



[Subsidiary of Habib Bank AG Zurich]

HABIB METROPOLITAN BANK LTD.

[Subsidiary of Habib Bank AG Zurich]

Consolidated Accounts for the half year
and quarter ended 30 June 2025
(Un-audited)

CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2025

	Note	30 June 2025 (Un-Audited)	31 December 2024 (Audited)
Rupees in '000			
ASSETS			
Cash and balances with treasury banks	7	102,321,395	86,903,001
Balances with other banks	8	3,717,999	6,462,022
Lendings to financial institutions	9	11,162,974	5,570,998
Investments	10	845,963,045	807,496,585
Advances	11	525,947,317	502,468,656
Property and equipment	12	17,249,181	17,007,330
Right-of-use assets	13	8,850,644	8,654,445
Intangible assets	14	692,573	741,652
Deferred tax assets		—	—
Other assets	15	88,270,072	90,279,655
Total Assets		1,604,175,200	1,525,584,344
LIABILITIES			
Bills payable	16	36,955,831	28,478,822
Borrowings	17	287,956,482	350,224,431
Deposits and other accounts	18	1,061,071,101	925,227,989
Lease liabilities	19	10,897,345	10,519,685
Sub-ordinated debts		—	—
Deferred tax liabilities	20	3,556,798	2,722,825
Other liabilities	21	77,212,053	87,517,942
Total Liabilities		1,477,649,610	1,404,691,694
NET ASSETS		126,525,590	120,892,650
REPRESENTED BY			
Share capital		10,478,315	10,478,315
Reserves		38,016,950	36,857,521
Surplus on revaluation of assets - net of tax	22	15,048,928	14,371,296
Unappropriated profit		57,774,902	54,342,480
		121,319,095	116,049,612
Non-controlling interest		5,206,495	4,843,038
		126,525,590	120,892,650
CONTINGENCIES AND COMMITMENTS	23		

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

FUZAIL ABBAS Chief Financial Officer	KHURRAM SHAHZAD KHAN President & Chief Executive Officer	RASHID AHMED JAFER Director	MOHOMED BASHIR Director	MOHAMEDALI R. HABIB Chairman
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CONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)

FOR THE QUARTER AND HALF YEAR ENDED 30 JUNE 2025

	Note	Quarter ended		Half year ended	
		30 June 2025	30 June 2024 (Restated)	30 June 2025	30 June 2024 (Restated)
Rupees in '000					
Mark-up / return / interest earned	25	41,083,681	62,759,323	83,864,149	122,823,376
Mark-up / return / interest expensed	26	(23,129,443)	(47,354,400)	(47,834,399)	(90,618,218)
Net mark-up / interest income		17,954,238	15,404,923	36,029,750	32,205,158
NON MARK-UP / INTEREST INCOME					
Fee and commission income	27	2,776,417	2,441,387	5,627,476	4,917,222
Dividend income		178,304	147,656	447,419	354,775
Foreign exchange income		2,170,630	2,118,967	4,189,757	3,419,521
Income / (loss) from derivatives		-	-	-	-
Gain on securities - net	28	1,136,045	952,722	1,386,767	685,585
Net loss on derecognition of financial assets measured at amortised cost		-	(3,602)	-	(3,602)
Other income	29	19,442	58,563	80,387	84,905
Total non mark-up / interest income		6,280,838	5,715,693	11,731,806	9,458,406
Total Income		24,235,076	21,120,616	47,761,556	41,663,564
NON MARK-UP / INTEREST EXPENSES					
Operating expenses	30	10,593,586	8,731,287	19,894,043	16,165,380
Workers' welfare fund		262,521	217,612	529,989	462,088
Other charges	31	271,317	1,011	287,897	72,788
Total non-mark-up / interest expenses		(11,127,424)	(8,949,910)	(20,711,929)	(16,700,256)
Profit before credit loss allowance		13,107,652	12,170,706	27,049,627	24,963,308
Credit loss allowance and write offs - net	32	(441,949)	(1,173,058)	(1,120,280)	(2,064,630)
PROFIT BEFORE TAXATION		12,665,703	10,997,648	25,929,347	22,898,678
Taxation	33	(6,901,891)	(5,157,136)	(13,921,802)	(10,934,501)
PROFIT AFTER TAXATION		5,763,812	5,840,512	12,007,545	11,964,177
PROFIT ATTRIBUTABLE TO:					
Equity shareholders of the holding company		5,558,127	5,693,608	11,636,778	11,647,884
Non-controlling interest		205,685	146,904	370,767	316,293
		5,763,812	5,840,512	12,007,545	11,964,177
Rupees					
Basic and diluted earnings per share	34	5.30	5.43	11.11	11.12

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

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

FOR THE QUARTER AND HALF YEAR ENDED 30 JUNE 2025

	Quarter ended		Half year ended	
	30 June 2025	30 June 2024 (Restated)	30 June 2025	30 June 2024 (Restated)
	Rupees in '000			
Profit after taxation	5,763,812	5,840,512	12,007,545	11,964,177
Other comprehensive income				
Items that may be reclassified to profit and loss account in subsequent periods:				
Effect of translation of net investment in an offshore branch - net of tax	2,164	316	2,472	(578)
Movement in surplus on revaluation of debt securities measured at FVOCI - net of tax	1,665,217	1,868,664	253,511	1,730,978
	1,667,381	1,868,980	255,983	1,730,400
Items that will not be reclassified to profit and loss account in subsequent periods:				
Remeasurement (loss) / gain on defined benefit obligations - net of tax	(7,499)	10,300	(147,042)	(40,853)
Movement in surplus on revaluation of equity securities measured at FVOCI - net of tax	279,176	501,915	310,232	483,219
Movement in surplus on revaluation of property and equipment - net of tax	—	—	25,925	—
Movement in surplus on revaluation of non-banking assets - net of tax	477,760	513,302	477,760	513,302
	749,437	1,025,517	666,875	955,668
Total comprehensive income	8,180,630	8,735,009	12,930,403	14,650,245
Equity shareholders of the holding company	7,982,255	8,665,270	12,566,946	14,296,987
Non-controlling interest	198,375	69,739	363,457	353,258
	8,180,630	8,735,009	12,930,403	14,650,245

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FUZAIL ABBAS
Chief Financial Officer

KHURRAM SHAHZAD KHAN
President &
Chief Executive Officer

RASHID AHMED JAFER
Director

MOHOMED BASHIR
Director

MOHAMEDALI R. HABIB
Chairman

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

FOR THE HALF YEAR ENDED 30 JUNE 2025

	Reserves							Surplus / (deficit) on revaluation		Un- appropriated profit	Sub total	Non- controlling interest	Total
	Share capital	Exchange translation reserve	Share premium	Statutory reserve	Merger reserve	Special reserve	Revenue reserve	Investments	Property, equipment & Non-banking assets				
Rupees in '000													
Balance as at 31 December 2023 (Audited)	10,478,315	11,309	2,550,985	26,999,111	31,002	340,361	1,500,000	(1,539,720)	6,369,534	47,254,919	93,995,816	4,193,391	98,189,207
Impact of adoption of IFRS 9 as at 1 January 2024 - net of tax	-	-	-	-	-	-	-	(184,901)	-	461,044	276,143	-	276,143
Balance as at 1 January 2024 (Audited)	10,478,315	11,309	2,550,985	26,999,111	31,002	340,361	1,500,000	(1,724,621)	6,369,534	47,715,963	94,271,959	4,193,391	98,465,350
Profit after taxation for the period (restated) - note 3.2	-	-	-	-	-	-	-	-	-	11,647,884	11,647,884	316,293	11,964,177
Other comprehensive income (restated)													
Effect of translation of net investment in an offshore branch - net of tax	-	(578)	-	-	-	-	-	-	-	-	(578)	-	(578)
Movement in surplus on revaluation of debt securities measured at FVOCI - net of tax	-	-	-	-	-	-	-	1,730,978	-	-	1,730,978	36,965	1,767,943
Remeasurement loss on defined benefit obligations - net of tax	-	-	-	-	-	-	-	-	-	(40,853)	(40,853)	-	(40,853)
Movement in surplus on revaluation of equity securities measured at FVOCI - net of tax	-	-	-	-	-	-	-	483,219	-	-	483,219	-	483,219
Movement in surplus on revaluation of non-banking asset - net of tax	-	-	-	-	-	-	-	-	513,302	-	513,302	-	513,302
Total comprehensive income (restated)	-	(578)	-	-	-	-	-	2,214,197	513,302	(40,853)	2,686,068	36,965	2,723,033
Gain on sale of equity investments FVOCI - net of tax	-	-	-	-	-	-	-	(281,311)	-	281,311	-	-	-
Transfer to statutory reserve	-	-	-	2,304,660	-	-	-	-	-	(2,304,660)	-	-	-
Transfer from surplus on revaluation of assets to unappropriated profit - net of tax	-	-	-	-	-	-	-	-	(80,983)	80,983	-	-	-
Transactions with owners, recorded directly in equity													
Final cash dividend (Rs. 5.50 per share) for the year ended 31 December 2023	-	-	-	-	-	-	-	-	-	(5,763,073)	(5,763,073)	-	5,763,073
Interim cash dividend (Rs. 2.50 per share) for the quarter ended 31 March 2024	-	-	-	-	-	-	-	-	-	(2,619,579)	(2,619,579)	-	(2,619,579)
Balance as at 30 June 2024 (Un-Audited & restated)	10,478,315	10,731	2,550,985	29,303,771	31,002	340,361	1,500,000	208,265	6,801,853	48,997,976	100,223,259	4,546,649	104,769,908

	Reserves						Surplus / (deficit) on revaluation			Sub total	Non-controlling interest	Total	
	Share capital	Exchange translation reserve	Share premium	Statutory reserve	Merger reserve	Special reserve	Revenue reserve	Investments	Property, equipment & Non-banking assets				Un-appropriated profit
Rupees in '000													
Profit after taxation for the period	-	-	-	-	-	-	-	-	-	13,295,274	13,295,274	505,800	13,801,074
Other comprehensive income													
Effect of translation of net investment in an offshore branch - net of tax	-	629	-	-	-	-	-	-	-	-	629	-	629
Movement in surplus on revaluation of debt securities measured at FVOCI - net of tax	-	-	-	-	-	-	-	6,015,203	-	-	6,015,203	(36,965)	5,978,238
Remeasurement gain on defined benefit obligations - net of tax	-	-	-	-	-	-	-	-	-	160,461	160,461	2,697	163,158
Movement in surplus on revaluation of equity securities measured at FVOCI - net of tax	-	-	-	-	-	-	-	1,439,219	-	-	1,439,219	21,689	1,460,908
Movement in surplus on revaluation of property and equipment - net of tax	-	-	-	-	-	-	-	-	(101,926)	-	(101,926)	-	(101,926)
Movement in surplus on revaluation of non-banking asset - net of tax	-	-	-	-	-	-	-	-	256,651	-	256,651	-	256,651
Total comprehensive income	-	629	-	-	-	-	-	7,454,422	154,725	160,461	7,770,237	(12,579)	7,757,658
Gain on sale of equity investments FVOCI - net of tax	-	-	-	-	-	-	-	(164,347)	-	164,347	-	-	-
Transfer to statutory reserve	-	-	-	3,120,042	-	-	-	-	-	(3,120,042)	-	-	-
Transfer from surplus on revaluation of assets to unappropriated profit - net of tax	-	-	-	-	-	-	-	-	(83,622)	83,622	-	-	-
Transactions with owners, recorded directly in equity													
Interim cash dividend (Rs. 250 per share) for the quarter ended 30 June 2024	-	-	-	-	-	-	-	-	-	(2,619,579)	(2,619,579)	-	(2,619,579)
Interim cash dividend (Rs. 250 per share) for the quarter ended 30 September 2024	-	-	-	-	-	-	-	-	-	(2,619,579)	(2,619,579)	-	(2,619,579)
Profit distribution by First Habib Modaraba (Rs. 2.10 per certificate) for the period ended 30 June 2024	-	-	-	-	-	-	-	-	-	-	-	(196,832)	(196,832)
Balance as at 31 Dec 2024 (Audited)	10,478,315	11,360	2,550,985	32,423,813	31,002	340,361	1,500,000	7,498,340	6,872,956	54,342,480	116,049,612	4,843,038	120,892,650

