION OF ASSETS - NET OF TAX</b>			
Surplus on revaluation of:			
- Securities measured at FVOCI - Debt		19,323,849	6,660,738
- Securities measured at FVOCI - Equity		10,120,151	4,313,784
- Property and equipment		9,384,750	10,365,737
- Non-banking assets acquired in satisfaction of claims		602,230	602,230
		<u>39,430,980</u>	<u>21,942,489</u>
Deferred tax on surplus on revaluation of:			
- Securities measured at FVOCI - Debt		(10,048,402)	(3,463,584)
- Securities measured at FVOCI - Equity		(5,262,478)	(2,243,168)
		<u>(15,310,880)</u>	<u>(5,706,752)</u>
		<u>24,120,100</u>	<u>16,235,737</u>

		(Un-audited) September 30, 2025	(Audited) December 31, 2024
	Note	----- Rupees in '000 -----	
<b>24</b>	<b>CONTINGENCIES AND COMMITMENTS</b>		
- Guarantees	24.1	287,003,219	308,928,884
- Commitments	24.2	573,555,581	639,295,945
- Other contingent liabilities	24.3	914,108	1,530,994
		<u>861,472,908</u>	<u>949,755,823</u>
<b>24.1</b>	<b>Guarantees</b>		
Financial guarantees		14,403,712	12,443,697
Performance guarantees		172,717,862	169,536,398
Other guarantees		99,881,645	126,948,789
		<u>287,003,219</u>	<u>308,928,884</u>
<b>24.2</b>	<b>Commitments</b>		
Documentary credits and short-term trade-related transactions			
- letters of credit		149,978,995	206,461,012
Commitments in respect of:			
- forward foreign exchange contracts	24.2.1	405,014,872	200,561,147
- forward government securities transactions	24.2.2	11,000,000	204,610,000
- forward non-government securities transactions	24.2.3	719,548	530,538
Commitments for acquisition of:			
- property and equipment		691,048	325,308
- intangible assets		274,431	229,312
- Undrawn loan commitments	24.2.4	5,876,687	26,578,628
		<u>573,555,581</u>	<u>639,295,945</u>
<b>24.2.1</b>	<b>Commitments in respect of forward foreign exchange contracts</b>		
Purchase		215,231,656	118,183,587
Sale		189,783,216	82,377,560
		<u>405,014,872</u>	<u>200,561,147</u>
The above commitments have maturities falling within one year.			
<b>24.2.2</b>	<b>Commitments in respect of forward government securities transactions</b>		
Purchase		10,000,000	-
Sale		1,000,000	204,610,000
		<u>11,000,000</u>	<u>204,610,000</u>
<b>24.2.3</b>	<b>Commitments in respect of forward non government securities transactions</b>		
Purchase		28,788	36,455
Sale		690,760	494,083
		<u>719,548</u>	<u>530,538</u>
<b>24.2.4</b>	<b>Undrawn loan commitments</b>		
The Group makes commitments to extend credit in the normal course of business but these being revocable commitments do not attract any significant penalty or the expense if the facility is unilaterally withdrawn, other than commitments in respect of syndicated long term financings amounting to Rs 5,876,687 thousand (December 31, 2024: Rs 26,578,628 thousand).			
		(Un-audited) September 30, 2025	(Audited) December 31, 2024
		----- Rupees in '000 -----	
<b>24.3</b>	<b>Other contingent liabilities</b>		
These represent certain claims by third parties against the Group, which are being contested in the Courts of law. Based on legal advice and / or internal assessment, management is confident that the matters will be decided in Group's favour and the possibility of any outcome against the Group is remote and accordingly no provision has been made in these condensed consolidated interim financial statements.		378,484	474,328
This represents stand by letters of credit issued by a correspondent bank on behalf of the Group.		<u>535,624</u>	<u>1,056,666</u>
		<u>914,108</u>	<u>1,530,994</u>
<b>24.4</b>	Tax related contingencies are disclosed in note 34.1 to these concolidated condensed interim financial statements.		

