



[ Subsidiary of Habib Bank AG Zurich ]

# Habib Metropolitan Bank Ltd.

[ Subsidiary of Habib Bank AG Zurich ]

Consolidated Accounts for the quarter  
ended 31 March 2024  
(Un-audited)

## CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2024

|                                       | Note | 31 March<br>2024<br>(Un-Audited) | 31 December<br>2023<br>(Audited) |
|---------------------------------------|------|----------------------------------|----------------------------------|
| <hr/> Rupees in '000 <hr/>            |      |                                  |                                  |
| <b>ASSETS</b>                         |      |                                  |                                  |
| Cash and balances with treasury banks | 6    | 104,981,308                      | 91,467,062                       |
| Balances with other banks             | 7    | 10,918,562                       | 21,269,948                       |
| Lendings to financial institutions    | 8    | 5,177,650                        | 5,496,284                        |
| Investments                           | 9    | 893,092,141                      | 920,634,761                      |
| Advances                              | 10   | 457,420,450                      | 433,632,602                      |
| Property and equipment                | 11   | 16,335,417                       | 15,782,163                       |
| Right-of-use assets                   | 12   | 7,984,977                        | 7,625,010                        |
| Intangible assets                     | 13   | 382,295                          | 368,333                          |
| Deferred tax assets                   | 14   | 4,677,464                        | 5,265,313                        |
| Other assets                          | 15   | 77,402,015                       | 72,121,302                       |
| Total Assets                          |      | <u>1,578,372,279</u>             | <u>1,573,662,778</u>             |

### LIABILITIES

|                             |    |                      |                      |
|-----------------------------|----|----------------------|----------------------|
| Bills payable               | 16 | 17,627,500           | 28,352,699           |
| Borrowings                  | 17 | 287,824,012          | 335,270,858          |
| Deposits and other accounts | 18 | 1,084,833,696        | 1,011,485,773        |
| Lease liabilities           | 19 | 9,623,087            | 9,086,176            |
| Sub-ordinated debts         |    | —                    | —                    |
| Deferred tax liabilities    |    | —                    | —                    |
| Other liabilities           | 20 | 79,970,824           | 91,278,065           |
| Total Liabilities           |    | <u>1,479,879,119</u> | <u>1,475,473,571</u> |

### NET ASSETS

|                   |                   |
|-------------------|-------------------|
| <u>98,493,160</u> | <u>98,189,207</u> |
|-------------------|-------------------|

### REPRESENTED BY

|  |    |                   |                   |
|--|----|-------------------|-------------------|
| Share capital                                |    | 10,478,315        | 10,478,315        |
| Reserves                                     |    | 32,612,141        | 31,432,768        |
| Surplus / (deficit) on revaluation of assets | 21 | 4,407,415         | 4,829,814         |
| Unappropriated profit                        |    | 46,591,883        | 47,254,919        |
|  |    | <u>94,089,754</u> | <u>93,995,816</u> |
| Non-controlling interest                     |    | 4,403,406         | 4,193,391         |
|  |    | <u>98,493,160</u> | <u>98,189,207</u> |

### CONTINGENCIES AND COMMITMENTS

22

The annexed notes 1 to 40 form an integral part of these consolidated condensed interim financial statements.

|                         |  |                   |                    |                      |
|-------------------------|--|-------------------|--------------------|----------------------|
| FUZAIL ABBAS            | KHURRAM SHAHZAD KHAN                   | MOHSIN A. NATHANI | RASHID AHMED JAFER | MOHAMED ALI R. HABIB |
| Chief Financial Officer | President &<br>Chief Executive Officer | Director          | Director           | Chairman             |

## CONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)

FOR THE QUARTER ENDED 31 MARCH 2024

|   | Note | 31 March<br>2024 | 31 March<br>2023 |
|---|------|------------------|------------------|
|   |      | Rupees in '000   |                  |
| Mark-up / return / interest earned  | 24   | 60,064,053       | 44,847,935       |
| Mark-up / return / interest expensed  | 25   | (43,263,818)     | (30,803,625)     |
| Net mark-up / interest income   |      | 16,800,235       | 14,044,310       |
| <b>NON MARK-UP / INTEREST INCOME</b>  |      |                  |                  |
| Fee and commission income   | 26   | 2,475,835        | 2,159,099        |
| Dividend income   |      | 207,119          | 131,230          |
| Foreign exchange income   |      | 1,300,554        | 1,813,692        |
| Income / (loss) from derivatives  |      | —                | —                |
| Gain / (loss) on securities   | 27   | (267,137)        | (142,402)        |
| Net gains / (loss) on derecognition of financial<br>assets measured at amortised cost |      | —                | —                |
| Other income  | 28   | 26,342           | 19,624           |
| Total non mark-up / interest income   |      | 3,742,713        | 3,981,243        |
| Total Income  |      | 20,542,948       | 18,025,553       |
| <b>NON MARK-UP / INTEREST EXPENSES</b>  |      |                  |                  |
| Operating expenses  | 29   | 7,434,093        | 6,539,852        |
| Workers' welfare fund   |      | 244,476          | 178,410          |
| Other charges   | 30   | 71,777           | 5                |
| Total non-mark-up / interest expenses   |      | (7,750,346)      | (6,718,267)      |
| Profit / (loss) before credit loss allowance  |      | 12,792,602       | 11,307,286       |
| Credit loss allowance and write offs - net  | 31   | (891,572)        | (1,050,252)      |
| Extra ordinary / unusual items  |      | —                | —                |
| <b>PROFIT BEFORE TAXATION</b>   |      | 11,901,030       | 10,257,034       |
| Taxation  | 32   | (5,777,365)      | (4,400,565)      |
| <b>PROFIT AFTER TAXATION</b>  |      | 6,123,665        | 5,856,469        |
| <b>PROFIT ATTRIBUTABLE TO:</b>  |      |                  |                  |
| Equity shareholders of the holding company  |      | 5,954,276        | 5,749,929        |
| Non-controlling interest  |      | 169,389          | 106,540          |
|   |      | 6,123,665        | 5,856,469        |
|   |      | Rupees           |                  |
| <b>Basic and diluted earnings per share</b>   | 33   | 5.68             | 5.49             |

The annexed notes 1 to 40 form an integral part of these consolidated condensed interim financial statements.