	Reserves						Surplus / (deficit) on revaluation		Un-appropriated profit	Sub total	Non-controlling interest	Total	
	Share capital	Exchange translation reserve	Share premium	Statutory reserve	Merger reserve	Special reserve	Revenue reserve	Investments					Property, equipment & Non-banking assets
Rupees in '000													
Impact of adoption of IFRS 9 - net of tax (note 3.1)	-	-	-	-	-	-	-	37,358	-	-	37,358	37,358	
Profit after taxation for the period	-	-	-	-	-	-	-	-	11,636,778	11,636,778	370,767	12,007,545	
Other comprehensive income - net of tax													
Effect of translation of net investment in an offshore branch - net of tax	-	2,472	-	-	-	-	-	-	-	2,472	-	2,472	
Movement in surplus on revaluation of debt securities measured at FVOCI - net of tax	-	-	-	-	-	-	-	253,511	-	253,511	-	253,511	
Movement in surplus on revaluation of equity securities measured at FVOCI - net of tax	-	-	-	-	-	-	-	315,039	-	315,039	(4,807)	310,232	
Remeasurement loss on defined benefit obligations - net of tax	-	-	-	-	-	-	-	-	(144,539)	(144,539)	(2,503)	(147,042)	
Movement in surplus on revaluation of property and equipment - net of tax	-	-	-	-	-	-	-	-	25,925	25,925	-	25,925	
Movement in surplus on revaluation of non-banking asset - net of tax	-	-	-	-	-	-	-	-	477,760	477,760	-	477,760	
Total comprehensive income	-	2,472	-	-	-	-	-	568,550	503,685	(144,539)	930,168	922,858	
Gain on sale of equity investments FVOCI - net of tax	-	-	-	-	-	-	-	(356,161)	-	356,161	-	-	
Transfer to statutory reserve	-	-	-	-	1,156,957	-	-	-	(1,156,957)	-	-	-	
Transfer from surplus on revaluation of assets to unappropriated profit - net of tax	-	-	-	-	-	-	-	-	(75,800)	75,800	-	-	
Transactions with owners, recorded directly in equity													
Final cash dividend (Rs. 3.50 per share) for the year ended 31 December 2024	-	-	-	-	-	-	-	-	(4,715,242)	(4,715,242)	-	(4,715,242)	
Interim cash dividend (Rs. 2.50 per share) for the quarter ended 31 March 2025	-	-	-	-	-	-	-	-	(2,619,579)	(2,619,579)	-	(2,619,579)	
Balance as at 30 June 2025 (Un-Audited)	10,478,315	13,832	2,550,985	32,423,813	31,002	1,497,318	1,500,000	7,748,087	7,300,841	57,774,902	121,319,095	5,206,495	126,525,590

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

FUZAIL ABBAS
Chief Financial Officer

KHURRAM SHAHZAD KHAN
President &
Chief Executive Officer

RASHID AHMED JAFER
Director

MOHOMED BASHIR
Director

MOHAMEDALI R. HABIB
Chairman

CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

FOR THE HALF YEAR ENDED 30 JUNE 2025

CASH FLOWS FROM OPERATING ACTIVITIES

	Note	30 June 2025	30 June 2024 (Restated)
Profit before taxation		25,929,347	22,898,678
Less: Dividend income		(447,419)	(354,775)
		25,481,928	22,543,903

Adjustments

Net mark-up / interest income (excluding mark up on lease liabilities against right-of-use assets)		(36,664,063)	(32,205,158)
Depreciation on property and equipment	30	1,383,994	1,170,875
Depreciation on right-of-use assets	30	786,935	750,360
Amortisation	30	140,179	118,431
Markup on lease liabilities against right-of-use assets	26	634,313	562,858
Credit loss allowance (excluding recoveries of written off / charged off bad debts)	32	1,332,122	2,064,630
Gain on sale of property and equipment - net	29	(31,910)	(36,834)
Gain on sale of ijarah assets	29	(36,760)	(33,399)
Unrealized gain on FVTPL securities	28	(240,522)	(681,758)
Provision against workers' welfare fund		529,989	462,088
Provision against compensated absences		98,850	61,785
Provision against defined benefit plan		182,958	166,103
		(31,883,915)	(27,600,019)
		(6,401,987)	(5,056,116)

(Increase) / decrease in operating assets

Lendings to financial institutions		(5,592,172)	471,996
Securities classified as FVTPL		(2,302,256)	(7,261,580)
Advances		(23,213,587)	(24,126,508)
Other assets (excluding dividend and non-banking assets)		(185,730)	(7,759,689)
		(31,293,745)	(38,675,811)

Increase / (decrease) in operating liabilities

Bills payable		8,477,009	2,069,406
Borrowings from financial institutions		(67,241,194)	(104,839,515)
Deposits and other accounts		135,843,112	85,912,389
Other liabilities (excluding current taxation)		1,692,919	(11,806,542)
		78,771,846	(28,664,262)
Payment against compensated absences		41,076,113	(72,396,159)
Contribution to the defined benefit plan		(32,250)	(28,185)
Mark-up / Interest received		(175,000)	(30,000)
Mark-up / Interest paid		83,982,954	119,781,348
Income tax paid		(50,934,062)	(89,250,239)
		(20,627,626)	(14,483,319)

Net cash flow from / (used in) operating activities

CASH FLOWS FROM INVESTING ACTIVITIES

Net investment in amortised cost securities		(1,144,976)	(1,764,048)
Net Investment in securities classified as FVOCI		(33,818,233)	66,622,024
Dividend received		447,419	354,775
Investment in property and equipment		(1,638,702)	(2,047,119)
Investment in intangible assets		(89,410)	(403,238)
Proceeds from sale of property and equipment		44,760	56,804
Proceeds from sale of ijarah assets		128,308	135,744
Effect of translation of net investment in an offshore branch		2,472	(578)
		(36,068,362)	62,954,364

Net cash flow (used in) / from investing activities

CASH FLOWS FROM FINANCING ACTIVITIES

Dividend paid		(7,435,565)	(8,329,668)
Payment of lease liabilities against right-of-use assets		(1,241,657)	(1,163,295)
		(8,677,222)	(9,492,963)

Net cash used in financing activities

Increase / (decrease) in cash and cash equivalents

Cash and cash equivalents at the beginning of the period		8,544,545	(2,945,153)
		86,852,153	111,848,372

Cash and cash equivalents at the end of the period

		95,396,698	108,903,219
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FUZAIL ABBAS Chief Financial Officer	KHURRAM SHAHZAD KHAN President & Chief Executive Officer	RASHID AHMED JAFER Director	MOHOMED BASHIR Director	MOHAMEDALI R. HABIB Chairman
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NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 30 JUNE 2025

1. STATUS AND NATURE OF BUSINESS

The Group comprises of Habib Metropolitan Bank Limited (the holding company), Habib Metropolitan Financial Services Limited and Habib Metropolitan Modaraba Management Company (Private) Limited (wholly owned subsidiary companies) and First Habib Modaraba (managed by Habib Metropolitan Modaraba Management Company (Private) Limited) and HABIBMETRO Exchange Services (Private) Limited.

1.1 Holding Company

Habib Metropolitan Bank Limited (the Bank) was incorporated in Pakistan on 3 August 1992, as a public limited company, under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and is engaged in commercial banking and related services. Its shares are listed on the Pakistan Stock Exchange. The Bank operates 561 (31 December 2024: 551) branches, including 228 (31 December 2024: 223) Islamic banking branches, an offshore branch (Karachi Export Processing Zone branch) and 1 (31 December 2024:1) sub branch in Pakistan. The Bank is a subsidiary of Habib Bank AG Zurich - Switzerland (the holding company with 51% shares in the Bank) which is incorporated in Switzerland.

1.2 Subsidiary Companies

1.2.1 Habib Metropolitan Financial Services Limited - 100% holding

Habib Metropolitan Financial Services Limited was incorporated in Pakistan on 28 September 2007 as a public limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The registered office of the subsidiary company is located at 1st Floor, GPC 2, Block 5, Kehkashan Clifton, Karachi. The subsidiary company is a corporate member of the Pakistan Stock Exchange Limited and engaged in equity brokerage services.

1.2.2 Habib Metropolitan Modaraba Management Company (Private) Limited - 100% holding

Habib Metropolitan Modaraba Management Company (Private) Limited (Modaraba management company) was incorporated in Pakistan on 01 June 2015 as a private limited under the Companies Ordinance, 1984 (now Companies Act, 2017) and Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980. The registered office of the subsidiary company is located at 6th Floor, HBZ Plaza, I.I. Chundrigar Road, Karachi. The Company is the Modaraba Management Company of First Habib Modaraba.

1.2.3 First Habib Modaraba - 15.43% holding

First Habib Modaraba (FHM) is a perpetual, multi-purpose modaraba having its registered office at 6th Floor, HBZ Plaza, I.I. Chundrigar Road, Karachi. It is listed on the Pakistan Stock Exchange and engaged in the business of leasing (Ijarah), Musharaka, Murabaha financing and other related business.

1.2.4 HABIBMETRO Exchange Services Limited - 100% holding

HABIBMETRO Exchange Services Limited, a wholly owned subsidiary of Habib Metropolitan Bank Limited, is incorporated in Pakistan with the objective of dealing in foreign exchange and facilitating remittances. The Company has its registered office at Ground Floor Al Manzoor Building, I.I. Chundrigar Road, Karachi.

2. BASIS OF PRESENTATION

- 2.1 These consolidated condensed interim financial statements represent separate financial statements of the Group. The consolidated financial statements of the Bank and its subsidiary companies are being separately issued.

2.2 Statement of Compliance

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 for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34 "Interim Financial Reporting" issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan (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) from time to time.

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 the IFRS or IFAS, requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 and the said directives shall prevail.