## 25 DERIVATIVE INSTRUMENTS

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

		Nine month period ended (Un-audited)	
		September 30, 2025	September 30, 2024 (Restated)
		----- Rupees in '000 -----	
<b>26</b>	<b>MARK-UP / RETURN / INTEREST EARNED</b>	Note	
	Loans and advances	50,386,966	96,092,393
	Investments	170,978,757	209,186,235
	Lendings to financial institutions	1,026,477	1,149,936
	Balances with banks	800,313	880,188
	Securities purchased under resale agreements (Reverse Repo)	793,803	3,318,357
	Amortization of loans under IFRS - 9	1,298,906	1,167,136
		<u>225,285,222</u>	<u>311,794,245</u>
<b>27</b>	<b>MARK-UP / RETURN / INTEREST EXPENSED</b>		
	Deposits	73,333,256	135,442,680
	Borrowings	82,887,538	124,493,264
	Subordinated debts	1,148,342	2,002,964
	Cost of foreign currency swaps against foreign currency deposits / borrowings	568,912	4,016,553
	Interest expense on lease liability against ROU assets	1,442,004	1,076,507
	Fair value loss on recognition of financial asset at fair value	16.2 389,361	259,574
		<u>159,769,413</u>	<u>267,291,542</u>
<b>28</b>	<b>FEE AND COMMISSION INCOME</b>		
	Branch banking customer fees	699,891	693,115
	Consumer finance related fees	168,076	64,000
	Card related fees (debit and credit cards)	1,542,596	1,406,977
	Credit related fees	561,277	321,927
	Investment banking fees	225,480	257,484
	Commission on trade	848,432	981,501
	Commission on guarantees	1,027,861	1,049,217
	Commission on remittances including home remittances	431,932	174,392
	Commission on cash management	78,077	62,354
	Commission on bancassurance	21,988	20,164
	Brokerage revenue	570,843	340,614
	Others	4,676	33,553
		<u>6,181,129</u>	<u>5,405,298</u>
<b>29</b>	<b>GAIN ON SECURITIES</b>		
	Realised	29.1 2,617,288	809,552
	Unrealised gain on securities measured at FVTPL	416,249	517,234
		<u>3,033,537</u>	<u>1,326,786</u>
<b>29.1</b>	<b>Realised gain on:</b>		
	Federal Government Securities	2,452,850	764,888
	Shares	164,438	44,664
		<u>2,617,288</u>	<u>809,552</u>

		Nine month period ended (Un-audited)	
		September 30, 2025	September 30, 2024
		----- Rupees in '000 -----	
<b>30</b>	<b>OTHER INCOME</b>		
	Gain on sale of property and equipment - net	32,581	10,578
	Rent of lockers	44,720	40,753
	Recovery of expenses from customers	288,451	282,850
	Gain on termination of lease contracts under IFRS - 16 Leases - net	23,149	31,978
	Amortization of deferred liability under IFRS 9	27,768	38,773
		<u>416,669</u>	<u>404,932</u>
<b>31</b>	<b>OPERATING EXPENSES</b>		
	Total compensation expenses	31.1 16,432,951	13,105,807
	<b>Property expense</b>		
	Rent and taxes	164,651	52,993
	Insurance	100,636	84,493
	Utilities cost	1,389,149	1,504,254
	Security cost (including guards)	982,809	723,636
	Repair & maintenance (including janitorial charges)	572,848	406,814
	Depreciation on right-of-use assets	1,772,659	1,642,294
	Depreciation	329,007	235,352
		<u>5,311,758</u>	<u>4,649,836</u>
	<b>Information technology expenses</b>		
	Software maintenance	985,539	783,681
	Hardware maintenance	235,126	156,541
	Depreciation	439,135	279,134
	Amortisation	170,993	163,773
	Network charges	299,258	283,529
		<u>2,130,051</u>	<u>1,666,657</u>
	<b>Other operating expenses</b>		
	Directors' fees, allowances	35,280	33,360
	Fees and allowances to shariah board	8,915	7,795
	Rates, taxes, insurance etc.	136,298	110,562
	Legal and professional charges	110,469	98,692
	Brokerage and commission	1,442,506	155,314
	NIFT clearing charges	102,091	77,269
	Repair and maintenance	825,047	678,548
	Communication	808,835	719,860
	Postage & Courier	178,444	115,722
	Stationery and printing	1,082,855	580,005
	Marketing, advertisement and publicity	504,292	213,812
	Donations	97,000	-
	Auditors' remuneration	52,232	49,028
	Travelling, conveyance and entertainment	484,071	405,316
	Depreciation	634,534	481,785
	Security service charges	526,809	530,218
	Training and development	68,824	23,449
	Deposit premium expense	739,441	643,203
	Outsourced service cost	765,423	541,867
	Card Related Expenses	1,105,153	788,201
	CNIC Verification	210,303	169,914
	Others	438,981	408,211
		<u>10,357,805</u>	<u>6,832,130</u>
		<u>34,232,565</u>	<u>26,254,430</u>
<b>31.1</b>	<b>Total compensation expense</b>		
	Managerial remuneration	12,178,598	9,341,253
	Charge for defined benefit / contribution plan	985,436	751,160
	Amortization of loans under IFRS - 9	1,298,906	1,167,136
	Other staff cost	31.1.1 1,970,011	1,846,258
		<u>16,432,951</u>	<u>13,105,807</u>
<b>31.1.1</b>	Other staff cost includes incentive to consumer sales staff, dearness allowance, cash handling allowance, staff group insurance, provision for severance etc.		