FUZAIL ABBAS  
Chief Financial Officer

KHURRAM SHAHZAD KHAN  
President &  
Chief Executive Officer

MOHSIN A. NATHANI  
Director

RASHID AHMED JAFER  
Director

MOHAMEDALI R. HABIB  
Chairman

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

FOR THE QUARTER ENDED 31 MARCH 2024

|  | 31 March<br>2024 | 31 March<br>2023 |
|--|------------------|------------------|
|  | Rupees in '000   |                  |
| Profit after taxation for the period   | 6,123,665        | 5,856,469        |
| Other comprehensive income   |                  |                  |
| Items that may be reclassified to profit and loss<br>in subsequent periods:          |                  |                  |
| Effect of translation of net investment in an offshore branch - net of tax           | (894)            | 5,265            |
| Movement in deficit on revaluation of available for sale investment - net of tax     | –                | (3,508,713)      |
| Movement in deficit on revaluation of debt<br>investments through FVOCI - net of tax | (137,686)        | –                |
|  | (138,580)        | (3,503,448)      |
| Items that will not be reclassified to profit and loss<br>in subsequent periods:     |                  |                  |
| Remeasurement loss on defined benefit obligations - net of tax                       | (51,153)         | (103,001)        |
| Movement in deficit on revaluation of equity investments - net of tax                | (18,696)         | –                |
| Gain on sale of equity shares - FVOCI  | 151,789          | –                |
|  | 81,940           | (103,001)        |
| Total comprehensive income   | 6,067,025        | 2,250,020        |
| Equity shareholders of the holding company   | 5,857,011        | 2,141,423        |
| Non-controlling interest   | 210,015          | 108,597          |
|  | 6,067,025        | 2,250,020        |

The annexed notes 1 to 40 form an integral part of these consolidated condensed interim financial statements.

FUZAIL ABBAS  
Chief Financial Officer

KHURRAM SHAHZAD KHAN  
President &  
Chief Executive Officer

MOHSIN A. NATHANI  
Director

RASHID AHMED JAFER  
Director

MOHAMED ALI R. HABIB  
Chairman

**CONSOLIDATED CONDENSED INTERIM  
STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)  
FOR THE QUARTER ENDED 31 MARCH 2024**