The SBP has deferred the applicability of International Accounting Standard (IAS) 40, 'Investment Property' for banking companies through BSD Circular Letter No. 10 dated August 26, 2002 till further instructions. Further, the SECP has deferred the applicability of International Financial Reporting Standard (IFRS) 7, 'Financial Instruments: Disclosures' on banks through its notification S.R.O 411(I)/2008 dated April 28, 2008. The SBP through BPRD Circular No. 04 of 2015 dated February 25, 2015 has deferred the applicability of Islamic Financial Accounting Standard for Profit and Loss Sharing on Deposits (IFAS-3) issued by the ICAP and notified by the SECP, vide their SRO No. 571 of 2013 dated June 12, 2013 for Institutions offering Islamic Financial Services (IIFS). Accordingly, the requirements of these standards have not been considered in the preparation of these consolidated condensed interim financial statements.

The SBP through BPRD Circular No. 16 dated July 29, 2024 has allowed Islamic banking institutions to follow Islamic Financial Accounting Standards (IFAS) 1 & 2 where applicable and continue existing accounting practices for other Islamic products until further instructions.

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

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

There are certain new and amended standards, 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 operations.

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

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the 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 operations and therefore not detailed in these consolidated condensed interim financial statements.

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

Standards, interpretations of and amendments:	Effective date (annual periods beginning on or after)
Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 & IFRS 7	1 January 2026
Amendments to IFRS 10 Consolidated Financial Statements	1 January 2026
IFRS 18 - Presentation and Disclosure in Financial Statements	1 January 2027
The above amendments are not expected to have any material impact on the consolidated condensed interim financial statements of the Group.	

3. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in preparation of these consolidated condensed interim financial statements are consistent with those as applied in the preparation of consolidated annual financial statements of the Group for the year ended December 31, 2024 except for requirements of IFRS 9 relating to unlisted equity instruments, subsidised loans to staff and borrowings from SBP and lendings to customers under SBP Temporary Economic Refinance Facility (TERF) scheme as explained in note 3.1 and 3.2 respectively.

3.1 Unlisted Equity Securities

In accordance with BPRD Circular Letter No. 16 dated July 29, 2024, SBP has relaxed the banks for the application of IFRS 9 'Financial Instruments' to measure unlisted equity securities at fair value under IFRS 13 effective from 01 January 2025. Therefore, the Bank has taken the impact of fair value adjustment to equity at the beginning of the current accounting period with modified retrospective approach for restatement permitted under IFRS 9. The impact of application as at 01 January 2025 is shown below:

	(Rupees in '000)
Increase in investments	77,830
Increase in deferred tax liabilities	(40,472)
Increase in surplus on revaluation of assets - net of tax	37,358

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

The Group adopted IFRS 9 in accordance with the application instructions, effective January 1, 2024, using the modified retrospective approach for restatement as permitted under the standard. In the annual audited financial statements for the year ended December 31, 2024, the cumulative net of tax impact of the initial application amounted to Rs. 461.044 million, which was recorded as an adjustment to equity at the beginning of the comparative accounting period.

Further, pursuant to the extended implementation timelines provided by SBP under BPRD Circular Letter No. 16 dated July 29, 2024, and BPRD Circular Letter No. 01 dated January 22, 2025, the Bank was required to apply fair value measurement to subsidised staff financing, implement modification accounting for financial assets and liabilities, and recognise income using the effective yield rate (EIR) method, with effect from the last quarter of 2024. However, in line with the SBP via its letter no. BPRD/RPD/854478/25 dated February 3, 2025, the recognition of income on EIR has been further deferred till December 31, 2025.

Therefore, the comparative figures for the half year ended June 30, 2024, presented in these consolidated condensed interim statement of profit and loss account, condensed interim statement of comprehensive income and condensed interim statement of changes in equity for the half year ended June 30, 2025, have been restated to reflect the above changes.

The effect of the restatement on the financial statements is summarised below:

30 June 2024				
	Previously reported	Restatement	As re-stated	Description
	Rupees in '000			
Consolidated Condensed Interim Profit and Loss Account				
Mark-up / return / interest earned	121,358,781	1,464,595	122,823,376	Impact of subsidised staff loans and TERF loans.
Mark-up / return / interest expensed	89,810,952	807,266	90,618,218	Impact of subsidised TERF borrowings from SBP.
Net loss on derecognition of financial assets measured at amortised cost	–	(3,602)	(3,602)	Impact of modified loans
Operating expenses	15,475,308	690,072	16,165,380	Impact of amortisation of deferred cost on staff loans
Credit loss allowance and write offs - net	(2,154,899)	90,269	(2,064,630)	Impact on credit loss allowance due to subsidised staff loans and TERF loans.
Profit before taxation	22,844,754	53,924	22,898,678	Impact of restatement
Taxation	(10,905,382)	(29,119)	(10,934,501)	Impact of restatement
Profit after taxation	11,939,372	24,805	11,964,177	Impact of restatement
Basic and diluted earnings per share	11.09	0.03	11.12	Impact of restatement
Consolidated Condensed Interim Statement of Comprehensive Income				
Total comprehensive income	14,625,440	24,805	14,650,245	Impact of restatement
Consolidated Condensed Interim Statement of Changes in Equity				
Unappropriated profit	49,188,364	(190,388)	48,997,976	Impact of restatement

4. BASIS OF MEASUREMENT

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

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The basis for accounting estimates adopted in the preparation of these consolidated condensed interim financial statements are the same as that applied in the preparation of the consolidated audited financial statements for the year ended 31 December 2024.

6. FINANCIAL RISK MANAGEMENT

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

	Note	30 June 2025 (Un-Audited)	31 December 2024 (Audited)
		Rupees in '000	
7. CASH AND BALANCES WITH TREASURY BANKS			
In hand			
Local currency		15,203,345	15,338,554
Foreign currencies		1,582,770	1,462,722
		16,786,115	16,801,276
With State Bank of Pakistan in			
Local currency current accounts		53,832,079	46,257,596
Foreign currencies			
- current accounts		2,690,707	2,321,162
- cash reserve accounts		8,119,799	6,731,041
- deposit accounts - special cash reserve		14,600,246	12,058,642
		79,242,831	67,368,441
With National Bank of Pakistan in			
Local currency			
- current accounts		6,303,830	2,670,896
- deposit accounts		79,803	47,103
		6,383,633	2,717,999
National Prize Bonds		9,224	16,080
Less: Credit loss allowance held against cash and balances with treasury banks - stage 1		(100,408)	(795)
Cash and balances with treasury banks - net of credit loss allowance		102,321,395	86,903,001
8. BALANCES WITH OTHER BANKS			
In Pakistan			
In current accounts		71,472	33,688
In deposit accounts		143,815	3,941
		215,287	37,629
Outside Pakistan			
In current accounts		3,503,157	6,425,438
Less: Credit loss allowance held against balances with other banks - stage 1		(445)	(1,045)
Balances with other banks - net of credit loss allowance		3,717,999	6,462,022
9. LENDINGS TO FINANCIAL INSTITUTIONS			
Call / clean money lendings	9.3	5,817,172	5,571,000
Repurchase agreement lendings (reverse repo)		5,346,000	-
Less: Credit loss allowance held against lendings to financial institutions - stage 1		(198)	(2)
Lendings to financial institutions - net of credit loss allowance		11,162,974	5,570,998
9.1 Particulars of lendings - gross			
In local currency - secured		5,346,000	-
In foreign currency - unsecured		5,817,172	5,571,000
		11,163,172	5,571,000

		30 June 2025 (Un-Audited)		31 December 2024 (Audited)	
		Lending	Credit loss allowance held	Lending	Credit loss allowance held
Rupees in '000					
9.2 Lending to Fls - Particulars of credit loss allowance					
Performing	Stage 1	11,163,172	198	5,571,000	2
Under performing	Stage 2	-	-	-	-
Non-performing	Stage 3				
Substandard		-	-	-	-
Doubtful		-	-	-	-
Loss		-	-	-	-
Total		11,163,172	198	5,571,000	2

9.3 These foreign currency lendings carry mark-up rates ranging from 4.30% to 6.50% (31 December 2024: 7.00% to 7.85%) per annum and are due to mature latest by 18 August 2025 (31 December 2024: 18 February 2025).

10. INVESTMENTS

10.1 Investments by type

	30 June 2025 (Un-Audited)				31 December 2024 (Audited)			
	Cost / amortised cost	Credit loss allowance	Surplus / (deficit)	Carrying value	Cost / amortised cost	Credit loss allowance	Surplus / (deficit)	Carrying value
Rupees in '000								
FVTPL								
Federal government securities	46,959,435	-	44,412	47,003,847	42,055,433	-	(10,052)	42,045,381
Non-government debt securities	1,997,463	-	(4,255)	1,993,208	1,997,589	-	(9,249)	1,988,340
Mutual funds	410,912	-	50,469	461,381	3,012,532	-	119,439	3,131,971
Real estate investment trust units	1,814,314	-	1,523,339	3,337,653	1,814,314	-	1,254,365	3,068,679
	51,182,124	-	1,613,965	52,796,089	48,879,868	-	1,354,503	50,234,371
FVOCI								
Federal government securities	675,973,730	-	12,967,934	688,941,664	642,543,228	-	12,481,301	655,024,529
Shares	6,529,788	-	3,752,442	10,282,230	5,336,354	-	3,846,229	9,182,583
Non-government debt securities	9,799,440	(424,600)	(565,178)	8,809,662	9,847,355	(426,154)	(354,523)	9,066,678
	692,302,958	(424,600)	16,155,198	708,033,556	657,726,937	(426,154)	15,973,007	673,273,790
Amortised Cost								
Federal government securities	85,133,400	-	-	85,133,400	83,988,424	-	-	83,988,424
Total investments	828,618,482	(424,600)	17,769,163	845,963,045	790,595,229	(426,154)	17,327,510	807,496,585

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

10.1.1 Investments given as collateral against repo borrowings

The market value of investments given as collateral against borrowings is as follows::

Federal government securities

Market treasury bills	2,918,166	34,402,365
Pakistan investment bonds	166,247,470	191,534,393
	<u>169,165,636</u>	<u>225,936,758</u>

10.2 Credit loss allowance for diminution in value of investments

Opening balance	426,154	307,290
Impact of reclassification on adoption of IFRS 9	-	(219,607)
Impact of ECL recognised on adoption of IFRS 9	-	578
Charge for the period / year	-	337,893
Reversal for the period / year	(1,554)	-
Net (reversal) / charge for the period / year	(1,554)	337,893
Reversal on disposal	-	-
Investment written off	-	-
Closing balance	<u>424,600</u>	<u>426,154</u>

10.3 Particulars of credit loss allowance against debt securities

		30 June 2025 (Un-Audited)		31 December 2024 (Audited)	
		Outstanding amount	Credit loss allowance held	Outstanding amount	Credit loss allowance held
Rupees in '000					
Category of classification					
Performing	Stage 1	3,000,000	2,616	3,000,000	2,791
Underperforming	Stage 2	-	-	-	-
Non-performing	Stage 3				
Substandard		-	-	-	-
Doubtful		-	-	-	-
Loss		421,984	421,984	423,363	423,363
		421,984	421,984	423,363	423,363
Total		3,421,984	424,600	3,423,363	426,154

10.4 The market value of federal government securities classified at amortised cost is Rs. 88,646,462 thousand (31 December 2024: 86,187,652 thousand).