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

		Nine month period ended (Un-audited)	
		September 30, 2025	September 30, 2024
		----- Rupees in '000 -----	
<b>33</b>	<b>CREDIT LOSS ALLOWANCE / PROVISIONS AND WRITE OFFS - NET</b>		
	Reversal of credit loss allowance for diminution in value of investments	(516,014)	(493,489)
	Charge of credit loss allowance against loans and advances	563,529	1,537,770
	Credit loss allowance / provision against other assets	27,812	228,614
	Reversal of credit loss allowance against lendings to financial institutions	(21,519)	(22,013)
	Charge of credit loss allowance against off-balance sheet obligations	843,104	21,543
	Charge of credit loss allowance against cash and balances with treasury banks	2,628	(13)
	Reversal of credit loss allowance against cash and bank balances	(684)	-
	Recovery of written off / charged off bad debts	(90,676)	(39,684)
		<u>808,180</u>	<u>1,232,728</u>
<b>34</b>	<b>TAXATION</b>		
	Current	28,077,306	14,379,610
	Deferred	(2,678,558)	(633,707)
		<u>25,398,748</u>	<u>13,745,903</u>

#### 34.1 Tax status and contingencies

- i) The Group has filed tax returns for and up to tax year 2025. The assessments for and up to tax year 2024 were amended by the tax authorities creating accumulated additional tax demand, mainly in the matters of admissibility of recoveries against doubtful debts for Rs 1,497 million, provision for diminution in the value of investments for Rs 3,144.44 million, bad debts written off for Rs 242.892 million, provision for substandard advances for Rs 74.95 million, Provision against other assets/fixed assets for Rs 165.2 million, disallowance of employee benefit expenses Rs 484.96 million, disallowance of depreciation on lease assets Rs 1,618.09 and other disallowances of expenses/credits for Rs 1390.50 million. Bank's appeals against these orders are currently pending before Commissioner Appeals, Appellate Tribunal and Islamabad High Court. The management and tax advisor of the Group are confident that these matters will be decided in favor of the Group and consequently no provision has been made thereon. Tax payments by the Group against certain matters are being carried forward as receivable, as management and tax advisor of the Group are confident of their realization.
- ii) Consequent upon the amalgamation with and into the Bank, the outstanding tax issues relating to Askari Leasing Limited (ALL) are as follows:  
Tax returns of ALL have been filed for and up to tax year 2010. The returns for the tax years 2003 to 2010 were amended by the tax authorities mainly in the matter of admissibility of initial allowance claimed on leased vehicles. On appeals filed by ALL, partial relief was provided by the CIR(A) by allowing initial allowance on commercial vehicles. Re-assessment has not yet been carried out by the tax department. A tax demand is however not likely to arise after re-assessment.  
For and up to the assessment years 2002-2003, reference applications filed by the tax authorities in the matter of computation of lease income are pending decisions by the High Court. However, the likelihood of an adverse decision is considered low due to a favorable decision of the High Court in a parallel case.
- iii) The Group received show cause notices from the tax authorities for the period January 2012 to December 2015, alleging non-payment of Federal Excise Duty (FED) on banking services rendered in Sindh, Punjab, KPK, and Balochistan, despite the fact that sales tax on services had been duly paid in the respective provinces. The Group challenged these notices through constitutional petitions filed in the Islamabad High Court (IHC) in 2016. In 2024, the IHC dismissed the petitions on the grounds that the Group had not challenged the vires of the Federal Excise Act, 2005 and that the writ petitions were premature. The Group subsequently filed Intra-Court Appeals (ICAs) before the IHC, which were also dismissed. The Group has now filed Civil Petitions for Leave to Appeal (CPLAs) before the Supreme Court of Pakistan, which are currently pending and have not yet been fixed for hearing. Further, the department has issued orders raising demand of Rs 1,774 million. The Group has contested the aforementioned orders before ATIR. The management is of the view that the matter will be decided in favour of the Group.

		Nine month period ended (Un-audited)	
		September 30, 2025	September 30, 2024
<b>35</b>	<b>BASIC AND DILUTED EARNINGS PER SHARE</b>		
	Profit for the period - Rupees in '000	<u>18,197,304</u>	<u>14,158,476</u>
	Weighted average number of Ordinary Shares - numbers	<u>1,449,299,207</u>	<u>1,449,299,207</u>
	Basic earnings per share - Rupees	<u>12.56</u>	<u>9.77</u>

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

## **36 FAIR VALUE MEASUREMENTS**

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

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

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

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

### **36.1 Fair value of financial assets**

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

- Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, 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 following table provides the fair values of those of the Group's financial assets and liabilities that are recognized or disclosed at fair value in these consolidated condensed interim financial statements:

September 30, 2025 (Un-audited)					
Carrying / Notional Value	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>					
Investments					
Federal Government Securities	1,884,910,500	97,734,500	1,787,176,000	-	1,884,910,500
Shares	16,259,943	14,778,973	-	1,480,970	16,259,943
Units of open end mutual funds	3,410,030	1,785,397	1,624,633	-	3,410,030
Fully paid preference shares	24,400	24,400	-	-	24,400
Non Government Debt Securities	12,621,417	-	12,621,417	-	12,621,417
	<u>1,917,226,290</u>	<u>114,323,270</u>	<u>1,801,422,050</u>	<u>1,480,970</u>	<u>1,917,226,290</u>
<b>Financial assets - disclosed but not measured at fair value</b>					
Investments					
Federal Government Securities	51,020,466	-	51,020,466	-	51,020,466
Lendings to financial institutions	10,564,339	-	-	-	-
Cash and balances with treasury banks	124,899,462	-	-	-	-
Balances with other banks	16,547,901	-	-	-	-
Advances	545,081,107	-	-	-	-
Other assets	105,695,135	-	-	-	-
	<u>853,808,410</u>	<u>-</u>	<u>51,020,466</u>	<u>-</u>	<u>51,020,466</u>
<b>Off-balance sheet financial instruments - measured at fair value</b>					
Forward purchase of foreign exchange	<u>215,231,656</u>	<u>-</u>	<u>(1,573,450)</u>	<u>-</u>	<u>(1,573,450)</u>
Forward sale of foreign exchange	<u>189,783,216</u>	<u>-</u>	<u>1,560,397</u>	<u>-</u>	<u>1,560,397</u>

December 31, 2024 (Audited)					
Carrying / Notional Value	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>					
Investments					
Federal Government Securities	1,432,008,563	6,979,571	1,425,028,992	-	1,432,008,563
Shares	9,423,206	9,423,206	-	-	9,423,206
Units of open end mutual funds	2,985,425	1,590,038	1,395,387	-	2,985,425
Fully paid preference shares	23,489	23,489	-	-	23,489
Non Government Debt Securities	14,031,394	-	14,031,394	-	14,031,394
	<u>1,458,472,077</u>	<u>18,016,304</u>	<u>1,440,455,773</u>	<u>-</u>	<u>1,458,472,077</u>
<b>Financial assets - disclosed but not measured at fair value</b>					
Investments					
Federal Government Securities	50,546,724	2,611,283	47,935,441	-	50,546,724
Unlisted Shares	350,000	-	-	-	-
Cash and balances with treasury banks	133,535,448	-	-	-	-
Balances with other banks	12,958,886	-	-	-	-
Lendings to financial institutions	4,567,619	-	-	-	-
Advances	695,692,118	-	-	-	-
Other assets	85,066,739	-	-	-	-
	<u>982,717,534</u>	<u>2,611,283</u>	<u>47,935,441</u>	<u>-</u>	<u>50,546,724</u>
<b>Off-balance sheet financial instruments - measured at fair value</b>					
Forward purchase of foreign exchange	<u>118,183,587</u>	<u>-</u>	<u>(1,602,237)</u>	<u>-</u>	<u>(1,602,237)</u>
Forward sale of foreign exchange	<u>82,377,560</u>	<u>-</u>	<u>937,767</u>	<u>-</u>	<u>937,767</u>

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

		(Un-audited) September 30, 2025	(Audited) December 31, 2024
		----- Rupees in '000 -----	----- Rupees in '000 -----
<b>36.2 Fair value of non-financial assets</b>		Level 2	Level 2
Fixed assets			
Property and equipment (freehold and leasehold land)		13,238,392	13,238,392
Assets held for sale		-	1,750,000
Other assets			
Non-banking assets acquired in satisfaction of claims		973,967	991,121

### 36.4 Valuation techniques used in determination of fair values

#### 36.4.1 Fair value of financial assets

##### (a) Financial instruments in level 1

Financial instruments included in level 1 comprise of investments in ordinary shares of listed companies, listed GoP Sukuks, listed preference shares, listed non government debt securities and listed units of mutual funds.

##### (b) Financial instruments in level 2

Financial instruments included in level 2 comprise of Market Treasury Bills, Pakistan Investment Bonds, GoP Sukuks, non government debt securities, units of mutual funds, forward foreign exchange contracts.

##### (c) Financial instruments in level 3

Financial instruments included in level 3 comprise of unlisted ordinary shares, unlisted preference shares. Valuation techniques are mentioned in the table below.

The fair value of 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.