|   | Share capital | Reserves      |                 |                 |                |                   | Surplus / (deficit) on revaluation |             | Investments | Fixed / non-banking assets | Un-appropriated profit | Sub total | Non-controlling interest | Total |
|---|---------------|---------------|-----------------|-----------------|----------------|-------------------|------------------------------------|-------------|-------------|----------------------------|------------------------|-----------|--------------------------|-------|
|   |               | Share premium | Special reserve | Revenue reserve | Merger reserve | Statutory reserve | Exchange translation reserve       |             |             |                            |                        |           |                          |       |
| Rupees in '000  |               |               |                 |                 |                |                   |                                    |             |             |                            |                        |           |                          |       |
| Balance as at 1 January 2023  | 10,478,315    | 2,550,985     | 340,361         | 1,500,000       | 31,002         | 21,522,347        | 4,929                              | (4,790,637) | 6,820,054   | 36,584,942                 | 75,042,298             | 3,685,208 | 78,727,506               |       |
| Profit after taxation for the period  | -             | -             | -               | -               | -              | -                 | -                                  | -           | -           | 5,749,929                  | 5,749,929              | 106,540   | 5,856,469                |       |
| Other comprehensive income - net of tax   | -             | -             | -               | -               | -              | -                 | 5,265                              | (3,507,968) | -           | (103,001)                  | (3,605,704)            | 2,057     | (3,603,647)              |       |
| Total comprehensive income  | -             | -             | -               | -               | -              | -                 | 5,265                              | (3,507,968) | -           | 5,646,928                  | 2,144,225              | 108,597   | 2,252,822                |       |
| Transfer to statutory reserve   | -             | -             | -               | -               | -              | 1,144,962         | -                                  | -           | -           | (1,144,962)                | -                      | -         | -                        |       |
| Transfer from surplus on revaluation of assets to unappropriated profit - net of tax                      | -             | -             | -               | -               | -              | -                 | -                                  | -           | (44,762)    | 44,762                     | -                      | -         | -                        |       |
| Transactions with owners, recorded directly in equity   |               |               |                 |                 |                |                   |                                    |             |             |                            |                        |           |                          |       |
| Final Cash dividend (Rs. 3.00 per share) for the year ended 31 December 2022                              | -             | -             | -               | -               | -              | -                 | -                                  | -           | -           | (3,405,452)                | (3,405,452)            | -         | (3,405,452)              |       |
| Balance as at 31 March 2023   | 10,478,315    | 2,550,985     | 340,361         | 1,500,000       | 31,002         | 22,667,309        | 10,194                             | (8,298,605) | 6,775,292   | 37,726,218                 | 73,781,071             | 3,793,805 | 77,574,876               |       |
| Profit after taxation for the period  | -             | -             | -               | -               | -              | -                 | -                                  | -           | -           | 18,806,573                 | 18,806,573             | 572,851   | 19,379,424               |       |
| Other comprehensive income - net of tax   | -             | -             | -               | -               | -              | -                 | 1,115                              | 6,758,885   | (288,105)   | 175,434                    | 6,647,329              | 14,194    | 6,661,523                |       |
| Total comprehensive income  | -             | -             | -               | -               | -              | -                 | 1,115                              | 6,758,885   | (288,105)   | 18,982,007                 | 25,453,902             | 587,045   | 26,040,947               |       |
| Transfer to statutory reserve   | -             | -             | -               | -               | -              | 4,331,802         | -                                  | -           | -           | (4,331,802)                | -                      | -         | -                        |       |
| Transfer from surplus on revaluation of assets to unappropriated profit - net of tax                      | -             | -             | -               | -               | -              | -                 | -                                  | -           | (117,653)   | 117,653                    | -                      | -         | -                        |       |
| Transactions with owners, recorded directly in equity   |               |               |                 |                 |                |                   |                                    |             |             |                            |                        |           |                          |       |
| Interim Cash dividend by Habib Metropolitan Bank (Rs. 5.00 per share) for the year ended 31 December 2023 | -             | -             | -               | -               | -              | -                 | -                                  | -           | -           | (5,239,157)                | (5,239,157)            | -         | (5,239,157)              |       |
| Profit distribution by First Habib Modaraba (Rs. 1.00 per certificate) for the period ended 30 June 2023  | -             | -             | -               | -               | -              | -                 | -                                  | -           | -           | -                          | -                      | (187,459) | (187,459)                |       |
| Balance as at 31 December 2023  | 10,478,315    | 2,550,985     | 340,361         | 1,500,000       | 31,002         | 26,999,111        | 11,309                             | (1,539,720) | 6,369,534   | 47,254,919                 | 93,995,816             | 4,193,391 | 98,189,207               |       |
| Effect of Reclassification on adoption of IFRS 9 (net of tax)   | -             | -             | -               | -               | -              | -                 | -                                  | (184,901)   | -           | 184,901                    | -                      | -         | -                        |       |
| Effect of adoption of IFRS 9 - ECL (net of tax)   | -             | -             | -               | -               | -              | -                 | -                                  | (184,901)   | -           | 184,901                    | -                      | -         | -                        |       |
| Profit after taxation for the period  | -             | -             | -               | -               | -              | -                 | -                                  | -           | -           | 5,954,276                  | 5,954,276              | 169,389   | 6,123,665                |       |
| Other comprehensive income - net of tax   | -             | -             | -               | -               | -              | -                 | (894)                              | (197,007)   | -           | 100,636                    | (97,266)               | 40,626    | (56,640)                 |       |
| Total comprehensive income  | -             | -             | -               | -               | -              | -                 | (894)                              | (197,007)   | -           | 6,054,912                  | 5,857,011              | 210,015   | 6,067,025                |       |
| Transfer to statutory reserve   | -             | -             | -               | -               | -              | 1,180,267         | -                                  | -           | -           | (1,180,267)                | -                      | -         | -                        |       |
| Transfer from surplus on revaluation of assets to unappropriated profit - net of tax                      | -             | -             | -               | -               | -              | -                 | -                                  | -           | (40,491)    | 40,491                     | -                      | -         | -                        |       |
| 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)              |       |
| Balance as at 31 March 2024   | 10,478,315    | 2,550,985     | 340,361         | 1,500,000       | 31,002         | 28,179,378        | 10,415                             | (1,921,628) | 6,329,043   | 46,591,883                 | 94,089,754             | 4,403,406 | 98,493,159               |       |

The annexed notes 1 to 40 form an integral part of these consolidated condensed interim financial statements.

|  |   |                                      |                                       |  |
|--|---|--------------------------------------|---------------------------------------|--|
| <b>FUZAIL ABBAS</b><br>Chief Financial Officer | <b>KHURRAM SHAHZAD KHAN</b><br>President &<br>Chief Executive Officer | <b>MOHSIN A. NATHANI</b><br>Director | <b>RASHID AHMED JAFER</b><br>Director | <b>MOHAMEDALI R. HABIB</b><br>Chairman |
|--|---|--------------------------------------|---------------------------------------|--|

## CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

FOR THE QUARTER ENDED 31 MARCH 2024

|  | Note | 31 March<br>2024    | 31 March<br>2023    |
|--|------|---------------------|---------------------|
| Rupees in '000   |      |                     |                     |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                                      |      |                     |                     |
| Profit before taxation for the period  |      | 11,901,030          | 10,257,034          |
| Less: Dividend income  |      | (207,119)           | (131,230)           |
|  |      | <u>11,693,911</u>   | <u>10,125,804</u>   |
| <b>Adjustments</b>   |      |                     |                     |
| Depreciation on operating fixed assets   |      | 562,442             | 443,835             |
| Depreciation on right-of-use assets  |      | 373,167             | 321,246             |
| Amortization   |      | 42,800              | 18,041              |
| Markup on Lease liability against right-of-use assets                            |      | 279,031             | 211,136             |
| Credit loss allowance and write offs excluding recovery of written off bad debts | 31   | 891,572             | 1,085,252           |
| Net gain on sale of fixed assets   |      | (15,735)            | (9,157)             |
| Provision against workers' welfare fund  |      | 244,476             | 178,410             |
| Unrealized gain FVTPL securities   |      | (44,166)            |                     |
| Provision against compensated absences   |      | 23,716              | 12,450              |
| Provision against defined benefit plan   |      | 82,867              | 75,366              |
|  |      | <u>2,440,170</u>    | <u>2,336,579</u>    |
|  |      | <u>14,134,081</u>   | <u>12,462,383</u>   |
| <b>(Increase) / decrease in operating assets</b>                                 |      |                     |                     |
| Securities classified as FVPL  |      | -                   | -                   |
| Lendings to financial institutions   |      | 316,823             | 72,428,796          |
| Advances   |      | (23,786,105)        | (7,428,601)         |
| Other assets (excluding dividend and non-banking assets)                         |      | (3,438,601)         | (5,904,028)         |
|  |      | <u>(26,907,883)</u> | <u>59,096,167</u>   |
| <b>Increase / (decrease) in operating liabilities</b>                            |      |                     |                     |
| Bills payable  |      | (10,725,199)        | 7,754,486           |
| Borrowings from financial institutions   |      | (50,341,485)        | (35,054,782)        |
| Deposits and other accounts  |      | 73,347,923          | 55,796,425          |
| Other liabilities (excluding current taxation)                                   |      | (11,240,567)        | 7,903,335           |
|  |      | <u>1,040,672</u>    | <u>36,399,464</u>   |
|  |      | <u>(11,733,130)</u> | <u>107,958,014</u>  |
| Payment against compensated absences   |      | (6,916)             | (7,950)             |
| Income tax paid  |      | (7,826,862)         | (2,641,484)         |
|  |      | <u>(19,566,908)</u> | <u>105,308,580</u>  |
| <b>Net cash flow (used in) / generated from operating activities</b>             |      |                     |                     |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                                      |      |                     |                     |
| Net Investments in securities classified as FVOCI                                |      | 27,936,360          | (80,114,077)        |
| Net investments in amortized cost securities                                     |      | (788,228)           | 8,645,400           |
| Dividend received  |      | 207,119             | 133,708             |
| Investments in fixed assets  |      | (1,129,138)         | (429,692)           |
| Investments in intangible assets   |      | (56,760)            | (1,700)             |
| Proceeds from sale of fixed assets   |      | 27,672              | 14,496              |
| Effect of translation of net investment in an offshore branch                    |      | (894)               | 9,260               |
|  |      | <u>26,196,131</u>   | <u>(71,742,605)</u> |
| <b>Net cash flow generated / (used in) from investing activities</b>             |      |                     |                     |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                                      |      |                     |                     |
| Dividend paid  |      | (5,764,049)         | (3,406,313)         |
| Payment of lease liability against right-of-use assets                           |      | (475,254)           | (447,576)           |
|  |      | <u>(6,239,303)</u>  | <u>(3,853,889)</u>  |
| <b>Net cash used in financing activities</b>                                     |      |                     |                     |
| <b>(Decrease) / increase in cash and cash equivalents</b>                        |      |                     |                     |
| Cash and cash equivalents at the beginning of the period                         |      | 111,848,372         | 29,712,086          |
| Cash and cash equivalents at the end of the period                               |      | <u>112,238,292</u>  | <u>76,276,054</u>   |
|  |      | <u>105,988,140</u>  | <u>105,988,140</u>  |

The annexed notes 1 to 40 form an integral part of these consolidated condensed interim financial statements.

|                         |  |                   |                    |                    |
|-------------------------|--|-------------------|--------------------|--------------------|
| FUZAIL ABBAS            | KHURRAM SHAHZAD KHAN                   | MOHSIN A. NATHANI | RASHID AHMED JAFER | MOHAMEDALIR. HABIB |
| Chief Financial Officer | President &<br>Chief Executive Officer | Director          | Director           | Chairman           |

## NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE QUARTER ENDED 31 MARCH 2024

### 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), First Habib Modaraba (managed by Habib Metropolitan Modaraba Management Company (Private) Limited) and Habib Metro Exchange Company (Private) Limited.

#### Holding Company

Habib Metropolitan Bank Limited (the holding company) was incorporated in Pakistan on 3 August 1992, as a public limited company, under the 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 525 (31 December 2023: 525) branches, including 208 (31 December 2023: 117) Islamic banking branches, an offshore branch (Karachi Export Processing Zone branch) and 1 (31 December 2022: 1) sub branches in Pakistan. The registered office of the holding company is situated at HabibMetro Head Office, II Chundrigar Road, Karachi.

#### Subsidiary Companies

##### 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 Companies Ordinance, 1984 (now Companies Act, 2017). The registered office of the subsidiary company is located at 1st Floor, GPC 2, Block 5, Khekashan Clifton, Karachi. The subsidiary company is a corporate member of the Pakistan Stock Exchange Limited and engaged in equity brokerage services.

##### 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, II Chundrigar Road, Karachi.

##### 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, II 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.

##### HabibMetro Exchange Services Limited - 100% holding

HabibMetro Exchange Services Limited, a wholly owned subsidiary of Habib Metropolitan Bank Limited, is engaged in currency exchange services. The Company has its registered office at Ground Floor Al Manzoor Building, II Chundrigar Road, Karachi.

### 2. BASIS OF PREPARATION

- 2.1 These consolidated condensed interim financial statements comprise the financial statements of the holding company and its subsidiary companies. The financial statements of the subsidiary companies have been prepared for the same reporting period as the holding company using consistent accounting policies.

---

## 2.2 Statement of Compliance

These consolidated 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;
- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan (ICAP), as are notified under the Companies Act, 2017;
- Provisions of and directives issued under the Banking Companies Ordinance, 1962 and the Companies Act, 2017; and
- Directives issued by the State Bank of Pakistan (SBP) and the Securities 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 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 09 February 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 2023.

Further as per SBP's BPRD Circular Letter No. 07 of 2023 dated 13 April 2023, the applicability of IFRS - 9 Financial Instruments is effective from 01 January 2024. Accordingly, these financial statements have been prepared to comply with the requirements thereof. Therefore, the requirements of SBP directives that currently provide the accounting framework for the measurement and valuation of investments and provision against non performing financings have been followed till 31 December 2023.

## 3. MATERIAL ACCOUNTING POLICIES

The significant accounting policies and method of computation adopted in the preparation of these consolidated condensed interim financial statements are consistent with those applied in the preparation of the audited consolidated financial statements of the Bank for the year ended 31 December 2023, except for the adoption of IFRS 9 Financial Instruments w.e.f 01 January 2024.