11. ADVANCES

	Performing		Non Performing		Total	
	30 June 2025 (Un-Audited)	31 December 2024 (Audited)	30 June 2025 (Un-Audited)	31 December 2024 (Audited)	30 June 2025 (Un-Audited)	31 December 2024 (Audited)
	Rupees in '000					
Loans, cash credits, running finances, etc.	311,930,809	330,110,580	19,469,043	18,633,899	331,399,852	348,744,479
Islamic financing and related assets	152,735,785	121,251,615	3,196,273	3,953,216	155,932,058	125,204,831
Bills discounted and purchased	65,548,644	56,120,237	2,788,238	2,873,698	68,336,882	58,993,935
Advances - gross	530,215,238	507,482,432	25,453,554	25,460,813	555,668,792	532,943,245
Credit loss allowance against advances						
-Stage 1	(1,205,409)	(1,450,792)	—	—	(1,205,409)	(1,450,792)
-Stage 2	(3,299,004)	(4,615,450)	—	—	(3,299,004)	(4,615,450)
-Stage 3	—	—	(25,217,062)	(24,408,347)	(25,217,062)	(24,408,347)
	(4,504,413)	(6,066,242)	(25,217,062)	(24,408,347)	(29,721,475)	(30,474,589)
Advances - net of credit loss allowance	525,710,825	501,416,190	236,492	1,052,466	525,947,317	502,468,656

11.1 Particulars of advances - gross

	30 June 2025 (Un-Audited)	31 December 2024 (Audited)
	Rupees in '000	
In local currency	455,997,853	415,723,896
In foreign currencies	99,670,939	117,219,349
	555,668,792	532,943,245

11.2 Advances include Rs. 25,453,554 thousand (31 December 2024: Rs. 25,460,813 thousand) which have been placed under non-performing / Stage 3 status as detailed below:

	30 June 2025 (Un-Audited)		31 December 2024 (Audited)	
	Non-performing loans	Credit loss allowance	Non-performing loans	Credit loss allowance
	Rupees in '000			
Category of classification in Stage 3				
Domestic				
Other asset especially mentioned	89,192	47,218	230,478	223,854
Substandard	46,153	32,246	481,869	276,615
Doubtful	8,462	6,955	1,901,249	1,190,825
Loss	25,309,747	25,130,643	22,847,217	22,717,053
	25,453,554	25,217,062	25,460,813	24,408,347

11.3 Particulars of credit loss allowance against advances

	30 June 2025 (Unaudited)			31 December 2024 (Audited)				
	Stage 3	Stage 1 & 2	Total	Stage 3	Stage 1 & 2	Specific	General	Total
	Rupees in '000							
Opening balance	24,408,347	6,066,242	30,474,589	–	–	20,033,135	7,325,642	27,358,777
Impact of adoption of IFRS 9 as of 1 January 2024	–	–	–	20,016,316	4,794,026	(20,033,135)	(5,963,784)	(1,186,577)
Charge for the period / year	1,488,165	1,530,322	3,018,487	5,877,489	4,194,437	–	–	10,071,926
Reversals for the period / year	(679,434)	(3,092,151)	(3,771,585)	(1,460,604)	(2,922,221)	–	(1,361,858)	(5,744,683)
Net charge / (reversal) for the period / year	808,731	(1,561,829)	(753,098)	4,416,885	1,272,216	–	(1,361,858)	4,327,243
Amount written off	(16)	–	(16)	(24,854)	–	–	–	(24,854)
Closing balance	25,217,062	4,504,413	29,721,475	24,408,347	6,066,242	–	–	30,474,589

11.4 Consideration of forced sales value (FSV) for the purposes of provisioning against non-performing loans

During the period, the Group decided to not to avail the benefit of Forced Sales Value (FSV) against non-performing loans, as available under BSD Circular No. I of 21 October 2011 issued by the SBP.

11.5 Advances - Particulars of credit loss allowance

	30 June 2025 (Un-Audited)			31 December 2024 (Audited)		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
	Rupees in '000					
11.5.1 Opening balance	1,450,792	4,615,450	24,408,347	–	–	–
Impact of adoption of IFRS 9	–	–	–	2,240,046	2,553,980	20,016,316
New advances	469,887	1,369,731	959,906	225,618	2,848,014	309,278
Advances derecognised or repaid	(538,999)	(2,138,914)	(515,739)	(656,019)	(753,998)	(1,444,704)
Transfer to stage 1	91,612	(75,077)	(16,535)	10,281	(10,281)	–
Transfer to stage 2	(68,886)	216,265	(147,379)	(365,348)	392,759	(27,411)
Transfer to stage 3	(4,980)	(201,838)	206,817	(3,786)	(418,619)	422,405
	(51,366)	(829,833)	487,070	(789,254)	2,057,875	(740,432)
Amounts written off / charged off	–	–	–	–	–	(24,854)
Changes in risk parameters	(194,017)	(486,613)	321,645	–	3,595	5,157,317
Closing balance	1,205,409	3,299,004	25,217,062	1,450,792	4,615,450	24,408,347

		30 June 2025 (Un-Audited)		31 December 2024 (Audited)	
		Outstanding amount	Credit loss allowance	Outstanding amount	Credit loss allowance
Rupees in '000					
11.5.2 Advances - Category of classification					
Domestic					
Performing	Stage 1	435,217,625	1,205,409	442,342,520	1,450,792
Underperforming	Stage 2	94,997,613	3,299,004	65,139,912	4,615,450
Non-Performing	Stage 3				
Other assets especially mentioned		89,192	47,218	230,478	223,854
Substandard		46,153	32,246	481,869	276,615
Doubtful		8,462	6,955	1,901,249	1,190,825
Loss		25,309,747	25,130,643	22,847,217	22,717,053
		25,453,554	25,217,062	25,460,813	24,408,347
Total		555,668,792	29,721,475	532,943,245	30,474,589

Note

30 June 2025
(Un-Audited)

31 December 2024
(Audited)

Rupees in '000

12. PROPERTY AND EQUIPMENT

Capital work-in-progress	12.1	586,636	457,063
Property and equipment		16,662,545	16,550,267
		17,249,181	17,007,330
12.1 Capital work-in-progress			
Civil works	12.1.1	310,091	265,241
Advance to suppliers		276,545	191,822
		586,636	457,063

12.1.1 This represents advance against renovation being carried out at various locations.

30 June 2025
(Un-Audited)

30 June 2024
(Audited)

Rupees in '000

12.2 Additions to property and equipment

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

Capital work-in-progress additions - net	129,573	65,486
Property and equipment		
Furniture and fixtures	110,197	152,333
Electrical, office and computer equipment	1,015,528	1,204,178
Vehicles	4,985	54,207
Lease hold improvements	377,935	571,260
	1,508,645	1,981,978
Total	1,638,218	2,047,464

12.3 Disposal of property and equipment

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

	30 June 2025 (Un-Audited)	30 June 2024 (Un-Audited)
Furniture and fixture	204	520
Electrical, office and computer equipment	897	546
Vehicles	11,749	18,904
Total	12,850	19,970

13. RIGHT-OF-USE ASSETS

	30 June 2025 (Un-Audited)	31 December 2024 (Audited)
Cost	15,058,181	12,479,390
Accumulated depreciation	(6,403,736)	(4,854,380)
Net carrying amount as at the start of the period / year	8,654,445	7,625,010
Additions during the period / year	1,012,838	2,654,828
Termination / maturities during the period / year - Cost	(339,441)	(1,658,577)
Termination / maturities during the period / year - Accumulated Depreciation	309,737	1,582,540
Depreciation charge for the period / year	(786,935)	(1,549,356)
Closing carrying amount as at the end of the period / year	8,850,644	8,654,445

14. INTANGIBLE ASSETS

Capital work-in-progress - computer software	243,885	189,576
Computer Software	407,088	510,476
Management rights	41,600	41,600
	692,573	741,652

Computer software

30 June 2025 (Un-Audited)	30 June 2024 (Un-Audited)

14.1 Additions to intangible assets

Capital work-in-progress additions	54,309	10,450
Directly purchased - Computer Software	35,101	392,788
	89,410	403,238

	Note	30 June 2025 (Un-Audited)	31 December 2024 (Audited)
		Rupees in '000	
15. OTHER ASSETS			
Income / mark-up / profit accrued in local currency - net		29,779,596	29,893,936
Income / mark-up / profit accrued in foreign currencies - net		393,384	397,849
Advances, deposits, advance rent and other prepayments		1,339,058	996,202
Advance taxation (payments less provision)		925,857	—
Non-banking assets acquired in satisfaction of claim		2,204,729	2,204,729
Mark-to-market gain on forward foreign exchange contracts		2,663,884	3,974,963
Mark-to-market gain on forward purchase of federal government security transactions		94,642	—
Acceptances		38,068,790	42,480,848
Receivable against rebate and remittances		3,224,488	337,782
Receivable from the SBP against encashment of government securities		94,687	23,182
Stationery and stamps on hand		382,498	339,127
Receivable from 1Link		450,009	2,183,238
Deferred cost on staff loans		5,725,118	4,857,532
Others		821,199	911,436
		<u>86,167,939</u>	<u>88,600,824</u>
Credit loss allowance / provision held against other assets	15.1	(470,738)	(416,280)
Other Assets (Net of credit loss allowance / provision)		85,697,201	88,184,544
Surplus on revaluation of non-banking assets acquired in satisfaction of claims	15.2	2,572,871	2,095,111
Other assets - Total		<u>88,270,072</u>	<u>90,279,655</u>
15.1 Credit loss allowance / provision held against other assets			
Receivable against fraud and forgery		399,054	398,114
Acceptances		71,684	18,166
		<u>470,738</u>	<u>416,280</u>
15.1.1 Movement in credit loss allowance / provision held against other assets			
Opening balance		416,280	377,842
Impact of adoption of IFRS 9		—	88,854
Charge for the period / year		54,458	20,272
Reversal for the period / year		—	(70,688)
Net charge / (reversal) for the period / year		54,458	(50,416)
Closing balance		<u>470,738</u>	<u>416,280</u>
15.1.2 Particulars of Credit loss allowance / provision held against other assets			
Stage 1		7,686	12,518
Stage 2		10,146	5,648
Stage 3 / others		452,906	398,114
		<u>470,738</u>	<u>416,280</u>

15.2 Non-banking assets acquired in satisfaction of claims have been revalued as at June 30, 2025 by M/s Akbani & Javed Associates. The valuation was performed by the independent professional valuer on the basis of assessment of present market values. The revaluation has resulted in an incremental surplus of Rs. 477,760 thousand over the existing revaluation surplus carried in the books. The total surplus arising on revaluation of Non-banking assets acquired in satisfaction of claims as at June 30, 2025 amounted to Rs. 2,572,871 thousand.