#### 36.4.2 Fair value of non financial assets

Certain categories of property and equipment (freehold and leasehold land), asset held for sale and non banking assets acquired in satisfaction of claims are carried at revalued amounts (level 3 measurement) determined by professional valuers. The valuations are conducted by the valuation experts appointed by the Group which are also on the panel of the State Bank of Pakistan

#### 36.4.3 Valuation techniques

Item	Valuation approach and input used
Market Treasury Bills (MTB) / Pakistan Investment Bonds (PIB), and GoP Sukuks (GIS) including their forward contracts	The fair value of MTBs and PIBs are derived using PKRV rates. Floating rate PIBs are revalued using PKFRV rates. The fair value of GoP sukuku listed on the Pakistan Stock Exchange has been determined through closing rates of the Pakistan Stock Exchange. The fair value of other GIS are revalued using PKISRV rates.
GoP Euro Bonds	The fair value of overseas government sukuku, and overseas bonds are determined on the basis of price available on Reuters.
Debt Securities (TFCs and Sukuk other than Government)	Investment in sukuku, debt securities (comprising term finance certificates, bonds and any other security issued by a company or a body corporate for the purpose of raising funds in the form of redeemable capital) are valued on the basis of the rates announced by the Mutual Funds Association of Pakistan in accordance with the methodology prescribed by the Securities and Exchange Commission of Pakistan
Shares - listed	The fair value of investments in listed equity securities are valued on the basis of closing quoted market price available at the Pakistan Stock Exchange.
Shares - unlisted	The fair value of investments in unlisted equity securities are valued on the basis of income and market approach.
Preference shares - unlisted	The fair value of investment in unlisted preference shares are valued at market approach.
Forward foreign exchange contracts	The valuation has been determined by interpolating the FX revaluation rates announced by the SBP.
Property and equipment, asset held for sale and non banking assets acquired in satisfaction of claims	Land and non banking assets acquired in satisfaction of claims are valued on a periodic basis using professional valuers. The valuation is based on their assessments of the market value of the assets. Asset held for sale is carried at sale price that is reasonable in relation to its fair value.

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements of investment and advances, (The valuation techniques are stated above):

Description	(Un-audited) Fair value as at Sep 30, 2025 Rupees in '000	Unobservable inputs	Discount rate	Relationship of unobservable inputs to fair value
Shares - unlisted (income approach)	402,050	Discount rate	19.18%	Increase / (decrease) in discount rate by 1% with all other variables held constant, would (decrease) / increase the fair value by Rs. 11.778 million and Rs. 12.311 million respectively.
Shares - unlisted (market approach)	1,078,920	Market multiple	Not applicable	Not applicable.

The following table shows reconciliation of investments' Level 3 fair value movement:

	(Un-audited) September 30, 2025 Rupees in '000
Opening balance	350,000
Impact of adoption of IFRS 9	900,834
Balance as at January 1,	1,250,834
Remeasurement recognised in OCI	230,136
Closing balance	1,480,970

### 37 Segment Information

#### 37.1 Segment details with respect to Business Activities

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

	For the nine months period September 30, 2025 (Un-audited)						
	Branch banking	Corporate banking	Treasury	Consumer banking	Islamic banking	Foreign operations	Head Office / others
	----- Rupees in '000 -----						
<b>Profit and loss</b>							
Net mark-up / return / profit	(51,967,781)	24,866,408	82,965,249	3,048,165	8,409,632	1,739,437	(3,545,301)
Inter segment revenue - net	75,671,107	(15,034,701)	(67,844,647)	(1,748,581)	(200,223)	(916,972)	10,074,017
Non mark-up / return / interest income	2,237,829	3,393,878	5,945,395	459,812	496,002	4,026	1,083,036
<b>Total income</b>	<b>25,941,155</b>	<b>13,225,585</b>	<b>21,065,997</b>	<b>1,759,396</b>	<b>8,705,411</b>	<b>826,491</b>	<b>7,611,752</b>
Segment direct expenses	16,606,304	849,496	415,194	1,491,963	4,418,950	178,640	10,771,008
Inter segment expense allocation	265,144	1,385,349	9,723	99,634	-	-	(1,759,850)
<b>Total expenses</b>	<b>16,871,448</b>	<b>2,234,845</b>	<b>424,917</b>	<b>1,591,597</b>	<b>4,418,950</b>	<b>178,640</b>	<b>9,011,158</b>
Credit loss allowance	(87,243)	613,543	(18,855)	458,157	246,320	(497,159)	93,417
<b>Profit before tax</b>	<b>9,156,950</b>	<b>10,377,197</b>	<b>20,659,935</b>	<b>(290,358)</b>	<b>4,040,141</b>	<b>1,145,010</b>	<b>(1,492,823)</b>