### 3.1 Amendments to existing accounting and reporting standards that have become effective in the current period

#### 3.1.1 Impact of IFRS 9 - Financial Instruments

IFRS 9 brings fundamental changes to the accounting for financial assets and to certain aspects of accounting for financial liabilities. To determine appropriate classification and measurement category, IFRS 9 requires all financial assets, except equity instruments to be assessed based on combination of the entity's business model for managing the assets and the instruments' contractual cash flow characteristics. The adoption of IFRS 9 has also fundamentally changed the impairment method of financial assets with a forward-looking Expected Credit Losses (ECL) approach.

As permitted by the transitional provisions of IFRS 9, the Group has opted for modified retrospective approach and has not restated comparative figures. Any adjustments to the carrying amounts of financial assets and liabilities at the date of transition were adjusted from general provision held by the Group without restating the comparative financial information.



### 3.1.2 Reconciliation of statement of financial position balances from existing local regulations to IFRS 9

The following table reconciles the carrying amounts of financial assets, from their previous measurement category in accordance with existing local regulations to their new measurement categories upon transition to IFRS 9 on 01 January 2024.

|   | Classification under IFRS 9  |                     |   |   |   |                  |                                | IFRS 9 carrying amount as at 01 Jan 2024 |
|---|--|---------------------|---|---|---|------------------|--------------------------------|--|
|   | Carrying amount as per current accounting policy as at 31 Dec 2023 | Recognition of ECL  | Adoption of revised classification under IFRS 9 | Reclassification to FVOCI - without recycling | Reclassification due to business model and SPPI | Remeasurement    | Adjustment from provision held |  |
|   | Rupees in '000   |                     |   |   |   |                  |                                |  |
| Cash and Balances with banks            | 112,737,010  | (279)               | -   | -   | -   | -                | -                              | (112,736,731)                            |
| Lendings to financial institutions      | 5,496,284  | (387)               | -   | -   | -   | -                | -                              | (5,495,897)                              |
| Advances                                | 433,632,602  | (25,841,183)        | -   | -   | -   | -                | 26,555,808                     | 434,347,227                              |
| Investments in financial assets         |  |                     |   |   |   |                  |                                |  |
| Classified as Available for sale        | 821,488,128  | -                   | (821,488,128)                                   | -   | -   | -                | -                              | -  |
| Classified as FVOCI                     | -  | (280,927)           | 821,488,128                                     | (4,752,312)                                   | (4,320,139)                                     | (219,607)        | 307,290                        | 812,222,433                              |
| Classified as FVOCI - without recycling | -  | -                   | -   | 4,752,312                                     | -   | -                | -                              | 4,752,312                                |
| Classified as FVTPL                     | -  | -                   | -   | -   | 4,320,139                                       | -                | -                              | 4,320,139                                |
| Classified as Held to maturity          | 99,146,633   | -                   | (99,146,633)                                    | -   | -   | -                | -                              | -  |
| Classified as Amortised cost            | -  | (11)                | 99,146,633                                      | -   | -   | -                | -                              | 99,146,622                               |
| Other assets                            | 72,121,302   | (33,500)            | -   | -   | -   | -                | -                              | 72,087,802                               |
| Other liabilities                       | 100,364,241  | (519,787)           | -   | -   | -   | -                | 32,583                         | 99,877,037                               |
|   | <u>1,644,986,200</u>   | <u>(26,676,074)</u> | <u>-</u>  | <u>-</u>                                      | <u>-</u>  | <u>(219,607)</u> | <u>26,895,681</u>              | <u>1,644,986,200</u>                     |

### 3.1.3 The following classification changes have been made:

- Debt instruments amounting to Rs. 2,088,546 thousand and Rs. 9,587,800 thousand will be reclassified from AFS to FVTPL and FVOCI respectively.
- Equity instruments amounting to Rs. 2,000,880 thousand will be reclassified from AFS to FVTPL, whereas equity instruments of Rs. 4,680,023 thousand will be reclassified from AFS to FVOCI
- Those previously classified as held to maturity are now classified as amortised cost.

## 3.2 New standards and amendments to existing accounting and reporting standards that are not yet effective

There are various amendments to existing accounting and reporting standards that are not yet effective. These are not likely to have a material effect on the Group's financial statements.

## 4. 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 audited consolidated financial statements for the year ended 31 December 2023.

## 5. FINANCIAL RISK MANAGEMENT

The risk management policies adopted by the Group are consistent with those disclosed in the audited consolidated financial statements for the year ended 31 December 2023.