	30 June 2025 (Un-Audited)	31 December 2024 (Audited)
	Rupees in '000	
16. BILLS PAYABLE		
In Pakistan	36,851,784	28,378,790
Outside Pakistan	104,047	100,032
	<u>36,955,831</u>	<u>28,478,822</u>
17. BORROWINGS		
Secured		
Borrowings from the State Bank of Pakistan under:		
Export refinance scheme	53,938,874	59,242,166
Long term financing facility - renewable energy scheme	1,935,977	2,177,048
Long term financing facility	13,626,423	15,438,369
Temporary economic refinance facility	18,029,774	19,682,235
Long term financing facility - for storage of agricultural produce scheme	755,613	750,064
Refinance facility for modernization of SME	292,731	219,918
Refinance facility for combating COVID-19	10,736	18,881
Refinance and credit guarantee scheme for women entrepreneurs	55,032	59,816
	<u>88,645,160</u>	<u>97,588,497</u>
Repurchase agreement borrowings (Repo) - secured	163,801,819	225,809,401
Total secured	<u>252,446,979</u>	<u>323,397,898</u>
Unsecured		
Certificates of investment	18,473,093	13,922,552
Call borrowing	-	100,000
Musharaka borrowing	6,292,861	6,291,111
Overdrawn nostro accounts	10,743,549	6,512,870
Total unsecured	<u>35,509,503</u>	<u>26,826,533</u>
Total borrowings	<u>287,956,482</u>	<u>350,224,431</u>

18. DEPOSITS AND OTHER ACCOUNTS

	30 June 2025 (Un-Audited)			31 December 2024 (Audited)		
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
	Rupees in '000					
Customers						
Current deposits	351,122,875	68,107,233	419,230,108	335,112,480	64,648,144	399,760,624
Savings deposits	314,512,154	16,183,905	330,696,059	291,966,864	16,914,294	308,881,158
Term deposits	89,648,969	86,362,843	176,011,812	120,803,951	47,383,383	168,187,334
Others	46,524,710	4,321	46,529,031	29,656,415	240,192	29,896,607
	<u>801,808,708</u>	<u>170,658,302</u>	<u>972,467,010</u>	<u>777,539,710</u>	<u>129,186,013</u>	<u>906,725,723</u>
Financial institutions						
Current deposits	5,404,459	1,681,978	7,086,437	3,150,604	1,510,900	4,661,504
Savings deposits	81,257,058	-	81,257,058	12,587,401	-	12,587,401
Term deposits	237,703	22,893	260,596	1,230,888	22,473	1,253,361
	<u>86,899,220</u>	<u>1,704,871</u>	<u>88,604,091</u>	<u>16,968,893</u>	<u>1,533,373</u>	<u>18,502,266</u>
	<u>888,707,928</u>	<u>172,363,173</u>	<u>1,061,071,101</u>	<u>794,508,603</u>	<u>130,719,386</u>	<u>925,227,989</u>

	30 June 2025 (Un-Audited)	31 December 2024 (Audited)
	Rupees in '000	
19. LEASE LIABILITIES		
Opening balance	10,519,685	9,086,176
Addition during the period / year	1,012,838	2,654,829
Deletion during the period / year	(29,268)	(100,550)
Lease payments including interest	(1,242,093)	(2,331,748)
Interest expense	636,183	1,210,978
Closing balance	10,897,345	10,519,685

19.1. Liabilities Outstanding

Not later than one year	1,146,077	1,058,867
Later than one year and upto five years	5,491,010	5,191,901
Over five years	4,260,258	4,268,917
Total as at the period / year end	10,897,345	10,519,685

Aggregate 12.36% (31 December 2024: 12.38%) is used as discounting factor for the calculation of lease liabilities.

	30 June 2025 (Un-Audited)	31 December 2024 (Audited)
	Rupees in '000	
20. DEFERRED TAX LIABILITIES / (ASSETS)		
Deductible temporary differences on		
- Credit loss allowance for diminution in value of investments	(220,813)	(225,889)
- Credit loss allowance against advances	(3,060,285)	(5,741,218)
- Credit loss allowance against off-balance sheet obligations	(1,275,246)	(275,224)
- Credit loss allowance - Others	(215,481)	(415,382)
- Right-of-use assets and related lease liabilities	(687,862)	-
- Accelerated tax depreciation	(544,651)	(396,350)
- Deferred liability on defined benefit plan	(81,861)	(31,287)
- Surplus on revaluation of investments	8,377,047	8,439,796
- Others	-	(5,613)
	2,290,848	1,348,833
Taxable temporary differences on		
- Surplus on revaluation of property and equipment	1,265,950	1,373,992
	3,556,798	2,722,825

	Note	30 June 2025 (Un-Audited)	31 December 2024 (Audited)
		Rupees in '000	
21. OTHER LIABILITIES			
Mark-up / return / interest payable in local currency		11,599,917	15,857,346
Mark-up / return / interest payable in foreign currencies		1,497,053	973,600
Unearned commission and income on bills discounted		1,159,026	1,016,338
Accrued expenses		3,367,832	2,782,577
Current taxation (provision less payments)		–	6,307,392
Acceptances		38,068,790	42,480,848
Clearing and settlement account		344,692	812,976
Unclaimed dividend		124,808	225,552
Dividend payable		15,400	15,504
Branch adjustment account		13,960	8,944
Mark-to-market loss on forward foreign exchange contracts		2,369,812	3,275,493
Provision for compensated absences		423,493	356,893
Deferred liability on defined benefit plan		320,195	121,020
Credit loss allowance against off-balance sheet obligations	21.1	2,286,990	353,883
Workers' welfare fund	21.2	5,474,278	4,959,413
Charity fund		1,478	458
Excise duty payable		3,232	2,920
Locker deposits		987,039	965,722
Advance against diminishing musharaka		347,544	7,693
Advance rental for ijarah		19,655	19,695
Security deposits against leases / ijarah		184,500	197,598
Sundry creditors		5,549,572	4,861,212
Withholding tax / duties		1,057,279	1,496,718
Deferred grant income		118,257	147,275
Others		1,877,251	270,872
		77,212,053	87,517,942

21.1 Credit loss allowance against off-balance sheet obligations

Opening balance	353,883	32,583
Impact of adoption of IFRS 9	–	519,290
Charge for the period / year	1,933,107	–
Reversal for the period / year	–	(197,990)
Net charge / (reversal) for the period / year	1,933,107	(197,990)
Closing balance	<u>2,286,990</u>	<u>353,883</u>

21.1.1 Particulars of Credit loss allowance against off-balance sheet obligations

Stage 1	29,510	40,098
Stage 2	110,885	127,985
Stage 3	2,146,595	185,800
	<u>2,286,990</u>	<u>353,883</u>

21.2 Under the Workers' Welfare Ordinance 1971, the Bank is liable to pay workers' welfare fund (WWF) @ 2% of accounting profit before tax or taxable income, whichever is higher. The Bank has made full provision for WWF based on profit for the respective years.

The Supreme Court of Pakistan vide its order dated 10 November 2016 has held that the amendments made in the law introduced by the Federal Government for the levy of WWF were not lawful. The Federal Board of Revenue has filed review petitions against this order which are currently pending.

Legal advice obtained on the matter indicates that consequent to filing of these review petitions the judgement may not currently be treated as conclusive. Accordingly the Bank maintains its provision in respect of WWF.

	Note	30 June 2025 (Un-Audited)	31 December 2024 (Audited)
Rupees in '000			
22. SURPLUS ON REVALUATION OF ASSETS - NET OF TAX			
Surplus on revaluation of			
- Securities measured at FVOCI - Debt	10.1	12,402,756	12,126,778
- Securities measured at FVOCI - Equity	10.1	3,752,442	3,846,229
- Property and equipment		5,993,919	6,151,836
- Non-banking assets acquired in satisfaction of claims		2,572,871	2,095,111
		24,721,988	24,219,954
Less: Deferred tax on surplus on revaluation of			
- Securities measured at FVOCI - Debt		6,449,432	6,426,965
- Securities measured at FVOCI - Equity		1,927,615	2,012,831
- Property and equipment		1,265,950	1,373,992
- Non-banking assets acquired in satisfaction of claims		-	-
		(9,642,997)	(9,813,788)
		15,078,991	14,406,166
Less: Surplus pertaining to non-controlling interest		(30,063)	(34,870)
Surplus pertaining to equity holder's share		15,048,928	14,371,296

	Note	30 June 2025 (Un-Audited)	31 December 2024 (Restated)
Rupees in '000			
23. CONTINGENCIES AND COMMITMENTS			
Guarantees	23.1	161,863,113	152,625,779
Commitments	23.2	768,407,156	796,313,394
Other contingent liabilities	23.3	2,880,338	2,986,394
		933,150,607	951,925,567
23.1 Guarantees			
Financial guarantees		38,501,569	33,303,405
Performance guarantees		57,324,160	55,070,186
Other guarantees		66,037,384	64,252,188
		161,863,113	152,625,779

	Note	30 June 2025 (Un-Audited)	31 December 2024 (Restated)
		Rupees in '000	
23.2 Commitments			
Documentary credits and short-term trade-related transactions:			
Letters of credit		165,409,747	229,691,020
Commitments in respect of:			
Forward foreign exchange contracts	23.2.1	578,185,580	547,663,058
Forward Government security transactions	23.2.2	22,728,620	16,393,540
Forward lendings	23.2.3	1,446,408	1,943,000
Commitments in respect of:			
Acquisition of property and equipment		636,801	622,776
		768,407,156	796,313,394

23.2.1 Commitments in respect of forward foreign exchange contracts

Purchase	305,016,226	260,615,930
Sale	273,169,354	287,047,128
	578,185,580	547,663,058

23.2.2 Commitments in respect of forward federal Government security transactions

Purchase	22,728,620	16,393,540
Sale	—	—
	22,728,620	16,393,540

23.2.3 Commitments in respect of forward lendings

The Group has made commitments to extend credit in the normal course of its business, but none of these commitments are irrevocable and do not attract any penalty if the facility is unilaterally withdrawn, except for:

	Note	30 June 2025 (Un-Audited)	31 December 2024 (Audited)
		Rupees in '000	
Commitments in respect of syndicate financing		237,476	388,000
Commitments in respect of other financing transactions		1,208,932	1,555,000
		1,446,408	1,943,000
23.3 Other contingent liabilities			
Claims against bank not acknowledged as debt	23.3.1	2,880,338	2,880,338
Foreign Exchange repatriation case		—	106,056
		2,880,338	2,986,394

23.3.1 These mainly represent counter claims by borrowers for damages. Based on legal advice and internal assessments, management is confident that the matters will be decided in the Group's favour and the possibility of any adverse outcome is remote. Accordingly, no provision has been made in these consolidated condensed interim financial statements.

24. DERIVATIVE FINANCIAL INSTRUMENTS

The holding company deals in derivative financial instruments namely forward foreign exchange contracts and foreign currency swaps with the principal view of hedging the risks arising from its trade business.

As per the holding company's policy, these contracts are reported on their fair value at the statement of financial position date. The gains and losses from revaluation of these contracts are included under "Foreign exchange income". Mark to market gains and losses on these contracts are recorded on the statement of financial position under "other assets / other liabilities".

These products are offered to the holding company's customers to protect from unfavorable movements in foreign currencies. The holding company hedges such exposures in the inter-bank foreign exchange market.

These positions are reviewed on a regular basis by the holding company's Asset and Liability Committee (ALCO).