	As at September 30, 2025 (Un-audited)						
	Branch banking	Corporate banking	Treasury	Consumer banking	Islamic banking	Foreign operations	Head Office / others
	----- Rupees in '000 -----						
<b>Statement of financial position</b>							
Cash and bank balances	31,792,568	-	88,396,990	103,241	16,339,137	4,815,427	-
Investments	-	8,485,073	1,779,250,455	-	164,683,557	14,662,520	1,165,151
Lendings to financial institutions	-	-	2,998,029	-	-	7,566,310	-
Advances - performing - net of credit loss allowance	21,625,178	398,338,378	-	20,792,393	92,302,256	4,759,807	5,801,494
Advances - non-performing - net of credit loss allowance	165,232	606,126	-	95,013	595,230	-	-
Others	2,355,819	21,771,851	70,246,167	(477,614)	24,209,822	694,936	46,133,879
<b>Total Assets</b>	<b>55,938,797</b>	<b>429,201,428</b>	<b>1,940,891,641</b>	<b>20,513,033</b>	<b>298,130,002</b>	<b>32,499,000</b>	<b>53,100,524</b>
Borrowings	1,253,636	25,676,452	990,799,659	3,382,558	46,193,282	1,406,587	-
Subordinated debts	-	-	-	-	-	-	6,000,000
Deposits and other accounts	1,065,580,948	239,156,933	-	3,200	206,487,023	2,379,571	-
Lease liabilities	-	-	-	-	-	-	15,858,563
Net inter segment balances - net	(1,031,640,942)	143,229,675	944,837,564	16,086,061	2,320,250	21,716,570	(96,549,178)
Others	20,745,155	21,138,368	5,254,418	1,041,214	13,815,290	6,996,272	14,821,822
<b>Total liabilities</b>	<b>55,938,797</b>	<b>429,201,428</b>	<b>1,940,891,641</b>	<b>20,513,033</b>	<b>268,815,845</b>	<b>32,499,000</b>	<b>(59,868,793)</b>
Equity	-	-	-	-	29,314,157	-	112,969,316
<b>Total Equity and liabilities</b>	<b>55,938,797</b>	<b>429,201,428</b>	<b>1,940,891,641</b>	<b>20,513,033</b>	<b>298,130,002</b>	<b>32,499,000</b>	<b>53,100,524</b>
<b>Contingencies and commitments</b>	<b>10,929,602</b>	<b>414,320,903</b>	<b>414,733,361</b>	<b>539,920</b>	<b>19,815,885</b>	<b>-</b>	<b>1,133,237</b>

	For the nine months period September 30, 2024 (Un-audited) - Restated						
	Branch banking	Corporate banking	Treasury	Consumer banking	Islamic banking	Foreign operations	Head Office / others
	----- Rupees in '000 -----						
<b>Profit and loss</b>							
Net mark-up / return / profit	(89,610,300)	37,230,406	79,910,723	3,771,943	13,500,621	1,039,813	(1,340,503)
Inter segment revenue - net	114,112,610	(33,006,571)	(80,584,050)	(2,778,929)	(5,530,139)	(460,114)	8,247,193
Non mark-up / return / interest income	1,909,947	3,284,867	4,840,250	441,372	702,449	2,277	181,321
<b>Total income</b>	<b>26,412,257</b>	<b>7,508,702</b>	<b>4,166,923</b>	<b>1,434,386</b>	<b>8,672,931</b>	<b>581,976</b>	<b>7,088,011</b>
Segment direct expenses	13,544,579	936,718	352,141	2,548,044	3,202,016	182,006	5,962,575
Inter segment expense allocation	121,321	(40,561)	5,812	21,973	-	-	(108,545)
<b>Total expenses</b>	<b>13,665,900</b>	<b>896,157</b>	<b>357,953</b>	<b>2,570,017</b>	<b>3,202,016</b>	<b>182,006</b>	<b>5,854,030</b>
Credit loss allowance	(57,821)	980,831	(69,153)	(333,998)	933,733	(442,591)	221,727
<b>Profit before tax</b>	<b>12,804,178</b>	<b>5,631,714</b>	<b>3,878,123</b>	<b>(801,633)</b>	<b>4,537,182</b>	<b>842,561</b>	<b>1,012,254</b>

	As at December 31, 2024 (Audited)						
	Branch banking	Corporate banking	Treasury	Consumer banking	Islamic banking	Foreign operations	Head Office / others
	----- Rupees in '000 -----						
<b>Statement of financial position</b>							
Cash and bank balances	39,134,158	-	95,246,945	-	12,029,791	83,441	-
Investments	-	8,134,146	1,408,084,327	-	82,416,700	9,590,854	1,142,774
Lendings to financial institutions	-	-	-	-	4,567,619	-	-
Advances - performing - net of credit loss allowance	17,604,851	579,995,832	-	23,598,799	67,142,842	552,952	4,649,058
Advances - non-performing - net of credit loss allowance	333,254	1,393,713	-	32,399	388,418	-	-
Others	1,464,361	38,653,942	46,866,118	1,764,432	10,232,932	216,901	46,060,136
<b>Total Assets</b>	<b>58,536,624</b>	<b>628,177,633</b>	<b>1,550,197,390</b>	<b>25,395,630</b>	<b>176,778,302</b>	<b>10,444,149</b>	<b>51,851,968</b>
Borrowings	1,518,088	31,799,065	826,098,845	4,252,855	5,543,557	-	-
Subordinated debts	-	-	-	-	-	-	12,000,000
Deposits and other accounts	988,117,223	238,600,920	-	3,200	135,125,206	1,003,954	-
Net inter segment balances - net	(978,288,278)	328,998,027	708,893,021	20,469,236	(5,153,532)	9,347,574	(84,266,048)
Others	47,189,591	28,779,621	15,205,524	670,339	16,292,345	92,621	26,678,454
<b>Total liabilities</b>	<b>58,536,624</b>	<b>628,177,633</b>	<b>1,550,197,390</b>	<b>25,395,630</b>	<b>151,807,576</b>	<b>10,444,149</b>	<b>(45,587,594)</b>
Equity	-	-	-	-	24,970,726	-	97,439,562
<b>Total Equity and liabilities</b>	<b>58,536,624</b>	<b>628,177,633</b>	<b>1,550,197,390</b>	<b>25,395,630</b>	<b>176,778,302</b>	<b>10,444,149</b>	<b>51,851,968</b>
<b>Contingencies and commitments</b>	<b>6,946,750</b>	<b>508,539,842</b>	<b>405,171,147</b>	<b>1,056,666</b>	<b>27,012,469</b>	<b>-</b>	<b>1,028,949</b>