|   | Note | 31 March<br>2024<br>(Un-Audited) | 31 December<br>2023<br>(Audited) |
|---|------|----------------------------------|----------------------------------|
|   |      | Rupees in '000                   |                                  |
| <b>6. CASH AND BALANCES WITH TREASURY BANKS</b>                                   |      |                                  |                                  |
| <b>In hand</b>  |      |                                  |                                  |
| Local currency  |      | 15,689,527                       | 11,629,171                       |
| Foreign currencies  |      | 3,955,237                        | 4,164,225                        |
|   |      | <u>19,644,764</u>                | <u>15,793,396</u>                |
| <b>With State Bank of Pakistan in</b>   |      |                                  |                                  |
| Local currency current accounts   |      | 61,310,377                       | 48,615,882                       |
| Foreign currencies  |      |                                  |                                  |
| - current accounts  |      | 2,167,319                        | 1,991,420                        |
| - cash reserve account  |      | 6,633,090                        | 6,308,767                        |
| - deposit account - special cash reserve  |      | 12,169,206                       | 11,497,335                       |
|   |      | <u>82,279,992</u>                | <u>68,413,404</u>                |
| <b>With National Bank of Pakistan in</b>  |      |                                  |                                  |
| Local currency current account  |      | 3,144,790                        | 7,152,782                        |
| <b>National Prize Bonds</b>   |      | 28,968                           | 107,480                          |
| Less: Credit loss allowance held against cash and<br>balances with treasury banks |      | (117,206)                        | -                                |
| Cash and balances with treasury banks - net of credit loss allowance              |      | <u>104,981,308</u>               | <u>91,467,062</u>                |
| <b>7. BALANCES WITH OTHER BANKS</b>   |      |                                  |                                  |
| <b>In Pakistan</b>  |      |                                  |                                  |
| In current accounts   |      | 130,693                          | 163,751                          |
| In deposit accounts   |      | 47,100                           | 4,751                            |
|   |      | <u>177,793</u>                   | <u>168,502</u>                   |
| <b>Outside Pakistan</b>   |      |                                  |                                  |
| In current accounts   |      | 10,745,262                       | 21,101,446                       |
| Less: Credit loss allowance held against balances with other banks                |      | (4,493)                          | -                                |
| Balances with other banks - net of credit loss allowance                          |      | <u>10,918,562</u>                | <u>21,269,948</u>                |
| <b>8. LENDINGS TO FINANCIAL INSTITUTIONS</b>                                      |      |                                  |                                  |
| Call money lendings   | 8.3  | 5,179,461                        | 5,496,284                        |
| Less: Credit loss allowance held against lending<br>to financial institutions     |      | (1,811)                          | -                                |
| Lendings to financial institutions - net of credit loss allowance                 |      | <u>5,177,650</u>                 | <u>5,496,284</u>                 |
| <b>8.1 Particulars of lendings</b>  |      |                                  |                                  |
| In local currency - secured   |      | -                                | -                                |
| In foreign currency - unsecured   |      | 5,177,650                        | 5,496,284                        |
|   |      | <u>5,177,650</u>                 | <u>5,496,284</u>                 |

|     |  | 31 March 2024 |                            |
|-----|--|---------------|----------------------------|
|     |  | Lending       | Credit loss allowance held |
| 8.2 | Lending to Fls- Particulars of credit loss allowance |               |                            |
|     | Performing Stage 1                                   | 5,179,461     | 1,811                      |
|     | Under performing Stage 2                             | -             | -                          |
|     | Non-performing Stage 3                               |               |                            |
|     | Substandard  | -             | -                          |
|     | Doubtful   | -             | -                          |
|     | Loss   | -             | -                          |
|     | Total  | 5,179,461     | 1,811                      |

8.3 These foreign currency lendings carry mark-up rate ranging from 8.5% to 12.00% (31 December 2023: 9.80% 12.00%) per annum and are due to mature latest by 14 May 2024 (31 December 2023: 04 April 2024).

## 9. INVESTMENTS

### 9.1 Investments by types

| 31 March 2024 (Un-Audited)     |                       |                          |                     |                |
|--------------------------------|-----------------------|--------------------------|---------------------|----------------|
|                                | Cost / amortised cost | Credit loss allowance    | Surplus / (deficit) | Carrying value |
|                                | Rupees in '000        |                          |                     |                |
| FVTPL                          |                       |                          |                     |                |
| Non-government debt securities | 2,177,755             | -                        | (8,589)             | 2,169,166      |
| Mutual funds                   | 255,682               | -                        | (8,495)             | 247,187        |
| Real estate investment trust   | 1,831,780             | -                        | 204,193             | 2,035,973      |
|                                | 4,265,217             | -                        | 187,109             | 4,452,326      |
| FVOCI                          |                       |                          |                     |                |
| Federal government securities  | 778,289,423           | (193,636)                | (4,121,298)         | 773,974,489    |
| Shares                         | 4,778,677             | -                        | 620,064             | 5,398,741      |
| Non-government debt securities | 9,834,723             | (341,838)                | (161,161)           | 9,331,724      |
|                                | 792,902,823           | (535,474)                | (3,662,395)         | 788,704,954    |
| Amortised Cost                 |                       |                          |                     |                |
| Federal government securities  | 99,934,861            | -                        | -                   | 99,934,861     |
| Total Investments              | 897,102,901           | (535,474)                | (3,475,286)         | 893,092,141    |
| 31 December 2023 (Audited)     |                       |                          |                     |                |
|                                | Cost / amortised cost | Provision for diminution | Surplus / (deficit) | Carrying value |
|                                | Rupees in '000        |                          |                     |                |
| Available-for-sale securities  |                       |                          |                     |                |
| Federal government securities  | 806,602,843           | -                        | (3,854,965)         | 802,747,878    |
| Shares                         | 4,095,589             | (206,844)                | 863,567             | 4,752,312      |
| Non-government debt securities | 12,033,893            | (87,683)                 | (189,864)           | 11,756,346     |
| Mutual funds                   | 247,661               | (12,763)                 | 4,069               | 238,967        |
| Real estate investment trust   | 1,831,780             | -                        | 160,845             | 1,992,625      |
|                                | 824,811,766           | (307,290)                | (3,016,348)         | 821,488,128    |
| Held-to-maturity securities    |                       |                          |                     |                |
| Federal government securities  | 99,146,633            | -                        | -                   | 99,146,633     |
| Total Investments              | 923,958,399           | (307,290)                | (3,016,348)         | 920,634,761    |