24.1 Product Analysis

		Forward foreign exchange contracts	
		30 June 2025 (Un-Audited)	31 December 2024 (Audited)
Counter Parties		Notional Principal	Mark to Market Gain / (Loss)
		Rupees in '000	
Banks			
Hedging		477,637,424	(549,832)
Other Entities			
Hedging		100,548,156	843,904
Total			
Hedging		578,185,580	294,072

Note 30 June 2025 30 June 2024 (Restated)
(Un-Audited)

Rupees in '000

25. MARK-UP / RETURN / INTEREST EARNED

Loans and advances		30,821,272	39,025,878
Investments	25.1	50,997,399	82,012,975
Lending with financial institutions		1,823,787	1,507,610
Balances with banks		221,691	276,913
		83,864,149	122,823,376

30 June 2025 30 June 2024

(Un-Audited)

Rupees in '000

25.1 Interest income (calculated using effective interest rate method) recognised on:

Financial assets measured at amortised cost;	5,482,306	7,045,366
Financial assets measured at FVTPL	3,660,658	1,961,808
Financial assets measured at FVOCI	41,854,435	73,005,801
	50,997,399	82,012,975

30 June 2025 30 June 2024

(Restated)

(Un-Audited)

Rupees in '000

26. MARK-UP / RETURN / INTEREST EXPENSED

Deposits	27,216,920	61,735,481
Borrowings	18,047,375	24,093,614
Cost of foreign currency swaps against foreign currency deposits / borrowings	1,935,791	4,226,265
Lease liabilities against right-of-use assets	634,313	562,858
	47,834,399	90,618,218

	Note	30 June 2025	30 June 2024
		(Un-Audited)	
		Rupees in '000	
27. FEE & COMMISSION INCOME			
Branch banking customer fees		736,967	647,249
Credit related fees		22,457	21,997
Card related fees		650,181	382,154
Commission on trade		3,206,163	3,077,959
Commission on guarantees		658,297	538,449
Commission on remittances including home remittances		38,037	27,561
Commission on bancassurance		79,438	54,688
Commission on cash management		103,238	81,575
Investment Banking Fee		55,031	26,781
Others		77,667	58,809
		<u>5,627,476</u>	<u>4,917,222</u>
28. GAIN ON SECURITIES - NET			
Realised	28.1	1,051,603	3,827
Unrealised - Measured at FVTPL		240,522	681,758
Unrealised - forward purchase of federal government security transactions		94,642	-
		<u>1,386,767</u>	<u>685,585</u>
28.1 Realised gain / (loss) on:			
Federal government securities - net		953,628	(5,496)
Mutual funds - net		97,975	-
Real estate investment trust - net		-	9,323
		<u>1,051,603</u>	<u>3,827</u>
28.2 Net gain / (loss) on financial assets / liabilities measured at FVTPL:			
Designated upon initial recognition		-	-
Mandatorily measured at FVTPL		903,387	875,302
		<u>903,387</u>	<u>875,302</u>
Net gain / (loss) on financial assets measured at FVOCI - Debt		483,380	(189,717)
		<u>1,386,767</u>	<u>685,585</u>
29. OTHER INCOME			
Rent on properties		11,659	13,801
Gain on sale of fixed assets - net		31,910	36,834
Gain on sale of ijarah assets - net		36,760	33,399
Staff notice period and other recoveries		58	871
		<u>80,387</u>	<u>84,905</u>

	30 June 2025	30 June 2024 (Restated)
	(Un-Audited)	
	Rupees in '000	
30. OPERATING EXPENSES		
Total compensation expense	8,153,720	6,920,933
Property expense		
Rent & taxes	63,140	40,066
Insurance	9,996	6,322
Utilities cost	632,496	624,196
Security	694,042	513,961
Repair & maintenance	602,454	430,140
Depreciation on property and equipment	549,202	498,022
Depreciation on right-of-use assets	786,935	750,360
	3,338,265	2,863,067
Information technology expenses		
Software maintenance	711,630	365,445
Hardware maintenance	236,610	233,561
Depreciation	337,289	249,923
Amortisation	140,179	118,431
Network charges	243,707	159,612
	1,669,415	1,126,972
Other operating expenses		
Directors' fees and allowances	14,789	12,233
Fees and allowances to Shariah Board	18,414	15,379
Legal & professional charges	149,455	206,830
Outsourced services costs	225,841	177,900
Travelling & conveyance	639,500	414,968
NIFT clearing charges	72,922	47,856
Depreciation	497,503	422,930
Training & development	40,054	24,384
Postage & courier charges	98,268	95,336
Communication	481,999	342,645
Subscription	495,687	421,933
Repair & maintenance	139,130	154,831
Brokerage & commission	107,688	88,015
Stationery & printing	231,522	261,542
Marketing, advertisement & publicity	370,295	446,290
Management fee	1,057,698	538,186
Insurance	797,489	725,387
Donations	263,300	219,976
Auditor's Remuneration	30,719	22,625
Security	255,547	215,855
Others	744,823	399,307
	6,732,643	5,254,408
	19,894,043	16,165,380

		30 June 2025	30 June 2024
		(Un-Audited)	
		Rupees in '000	
31. OTHER CHARGES			
Penalties imposed by the SBP		<u>287,897</u>	<u>72,788</u>
	Note	30 June 2025	30 June 2024 (Restated)
		(Un-Audited)	
		Rupees in '000	
32. CREDIT LOSS ALLOWANCE & WRITE OFFS - NET			
Credit loss allowance against cash and balances with banks		99,013	120,081
Credit loss allowance against lending to financial institutions		196	1,171
Credit loss allowance for diminution in value of investments	10.2	(1,554)	381,586
Credit loss allowance against loans & advances	11.3	(753,098)	1,448,002
Credit loss allowance against other assets		54,458	32,784
Credit loss allowance against off balance sheet obligations		1,933,107	81,006
Recovery of written off / charged off bad debts		(211,842)	-
		<u>1,120,280</u>	<u>2,064,630</u>
33. TAXATION			
Current			
- For the period		12,413,608	10,615,015
- Prior year		579,141	-
		12,992,749	10,615,015
Deferred			
- For the period		1,686,670	319,486
- Prior year		(757,617)	-
		929,053	319,486
		<u>13,921,802</u>	<u>10,934,501</u>
34. BASIC AND DILUTED EARNINGS PER SHARE			
Profit attributable to equity shareholders of the holding company		<u>11,636,778</u>	<u>11,647,884</u>
		Number in '000	
Weighted average number of ordinary shares		<u>1,047,831</u>	<u>1,047,831</u>
		Rupees	
Basic and diluted earnings per share		<u>11.11</u>	<u>11.12</u>

35. FAIR VALUE MEASUREMENTS

The fair value of quoted securities other than investment 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 is determined on the basis of valuation methodologies.

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

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.

35.1 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 assets or liabilities that are not based on observable market data (i.e. unobservable inputs).

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

On balance sheet financial instruments

	30 June 2025 (Un-Audited)			
	Fair value			
	Level 1	Level 2	Level 3	Total
	Rupees in '000			
Financial assets measured at fair value				
Investments				
- Federal Government securities	95,931,500	640,014,011	-	735,945,511
- Non Government debt securities	-	10,802,870	-	10,802,870
- Shares				
- Listed companies	10,156,079	-	-	10,156,079
- Unlisted companies	-	-	126,151	126,151
- Mutual funds	461,381	-	-	461,381
- Real estate investment trust	3,337,653	-	-	3,337,653

Financial assets - disclosed but not measured at fair value

Investments				
- Federal Government securities	-	88,646,462	-	88,646,462
	109,886,613	739,463,343	126,151	849,476,107

Off-balance sheet financial instruments measured at fair value

Forward purchase of foreign exchange contracts	-	306,791,114	-	306,791,114
Forward sale of foreign exchange contracts	-	271,688,538	-	271,688,538
Forward purchase of federal Government security transactions	-	22,823,262	-	22,823,262

On balance sheet financial instruments

31 December 2024 (Audited)				
Fair value				
	Level 1	Level 2	Level 3	Total
	Rupees in '000			
Financial assets measured at fair value				
Investments				
- Federal Government securities	74,378,500	622,691,410	–	697,069,910
- Non Government debt securities	–	11,055,018	–	11,055,018
- Shares				
- Listed companies	9,131,014	–	–	9,131,014
- Unlisted companies	–	–	51,569	51,569
- Mutual funds	3,131,971	–	–	3,131,971
- Real estate investment trust	3,068,679	–	–	3,068,679

Financial assets - disclosed but not measured at fair value

Investments				
- Federal Government securities		86,187,652	–	86,187,652
	89,710,164	719,934,080	51,569	809,695,813

Off-balance sheet financial instruments measured at fair value

Forward purchase of foreign exchange contracts	–	257,959,904	–	257,959,904
Forward sale of foreign exchange contracts	–	290,402,624	–	290,402,624
Forward purchase of federal Government security transactions	–	16,393,540	–	16,393,540

35.2 Fair value of non-financial assets

	30 June 2025 (Un-Audited)			
	Fair value			
	Level 1	Level 2	Level 3	Total
	Rupees in '000			
Non-financial assets measured at fair value				
– Property and equipment	–	10,328,986	–	10,328,986
– Non-banking assets acquired in satisfaction of claim	–	4,299,840	–	4,299,840
	–	14,628,826	–	14,628,826

	31 December 2024 (Audited)			
	Fair value			
	Level 1	Level 2	Level 3	Total
	Rupees in '000			
Non-financial assets measured at fair value				
– Property and equipment	–	10,015,686	–	10,015,686
– Non-banking assets acquired in satisfaction of claim	–	4,299,840	–	4,299,840
	–	14,315,526	–	14,315,526

35.3 Valuation techniques used in determination of fair valuation of financial instruments within level 2 and level 3

Federal government debt securities	The fair value of government securities are valued using PKRV, PKFRV, PKISRV and PSX rates.
Debt securities other than federal government securities	The fair value is determined using the prices / rates available on Mutual Funds. Association of Pakistan (MUFAP) / Reuters website and PSX.
Unquoted equity securities	The fair value is determined using replacement price determined by the company or where the shares can be surrendered.
Forward contracts	The fair values are derived using forward exchange rates applicable to their respective remaining maturities.
Mutual funds	The fair value is determined based on the net asset values published at the close of each business day.