### 38 RELATED PARTY TRANSACTIONS

Fauji Consortium comprising of Fauji Foundation and Fauji Fertilizer Company Limited (the Parent) holds 71.91% of the Bank's share capital at the period end. Accordingly, all the subsidiaries and associates of the Fauji consortium are the related parties of the Group. The Group also has related party relationships with its directors, key management personnel and employees' funds.

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

Details of transactions with related parties and balances are as follows:

	As at September 30, 2025 (Un-audited)				As at December 31, 2024 (Audited)			
	Parent	Directors	Key management personnel & their relatives	Other related parties	Parent	Directors	Key management personnel & their relatives	Other related parties
	----- Rupees in '000 -----							
<b>Investments</b>								
Opening balance	-	-	-	4,283,287	-	-	-	1,420,050
Investment made during the period / year	-	-	-	20,615	-	-	-	-
Investment redeemed / disposed off during the period / year	-	-	-	-	-	-	-	(500,000)
Revaluation adjustment	-	-	-	3,263,393	-	-	-	1,346,252
Transfer in / (out) - net	-	-	-	-	-	-	-	2,016,985
Closing balance	-	-	-	7,567,295	-	-	-	4,283,287
Credit loss allowance for diminution in value of investments	-	-	-	898,458	-	-	-	898,458
<b>Advances</b>								
Opening balance	17,970,281	1,292	266,834	13,638,055	8,108,881	-	496,686	25,003,594
Addition during the period / year	641,547,300	30,300	73,573	76,557,168	1,196,156,040	25,076	169,998	258,248,620
Repaid during the period / year	(651,172,769)	(26,061)	(50,290)	(75,973,792)	(1,186,294,641)	(23,784)	(112,135)	(257,568,925)
Transfer in / (out) - net	-	(83)	(88,931)	-	-	-	(287,715)	(12,045,234)
Closing balance	8,344,812	5,448	201,186	14,221,431	17,970,281	1,292	266,834	13,638,055
Credit loss allowance against advances	2,483	9	91	3,142,833	2,191	-	1,452	3,150,241
<b>Other Assets</b>								
Interest / mark-up accrued	180,450	60	28,814	290,353	66,417	-	49,135	151,802
Advance rent	2,362	-	-	-	999	-	-	-
Acceptances	-	-	-	479,551	3,837	-	-	424,116
Receivable from staff retirement fund	-	-	-	7,549	-	-	-	424,395
Other receivable	-	-	-	-	-	-	-	-
<b>Borrowings</b>								
Opening balance	-	-	-	4,252,855	-	-	-	2,992,873
Borrowings during the period / year	-	-	-	-	-	-	-	2,000,000
Settled during the period	-	-	-	(870,297)	-	-	-	(740,018)
Closing balance	-	-	-	3,382,558	-	-	-	4,252,855
<b>Deposits and other accounts</b>								
Opening balance	18,698,701	43,251	234,398	25,168,932	39,101,224	63,502	299,420	49,059,956
Received during the period / year	593,614,266	537,764	569,622	805,450,602	1,251,319,810	545,392	1,008,533	1,375,477,575
Withdrawn during the period / year	(594,143,486)	(536,242)	(522,601)	(796,607,268)	(1,271,722,333)	(523,615)	(973,309)	(1,404,518,301)
Transfer in / (out) - net	-	87,216	(152,185)	422,260	-	(42,028)	(100,246)	5,149,701
Closing balance	18,169,481	131,989	129,235	34,434,526	18,698,701	43,251	234,398	25,168,932
<b>Other Liabilities</b>								
Interest / mark-up payable	17,052	305	1,050	295,345	821,174	-	4	802,755
Acceptances	-	-	-	479,551	-	-	-	-
Security deposits payable	-	-	-	737,546	-	-	-	597,202
Others	-	-	36,102	23,372	-	-	57,965	12,035
<b>Guarantees and Commitments</b>								
Guarantees and Commitments	1,518,565	-	-	9,136,373	3,983,736	-	-	6,182,135
<b>Others</b>								
Dividend paid	5,211,121	-	-	-	2,605,561	-	-	-
Commitment in respect of Government securities transactions	-	-	-	-	17,560,000	-	-	6,500,000
Securities held as custodian	64,540,000	9,400	12,300	14,250,105	27,810,000	-	9,600	17,905,460