|   | 31 March<br>2024<br>(Un-Audited) | 31 December<br>2023<br>(Audited) |
|---|----------------------------------|----------------------------------|
|   | Rupees in '000                   |                                  |
| 9.1.1 Investments given as collateral against repo borrowing                          |                                  |                                  |
| The market value of investments given as collateral against borrowings is as follows: |                                  |                                  |
| Federal government securities   |                                  |                                  |
| Market treasury bills   | 140,300,059                      | 129,183,999                      |
| Pakistan investment bonds   | 2,674,002                        | 54,741,950                       |
|   | <u>142,974,061</u>               | <u>183,925,949</u>               |
| 9.2 Credit loss allowance for diminution in value of investments                      |                                  |                                  |
| Opening balance   | 307,290                          | 577,533                          |
| Impact of reclassification on adoption of IFRS 9                                      | (219,607)                        | -                                |
| Impact of ECL recognised on adoption of IFRS 9  | 193,255                          | -                                |
| Charge for the period / year  | -                                | 63,244                           |
| Reversal for the period / year  | 254,536                          | (2,813)                          |
| Net (reversal) / charge for the period / year   | 254,536                          | 60,431                           |
| Reversal on disposal  | -                                | (330,674)                        |
| Transfers - net   | -                                | -                                |
| Investment written off  | -                                | -                                |
| Closing balance   | <u>535,474</u>                   | <u>307,290</u>                   |
|   | 31 March 2024 (Un-Audited)       |                                  |
|   | Outstanding amount               | Credit loss allowance held       |
|   | Rupees in '000                   |                                  |
| 9.3 Particulars of credit loss allowance against debt securities                      |                                  |                                  |
| Category of classification  |                                  |                                  |
| Performing Stage 1  | 9,440,897                        | 86,076                           |
| Underperforming Stage 2   | 3,659,605                        | 193,636                          |
| Non-performing Stage 3  |                                  |                                  |
| Substandard   | -                                | -                                |
| Doubtful  | 340,000                          | 170,000                          |
| Loss  | 85,762                           | 85,762                           |
|   | 425,762                          | 255,762                          |
| Total   | <u>13,526,264</u>                | <u>535,474</u>                   |
|   | 31 December 2023 (Audited)       |                                  |
|   | Non-performing investments       | Provision                        |
|   | Rupees in '000                   |                                  |
| Particulars of provision against debt securities                                      |                                  |                                  |
| Category of classification  |                                  |                                  |
| Doubtful  | -                                | -                                |
| Loss  | 87,683                           | 87,683                           |
| Total   | <u>87,683</u>                    | <u>87,683</u>                    |

## 9.4 Summary of financial position and performance of associates and subsidiaries

| 31 March 2024 (Un-Audited)                                       |                          |         |            |             |           |                           |   |
|--|--------------------------|---------|------------|-------------|-----------|---------------------------|---|
|  | Country of Incorporation | Holding | Assets     | Liabilities | Revenue   | Profit / (loss) after tax | Total Comprehensive income for the period |
| Rupees in '000   |                          |         |            |             |           |                           |   |
| Subsidiaries   |                          |         |            |             |           |                           |   |
| First Habib Modaraba (FHM)                                       | Pakistan                 | 5.43%   | 24,391,696 | 19,153,987  | 1,239,152 | 200,297                   | 200,247                                   |
| Habib Metropolitan Modaraba Management Company (Private) Limited | Pakistan                 | 100%    | 753,636    | 10,387      | 33,816    | 29,508                    | 41,699                                    |
| Habib Metropolitan Financial Services Limited                    | Pakistan                 | 100%    | 380,763    | 82,223      | 21,812    | (9,107)                   | (11,175)                                  |
| HabibMetro Exchange Services Limited                             | Pakistan                 | 100%    | 1,003,608  | 5,481       | -         | (1,873)                   | (1,873)                                   |

| 31 December 2023 (Audited)                                       |                          |         |            |             |           |                           |   |
|--|--------------------------|---------|------------|-------------|-----------|---------------------------|---|
|  | Country of Incorporation | Holding | Assets     | Liabilities | Revenue   | Profit / (loss) after tax | Total Comprehensive income for the period |
| Rupees in '000   |                          |         |            |             |           |                           |   |
| Subsidiaries   |                          |         |            |             |           |                           |   |
| First Habib Modaraba (FHM)                                       | Pakistan                 | 5.43%   | 22,878,502 | 17,913,536  | 4,425,279 | 811,792                   | 816,442                                   |
| Habib Metropolitan Modaraba Management Company (Private) Limited | Pakistan                 | 100%    | 723,378    | 13,465      | 105,652   | 105,968                   | 98,208                                    |
| Habib Metropolitan Financial Services Limited                    | Pakistan                 | 100%    | 356,760    | 46,836      | 53,857    | (20,406)                  | (16,869)                                  |

**9.5** The market value of federal government securities classified as amortised cost is Rs. 93,219,506 thousand (31 December 2023: 91,756,989 thousand).

## 10. ADVANCES

| 31 March 2024 (Un-Audited)                  |             |                |              |
|---|-------------|----------------|--------------|
|   | Performing  | Non-Performing | Total        |
| Rupees in '000                              |             |                |              |
| Loans, cash credits, running finances, etc. | 275,028,784 | 17,421,032     | 292,449,816  |
| Islamic financing and related assets        | 133,329,508 | 1,779,669      | 135,109,177  |
| Bills discounted and purchased              | 54,374,437  | 2,844,054      | 57,218,491   |
| Advances - gross                            | 462,732,729 | 22,044,755     | 484,777,484  |
| Credit loss allowance against advances      |             |                |              |
| Stage 1                                     | -           | -              | -            |
| Stage 2                                     | -           | -              | -            |
| Stage 3                                     | -           | (20,846,699)   | (20,846,699) |
| General provision                           | (6,510,335) | -              | (6,510,335)  |
|   | (6,510,335) | (20,846,699)   | (27,357,034) |
| Advances - net of credit loss allowance     | 456,222,394 | 1,198,056      | 457,420,450  |

|   | 31 December 2023 (Audited) |                |              |
|---|----------------------------|----------------|--------------|
|   | Performing                 | Non-Performing | Total        |
|   | Rupees in '000             |                |              |
| Loans, cash credits, running finances, etc. | 261,089,008                | 16,160,613     | 277,249,621  |
| Islamic financing and related assets        | 135,548,542                | 1,492,591      | 137,041,133  |
| Bills discounted and purchased              | 43,580,472                 | 3,120,153      | 46,700,625   |
| Advances - gross                            | 440,218,022                | 20,773,357     | 460,991,379  |
| Provision against advances                  |                            |                |              |
| - Specific                                  | -                          | (20,033,135)   | (20,033,135) |
| - General                                   | (7,325,642)                | -              | (7,325,642)  |
|   | (7,325,642)                | (20,033,135)   | (27,358,777) |
| Advances - net of provision                 | 432,892,380                | 740,222        | 433,632,602  |