Valuation techniques used in determination of fair values of non-financial assets within level 3

Property and equipment and non-banking assets acquired in satisfaction of claim	<p>Property and equipment and non-banking assets are valued by professionally qualified valutors. The valuation is based on their assessment of the market value of the assets. In determining the valuation for land and building the valuer refers to numerous independent market inquiries from local estate agents / realtors in the vicinity to establish the present market value. The fair valuation of land and building are considered to represent a level 2 valuation based on significant non-observable inputs being the location and condition of the assets.</p> <p>The fair value is subject to change owing to changes in input. However, management does not expect there to be a material sensitivity to the fair value arising from the non-observable inputs.</p>
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36. SEGMENT INFORMATION

36.1. Segment details with respect to business activities

	30 June 2025 (Un-Audited)				
	Trade & Sales	Retail Banking	Commercial Banking	Islamic Banking	Total
	Rupees in '000				
Profit and Loss					
Net mark-up/return/profit	30,267,005	(9,071,494)	6,147,777	8,686,462	36,029,750
Inter segment revenue - net	(20,344,536)	15,236,049	5,108,487	-	-
Non mark-up / return / interest income	6,072,868	630,103	4,233,706	795,129	11,731,806
Total Income	15,995,337	6,794,658	15,489,970	9,481,591	47,761,556
Segment direct expenses	(412,906)	-	-	-	(412,906)
Inter segment expense allocation	-	(4,988,147)	(10,219,968)	(5,090,908)	(20,299,023)
Total expenses	(412,906)	(4,988,147)	(10,219,968)	(5,090,908)	(20,711,929)
Credit loss allowance	626	2,110	(2,358,505)	1,235,489	(1,120,280)
Profit before tax	15,583,057	1,808,621	2,911,497	5,626,172	25,929,347
Balance Sheet					
Cash and bank balances	3,700,521	25,745,092	51,720,343	24,873,438	106,039,394
Investments - net	694,794,471	-	-	151,168,574	845,963,045
Net inter segment lending	-	408,410,170	71,354,406	-	479,764,576
Lendings to financial institutions	11,162,974	-	-	-	11,162,974
Advances - performing	-	10,490,773	400,568,248	119,156,217	530,215,238
Advances - non-performing	-	624,345	21,739,550	3,089,659	25,453,554
Credit loss allowance against advances	-	(607,143)	(24,688,168)	(4,426,164)	(29,721,475)
Others	18,737,311	7,872,007	63,873,291	24,579,861	115,062,470
Total assets	728,395,277	452,535,244	584,567,670	318,441,585	2,083,939,776
Borrowings	174,545,368	-	86,183,082	27,228,032	287,956,482
Deposits and other accounts	-	392,447,250	415,347,330	253,276,521	1,061,071,101
Net inter segment borrowing	479,764,576	-	-	-	479,764,576
Others	9,904,074	18,925,333	76,675,982	23,116,638	128,622,027
Total liabilities	664,214,018	411,372,583	578,206,394	303,621,191	1,957,414,186
Net Assets	64,181,259	41,162,661	6,361,276	14,820,394	126,525,590
Equity					126,525,590
Contingencies and commitments	578,185,580	-	321,607,768	33,357,259	933,150,607

30 June 2024 (Un-Audited & Restated)					
	Trade & Sales	Retail Banking	Commercial Banking	Islamic Banking	Total
	Rupees in '000				
Profit and Loss					
Net mark-up/return/profit	59,457,804	(22,695,398)	(11,318,262)	6,761,014	32,205,158
Inter segment revenue - net	(71,770,557)	45,219,507	26,551,050	–	–
Non mark-up / return / interest income	4,501,272	266,819	4,163,241	527,074	9,458,406
Total Income	(7,811,481)	22,790,928	19,396,029	7,288,088	41,663,564
Segment direct expenses	(464,373)	–	–	–	(464,373)
Inter segment expense allocation	–	(4,034,995)	(8,868,548)	(3,332,340)	(16,235,883)
Total expenses	(464,373)	(4,034,995)	(8,868,548)	(3,332,340)	(16,700,256)
Credit loss allowance	(381,797)	(35,498)	(432,783)	(1,214,552)	(2,064,630)
Profit before tax	(8,657,651)	18,720,435	10,094,698	2,741,196	22,898,678
31 December 2024 (Audited)					
	Trade & Sales	Retail Banking	Commercial Banking	Islamic Banking	Total
	Rupees in '000				
Balance Sheet					
Cash and bank balances	6,522,567	25,145,136	46,725,795	14,971,525	93,365,023
Investments - net	660,476,083	–	–	147,020,502	807,496,585
Net inter segment lending	–	379,807,962	27,488,264	–	407,296,226
Lendings to financial institutions	5,570,998	–	–	–	5,570,998
Advances - performing	–	15,855,835	398,759,133	92,867,464	507,482,432
Advances - non-performing	–	336,133	21,984,981	3,139,699	25,460,813
Credit loss allowance against advances	–	(603,370)	(24,209,577)	(5,661,642)	(30,474,589)
Others	21,655,600	12,192,814	64,717,515	18,117,153	116,683,082
Total assets	694,225,248	432,734,510	535,466,111	270,454,701	1,932,880,570
Borrowings	232,483,335	–	88,846,547	28,894,549	350,224,431
Deposits and other accounts	–	374,480,521	345,352,420	205,395,048	925,227,989
Net inter segment borrowing	407,296,226	–	–	–	407,296,226
Others	3,687,896	18,151,910	88,505,839	18,893,629	129,239,274
Total liabilities	643,467,457	392,632,431	522,704,806	253,183,226	1,811,987,920
Net Assets	50,757,791	40,102,079	12,761,305	17,271,475	120,892,650
Equity					120,892,650
Contingencies and commitments	547,663,058	–	359,619,498	44,643,011	951,925,567

37. TRANSACTIONS WITH RELATED PARTIES

The Group has related party relationships with its ultimate parent company, associates, companies with common directorship, key management personnel, directors and employees' retirement benefit plans.

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 in respect of charge for employees' retirement benefits are made in accordance with actuarial valuation and terms of contribution plan. Salaries and allowances of the key management personnel are in accordance with the terms of their employment. Other transactions are at agreed terms.

Details of transactions with related parties during the period are as follows:

	30 June 2025 (Un-Audited)					
	Ultimate parent company	Associates	Key management personnel	Directors	Retirement benefit plans	Total
	Rupees in '000					
Balances with other banks						
In current accounts	273,110	149,205	-	-	-	422,315
Advances						
Opening balance	-	6,504,983	331,041	-	-	6,836,024
Addition during the period	-	44,399,461	35,393	-	-	44,434,854
Repaid during the period	-	(41,822,561)	(29,197)	-	-	(41,851,758)
Closing balance	-	9,081,883	337,237	-	-	9,419,120
Other Assets						
Mark-up / return / interest receivable	-	53,453	-	-	-	53,453
Dividend receivable						
Prepayments / advance deposits / other receivables	468	32,489	-	-	-	32,957
	468	85,942	-	-	-	86,410
Deposits and other accounts						
Opening balance	231,356	5,396,117	224,702	967,344	2,340,225	9,159,744
Received during the period	7,467,117	1,655,385,173	729,079	1,427,601	1,636,428	1,666,645,398
Withdrawn during the period	(7,444,278)	(1,643,794,527)	(633,850)	(1,378,188)	(2,108,334)	(1,655,359,177)
Closing balance	254,195	16,986,763	319,931	1,016,757	1,868,319	20,445,965
Other Liabilities						
Mark-up / return / interest payable	-	120,691	5,669	15,355	217,915	359,630
Management fee payable for technical and consultancy services *	277,372	-	-	-	-	277,372
Other payables	-	2,719	-	955	314,067	317,741
	277,372	123,410	5,669	16,310	531,982	954,743
Contingencies and commitments						
Transaction-related contingent liabilities	-	18,496,889	-	-	-	18,496,889
Trade-related contingent liabilities	-	3,561,701	-	-	-	3,561,701
	-	22,058,590	-	-	-	22,058,590

* Management fee is as per the agreement with the holding company .

31 December 2024 (Audited)

	Ultimate parent company	Associates	Key management personnel	Directors	Retirement benefit plans	Total
	Rupees in '000					
Balances with other banks						
In current accounts	322,178	277,533	–	–	–	599,711
Advances						
Opening balance	–	5,709,339	290,151	–	–	5,999,490
Addition during the year	–	134,111,594	124,870	–	–	134,236,464
Repaid during the year	–	(133,315,950)	(83,980)	–	–	(133,399,930)
Closing balance	–	6,504,983	331,041	–	–	6,836,024
Other Assets						
Mark-up / return / interest receivable	–	31,360	–	–	–	31,360
Prepayments / advance deposits / other receivables	468	67,006	–	–	–	67,474
	468	98,366	–	–	–	98,834
Deposits and other accounts						
Opening balance	242,044	25,121,296	319,529	822,094	1,579,294	28,084,257
Received during the year	19,784,319	2,786,807,658	1,534,947	3,140,332	6,936,984	2,818,204,240
Withdrawn during the year	(19,795,007)	(2,806,532,836)	(1,629,774)	(2,995,082)	(6,176,053)	(2,837,128,752)
Closing balance	231,356	5,396,118	224,702	967,344	2,340,225	9,159,745
Other Liabilities						
Mark-up / return / interest payable	–	102,296	10,616	8,566	220,238	341,716
Management fee payable for technical and consultancy services *	–	–	–	–	–	–
Other payables	–	900	–	995	117,071	118,966
	–	103,196	10,616	9,561	337,309	460,682
Contingencies and commitments						
Transaction-related contingent liabilities	–	13,955,479	–	–	–	13,955,479
Trade-related contingent liabilities	–	6,073,667	–	–	–	6,073,667
	–	20,029,146	–	–	–	20,029,146

* Management fee is as per the agreement with the holding company.

Transactions during the period

	For the period ended 30 June 2025 (Un-Audited)				
	Ultimate parent company	Associates	Key management personnel	Directors	Retirement benefit plans
	Rupees in '000				
Income					
Mark-up / return / interest earned	-	69,894	8,897	-	-
Fee and commission income	-	366,305	-	65	9
Rent income	2,808	5,170	-	-	-
Expense					
Mark-up / return / interest expensed	-	216,708	8,840	30,825	366,392
Commission / brokerage / bank charges paid	446	1,604	-	-	-
Salaries and allowances	-	-	472,150	-	-
Directors' fees and allowances	-	-	-	14,789	-
Charge to defined benefit plan	-	-	-	-	182,958
Contribution to defined contribution plan	-	-	-	-	219,262
Insurance premium expenses	-	25,755	-	-	-
Management fee expense for technical and consultancy services*	1,039,235	-	-	-	-

* Management fee is as per the agreement with the holding company.

Transactions during the period

	For the period ended 30 June 2024 (Un-Audited)				
	Ultimate parent company	Associates	Key management personnel	Directors	Retirement benefit plans
	Rupees in '000				
Income					
Mark-up / return / interest earned	–	43,610	7,525	–	–
Fee and commission income	93	492,843	–	133	7
Rent income	2,808	5,170	–	–	–
Expenses					
Mark-up / return / interest expensed	–	1,523,284	22,173	42,976	144,479
Commission / brokerage / bank charges paid	101	1,411	–	–	–
Salaries and allowances	–	–	390,615	–	–
Directors' fees and allowances	–	–	–	13,446	–
Charge to defined benefit plan	–	–	–	–	166,325
Contribution to defined contribution plan	–	–	–	–	190,062
Insurance premium expenses	–	30,525	–	–	–
Management fee expense for technical and consultancy services*	538,186	–	–	–	–
Donation	–	960	–	–	–

* Management fee is as per the agreement with the holding company.

38. CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

	30 June 2025 (Un-Audited)	31 December 2024 (Audited)
	Rupees in '000	
Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	10,478,315	10,478,315
Capital Adequacy Ratio (CAR):		
Eligible common equity tier 1 (CET 1) Capital	105,519,793	100,906,644
Eligible additional tier 1 (ADT 1) Capital	60,073	51,609
Total eligible tier 1 capital	105,579,866	100,958,253
Eligible tier 2 capital	17,110,656	18,293,582
Total eligible capital (tier 1 + tier 2)	122,690,522	119,251,835
Risk Weighted Assets (RWAs):		
Credit risk	520,508,512	474,510,547
Market risk	5,559,375	9,158,527
Operational risk	147,822,438	147,822,438
Total	673,890,325	631,491,512
CET 1 capital adequacy ratio	15.66%	15.98%
Tier 1 capital adequacy ratio	15.67%	15.99%
Total capital adequacy ratio	18.21%	18.88%
Minimum capital requirements prescribed by SBP		
CET 1 capital adequacy ratio	6.00%	6.00%
Tier 1 capital adequacy ratio	7.50%	7.50%
Total capital adequacy ratio	11.50%	11.50%

The Group use simple, maturity method and basic indicator approach for credit risk, market risk and operational risk exposures respectively in the capital adequacy calculation.

Leverage Ratio (LR):

Eligible tier-1 capital	105,579,866	100,958,253
Total exposures	2,039,575,901	1,974,617,349
Leverage ratio	5.18%	5.11%

39. ISLAMIC BANKING BUSINESS

The bank is operating 228 (31 December 2024: 223) Islamic banking branches and 190 (31 December 2024: 190) Islamic banking windows at the end of the period.

	Note	30 June 2025 (Un-Audited)	31 December 2024 (Audited)
		Rupees in '000	
ASSETS			
Cash and balances with treasury banks		24,827,523	14,936,606
Balances with other banks		45,915	34,919
Due from financial institutions		—	—
Investments	39.1	151,168,574	147,020,502
Islamic financing and related assets – net	39.2	117,819,712	90,345,521
Property and equipment		759,953	800,502
Right-of-use assets		3,183,199	3,055,711
Intangible assets		—	—
Due from Head Office		9,224,187	5,167,862
Other assets		11,412,522	9,093,078
Total Assets		318,441,585	270,454,701
LIABILITIES			
Bills payable		8,244,745	6,374,863
Due to financial institutions		27,228,032	28,894,549
Deposits and other accounts	39.3	253,276,521	205,395,048
Due to Head Office		—	—
Lease liabilities		3,909,386	3,696,838
Subordinated debt		—	—
Deferred tax liabilities		1,266,415	1,754,446
Other liabilities		9,696,092	8,821,928
		303,621,191	254,937,672
NET ASSETS		14,820,394	15,517,029
REPRESENTED BY			
Islamic Banking Fund		11,007,094	11,006,964
Reserves		—	—
Surplus on revaluation of assets		1,168,999	1,635,769
Unappropriated profit	39.4	2,644,301	2,874,296
		14,820,394	15,517,029
CONTINGENCIES AND COMMITMENTS			
	39.5		

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

	Note	30 June 2025	30 June 2024 (Restated)
		(Un-Audited)	
		Rupees in '000	
PROFIT AND LOSS ACCOUNT			
Profit / return earned	39.6	16,550,169	17,938,264
Profit / return expensed	39.7	(7,863,707)	(11,177,250)
Net Profit / return		8,686,462	6,761,014
Other income			
Fee and Commission Income		647,644	502,640
Dividend Income		—	—
Foreign Exchange Income		95,608	69,675
Income / (loss) from derivatives		—	—
Gain / (loss) on securities		13,716	(81,303)
Other Income		38,161	36,062
Total other income		795,129	527,074
Total Income		9,481,591	7,288,088
Other expenses			
Operating expenses		5,090,465	3,332,233
Workers' welfare fund		—	—
Other charges		443	107
Total other expenses		5,090,908	3,332,340
Profit before credit loss allowance		4,390,683	3,955,748
Credit loss allowance and write offs – net		1,235,489	(1,214,552)
Profit before taxation		5,626,172	2,741,196
Taxation		(2,981,871)	(1,343,186)
Profit after taxation		2,644,301	1,398,010

39.1 Investments by segments

Debt Instruments

Measured at amortised cost

Federal government securities

– Ijarah Sukuk

– Certificate of investment

30 June 2025 (Un-Audited)			
Cost / amortised cost	Credit loss allowance	Surplus / (deficit)	Carrying value
Rupees in '000			
2,979,085	–	–	2,979,085
2,300,000	(40)	–	2,299,960
5,279,085	(40)	–	5,279,045

Measured at FVOCI

Federal government securities

– Ijarah Sukuk

Non Government Debt Securities

135,905,508	–	2,881,492	138,787,000
6,636,078	(340,000)	(446,078)	5,850,000
142,541,586	(340,000)	2,435,414	144,637,000

Instruments classified / measured at FVTPL

1,256,530	–	(4,001)	1,252,529
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Total investments

149,077,201	(340,040)	2,431,413	151,168,574
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31 December 2024 (Audited)

Debt Instruments

Measured at amortised cost

Federal government securities

– Ijarah Sukuk

– Certificate of investment

Cost / amortised cost	Credit loss allowance	Surplus / (deficit)	Carrying value
Rupees in '000			
2,974,050	–	–	2,974,050
3,000,000	(52)	–	2,999,948
5,974,050	(52)	–	5,973,998

Measured at FVOCI

Federal government securities

– Ijarah Sukuk

Non Government Debt Securities

125,750,660	–	3,545,698	129,296,358
6,683,993	(340,000)	(235,423)	6,108,570
132,434,653	(340,000)	3,310,275	135,404,928

Instruments mandatory classified / measured at FVTPL

5,561,635	–	79,941	5,641,576
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Total investments

143,970,338	(340,052)	3,390,216	147,020,502
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39.2 Islamic financing and related assets - net

31 June 2025 (Un-Audited)				
	Financing	Advances	Inventory	Total
	Rupees in '000			
Ijarah	511,780	669,474	-	1,181,254
Ijarah – islamic long term financing facility	8,596	-	-	8,596
Murabaha	3,672,213	1,434,127	-	5,106,340
Working capital musharaka	35,635,028	-	-	35,635,028
Diminishing musharaka	20,501,323	4,011,830	-	24,513,153
Istisna	3,269,980	7,037,806	3,490,214	13,798,000
Al-bai	3,284,682	-	2,848,791	6,133,473
Diminishing musharaka:				
Islamic long term financing facility	2,967,199	-	-	2,967,199
Islamic refinance scheme for payment of wages and salaries	-	93,534	-	93,534
Islamic financing facility for storage of agricultural produce	471,810	-	-	471,810
Islamic temporary economic refinance facility	8,262,699	-	-	8,262,699
Islamic financing facility for renewable energy	457,134	-	-	457,134
Islamic export refinance:				
Working capital musharaka	18,197,455	-	-	18,197,455
Istisna	838,263	2,597,680	271,445	3,707,388
Al-bai	1,463,139	-	249,674	1,712,813
Gross islamic financing and related assets	99,541,301	15,844,451	6,860,124	122,245,876
Credit loss allowance held against non-performing islamic financings				
-Stage 1	(66,154)	(11,874)	(5,393)	(83,421)
-Stage 2	(923,161)	(70,434)	(268,790)	(1,262,385)
-Stage 3	(3,080,358)	-	-	(3,080,358)
	(4,069,673)	(82,308)	(274,183)	(4,426,164)
Islamic financing and related assets – net of credit loss allowance held	95,471,628	15,762,143	6,585,941	117,819,712

31 December 2024 (Audited)

	Financing	Advances	Inventory	Total
	Rupees in '000			
Ijarah	540,947	17,607	–	558,554
Ijarah - islamic long term financing facility	12,306	–	–	12,306
Murabaha	5,111,120	674,294	–	5,785,414
Working capital musharaka	13,745,539	–	–	13,745,539
Diminishing musharaka	20,926,138	2,060,716	–	22,986,854
Istisna	2,962,798	10,917,577	587,823	14,468,198
Al-bai	1,639,352	–	1,684,955	3,324,307
Diminishing musharaka:				
Islamic long term financing facility	3,293,757	–	–	3,293,757
Islamic refinance scheme for payment of wages and salaries	–	93,534	–	93,534
Islamic financing facility for storage of agricultural produce	522,889	–	–	522,889
Islamic temporary economic refinance facility	8,306,821	–	–	8,306,821
Islamic financing facility for renewable energy	506,756	–	–	506,756
Islamic export refinance:				
Working capital musharaka	18,146,877	–	–	18,146,877
Istisna	498,545	1,798,242	153,100	2,449,887
Al-bai	1,129,747	–	675,723	1,805,470
Gross islamic financing and related assets	77,343,592	15,561,970	3,101,601	96,007,163
Less: Credit loss allowance against Islamic financings				
-Stage 1	(103,977)	(18,873)	(6,466)	(129,316)
-Stage 2	(2,314,517)	(63,235)	(49,959)	(2,427,711)
-Stage 3	(3,104,615)	–	–	(3,104,615)
	(5,523,109)	(82,108)	(56,425)	(5,661,642)
Islamic financing and related assets - net of Credit loss allowance held	71,820,483	15,479,862	3,045,176	90,345,521

39.3 Deposits

	30 June 2025 (Un-Audited)			31 December 2024 (Audited)		
	Customers	Financial Institutions	Total	Customers	Financial Institutions	Total
	Rupees in '000					
Current deposits	111,768,893	298,719	112,067,612	103,322,951	337,309	103,660,260
Savings deposits	61,798,251	48,033,681	109,831,932	57,562,083	4,329,081	61,891,164
Term deposits	26,567,626	135,000	26,702,626	36,599,875	135,000	36,734,875
Others	4,674,351	–	4,674,351	3,108,749	–	3,108,749
	204,809,121	48,467,400	253,276,521	200,593,658	4,801,390	205,395,048

39.4 Unappropriated profit

Opening balance	2,874,296	4,720,817
Add: Islamic banking profit for the period / year	5,626,172	6,248,469
Less: Taxation	(2,981,871)	(3,374,173)
Less: Transferred to head office	(2,874,296)	(4,720,817)
Closing balance	2,644,301	2,874,296

39.5 Contingencies and commitments

Guarantees	16,446,277	18,073,842
Commitments	16,910,982	26,569,169
	33,357,259	44,643,011

39.6 Profit / return earned

Financing	7,777,334	9,705,698
Investments	8,650,793	7,670,315
Placements	122,042	562,251
	16,550,169	17,938,264

	30 June 2025	30 June 2024 (Restated) (Un-Audited)
	Rupees in '000	
39.7 Profit / return expensed		
Deposits and other accounts	5,952,044	8,830,718
Due to financial institutions	1,684,773	2,155,732
Lease liabilities against right-of-use assets	226,890	190,800
	<u>7,863,707</u>	<u>11,177,250</u>

40. GENERAL

- 40.1** The figures have been rounded off to nearest thousand rupees, unless otherwise stated.
- 40.2** Comparative information has been re-classified, re-arranged or additionally incorporated in these consolidated condensed interim financial statements wherever necessary to facilitate comparison and better presentation.

41. NON-ADJUSTING EVENT AFTER STATEMENT OF FINANCIAL POSITION / DATE OF AUTHORISATION FOR ISSUE

- 41.1** The Board of Directors in its meeting held on 13 August 2025 has approved an interim cash dividend of Rs. 2.50 per share (30 June 2024: interim cash dividend of Rs. 2.50 per share)
- 41.2** These consolidated condensed interim financial statements were authorised for issue on 13 August 2025 by the Board of Directors of the Bank.

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