For the nine month ended September 30, 2025 (Un-Audited)

For the nine month ended September 30, 2024 (Un-Audited)

Parent	Directors	Key management personnel & their relatives	Other related parties	Parent	Directors	Key management personnel & their relatives	Other related parties
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----- Rupees in '000 -----

**Income**

Mark-up / return / interest earned	611,176	365	5,012	613,674	315,752	-	14,312	925,838
Fee and commission income	2,183	-	-	38,341	13,536	-	-	69,337
Dividend income	-	-	-	296,500	-	-	-	252,619
Other Income	3,461	-	-	8,067	-	-	-	-

**Expense**

Mark-up / return / interest expensed	2,036,627	11,394	7,708	5,279,590	6,273,395	5,156	55,727	5,085,251
Charge to defined benefit plan	-	-	-	625,864	-	-	-	457,747
Contribution to defined contribution plan	-	-	-	359,573	-	-	-	293,413
Remuneration and allowances	-	-	462,125	8,915	-	-	881,522	7,795
Rent	2,888	-	-	198	2,349	-	-	-
Communications	-	-	-	204,540	-	-	-	151,793
Brokerage and Commission	-	-	-	81,704	-	-	-	80,090
Directors' Fee, Allowances	-	35,280	-	-	-	33,360	-	-
Donations	-	-	-	97,000	-	-	-	-
Others	3,081	-	-	-	1,175	-	-	-

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

The term 'related party' shall have the same meaning as defined in IAS 24 - Related party disclosures.

### 39 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

	(Un-audited) September 30, 2025	(Audited) December 31, 2024
	----- Rupees in '000 -----	
<b>Minimum Capital Requirement (MCR):</b>		
Paid-up capital (net of losses)	14,492,992	14,492,992
<b>Capital Adequacy Ratio (CAR):</b>		
Eligible Common Equity Tier 1 (CET 1) Capital	117,517,449	105,772,562
Eligible Additional Tier 1 (ADT 1) Capital	5,854,071	6,000,000
Total Eligible Tier 1 Capital	123,371,521	111,772,562
Eligible Tier 2 Capital	24,736,363	21,952,000
Total Eligible Capital (Tier 1 + Tier 2)	148,107,884	133,724,562
<b>Risk Weighted Assets (RWAs):</b>		
Credit Risk	411,656,701	419,874,894
Market Risk	113,222,531	79,618,578
Operational Risk	125,480,495	125,480,495
Total	650,359,726	624,973,967
Common Equity Tier 1 Capital Adequacy Ratio	18.07%	16.92%
Tier 1 Capital Adequacy Ratio	18.97%	17.88%
Total Capital Adequacy Ratio	22.77%	21.40%
<b>Leverage Ratio (LR):</b>		
Eligible Tier-1 Capital	123,371,521	111,772,562
Total Exposures	3,319,794,334	3,118,234,947
Leverage Ratio	3.72%	3.58%
<b>Liquidity Coverage Ratio (LCR):</b>		
Total High Quality Liquid Assets	1,148,889,612	758,341,064
Total Net Cash Outflow	542,493,503	348,499,703
Liquidity Coverage Ratio	211.78%	217.60%
<b>Net Stable Funding Ratio (NSFR):</b>		
Total available stable funding	1,513,145,389	1,412,569,464
Total required stable funding	623,078,832	665,336,800
Net Stable Funding Ratio	242.85%	212.31%

**39.1** The SBP in its application instructions for IFRS 9 has permitted the banks to adopt a transitional approach to phase in the initial impact of ECL for stage 1 and 2 financial assets over a period of five years. Had this relaxation not been availed, the Bank's CAR would have been lower by 0.18% and leverage would have been lower by 0.03%.

## 40 GENERAL

### 40.1 Non-adjusting events after the balance sheet date

The Board of Directors in its meeting held on October 29, 2025 has announced an interim cash dividend of Rs. 1.25 per share (September 30, 2024: nil) for the quarter ended September 30, 2025. These consolidated condensed interim financial statements for the period ended September 30, 2025 do not include the effect of this appropriation which will be accounted for subsequent to the period end.

### 40.2 RECLASSIFICATION OF COMPARATIVE FIGURES

Where necessary, comparative information has been reclassified, rearranged, restated or additionally incorporated in these consolidated condensed interim financial statements. The effects of restatement due to adoption of IFRS 9 is mentioned in note 3.1.1 of these consolidated condensed interim financial statements.

## 41 DATE OF AUTHORIZATION FOR ISSUE

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



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