### 10.1 Particulars of advances - gross

|                       | 31 March<br>2024<br>(Un-Audited) | 31 December<br>2023<br>(Audited) |
|-----------------------|----------------------------------|----------------------------------|
|                       | Rupees in '000                   |                                  |
| In local currency     | 411,397,926                      | 393,475,892                      |
| In foreign currencies | 73,379,558                       | 67,515,487                       |
|                       | <u>484,777,484</u>               | <u>460,991,379</u>               |

10.2 Advances include Rs. 22,029,579 thousand (31 December 2023 : Rs. 20,773,357 thousand) which have been placed under non-performing / Stage 3 status as detailed below:

|                                  |         | 31 March 2024 (Un-Audited) |                       | 31 December 2023 (Audited) |            |
|----------------------------------|---------|----------------------------|-----------------------|----------------------------|------------|
|                                  |         | Non-performing loans       | Credit loss allowance | Non-performing loans       | Provision  |
|                                  |         | Rupees in '000             |                       |                            |            |
| Category of classification       |         |                            |                       |                            |            |
| Domestic                         |         |                            |                       |                            |            |
| Other asset especially mentioned | Stage 3 | 38,092                     | 14,569                | 32,575                     | –          |
| Substandard                      | Stage 3 | 69,481                     | 29,165                | 243,168                    | 61,969     |
| Doubtful                         | Stage 3 | 2,592,013                  | 1,669,163             | 970,898                    | 546,569    |
| Loss                             | Stage 3 | 19,345,169                 | 19,133,802            | 19,526,716                 | 19,424,597 |
|                                  |         | 22,044,755                 | 20,846,699            | 20,773,357                 | 20,033,135 |

### 10.3 Particulars of credit loss allowance against advances

|                                  | 31 March 2024 (Un-Audited) |                         |             | 31 December 2023 (Audited) |           |             |
|----------------------------------|----------------------------|-------------------------|-------------|----------------------------|-----------|-------------|
|                                  | Stage 3                    | Stage 1 & 2+<br>General | Total       | Specific                   | General   | Total       |
|                                  | Rupees in '000             |                         |             |                            |           |             |
| Opening balance                  | 20,033,135                 | 7,325,642               | 27,358,777  | 17,650,138                 | 4,619,505 | 22,269,643  |
| Impact of adoption of IFRS 9     | 724,458                    | (1,439,083)             | (714,625)   | –                          | –         | –           |
| Charge for the period / year     | 1,421,893                  | 623,776                 | 2,045,669   | 7,040,617                  | 2,706,137 | 9,746,754   |
| Reversals for the period / year  | (1,332,787)                | –                       | (1,332,787) | (4,626,567)                | –         | (4,626,567) |
| Net charge for the period / year | 89,106                     | 623,776                 | 712,882     | 2,414,050                  | 2,706,137 | 5,120,187   |
| Amount written off               | –                          | –                       | –           | (31,053)                   | –         | (31,053)    |
| Closing balance                  | 20,846,699                 | 6,510,335               | 27,357,034  | 20,033,135                 | 7,325,642 | 27,358,777  |

10.3.1 The Group maintains general provision, as a matter of prudence, on account of the management's assessment of credit risk and general banking risk particularly in the current stressed economic condition. General provision also includes provision of Rs. 60,845 thousand (31 December 2023: Rs. 60,609 thousand) made against consumer portfolio and Rs. 20 thousand (31 December 2023: Rs. 23 thousand) made against small enterprises (SEs) portfolio as required by the Prudential Regulations issued by the SBP.

### 10.4 Advances - Particulars of credit loss allowance

|                                   | 31 March 2024 (Un-Audited) |           |             |
|-----------------------------------|----------------------------|-----------|-------------|
|                                   | Stage 1                    | Stage 2   | Stage 3     |
|                                   | Rupees in '000             |           |             |
| 10.4.1 Opening balance            | 1,446,710                  | 3,636,880 | 20,757,593  |
| New Advances                      | 1,321,396                  | 381,100   | 374,678     |
| Advances derecognised or repaid   | (256,425)                  | (754,418) | (1,123,248) |
| Transfer to stage 1               | 192,604                    | (192,604) | –           |
| Transfer to stage 2               | (276,697)                  | 306,410   | (29,713)    |
| Transfer to stage 3               | (506)                      | (44,277)  | 44,782      |
|                                   | 980,373                    | (303,789) | (733,500)   |
| Amounts written off / charged off | –                          | –         | –           |
| Changes in risk parameters        | –                          | (616,624) | 822,605     |
| Other changes (to be specific)    | –                          | –         | –           |
| Closing balance                   | 2,427,082                  | 2,716,467 | 20,846,699  |

|   |         | 31 March 2024 (Un-Audited) |                            |
|---|---------|----------------------------|----------------------------|
|   |         | Outstanding amount         | Credit loss allowance held |
|   |         | Rupees in '000             |                            |
| 104.2 Advances - Category of classification |         |                            |                            |
| Domestic                                    |         |                            |                            |
| Performing                                  | Stage 1 | 403,801,766                | 2,427,082                  |
| Underperforming                             | Stage 2 | 36,311,772                 | 2,716,467                  |
| Non-Performing                              | Stage 3 | —                          | —                          |
| Other asset especially mentioned            |         | 38,092                     | 14,569                     |
| Substandard                                 |         | 69,481                     | 29,165                     |
| Doubtful                                    |         | 2,592,013                  | 1,669,163                  |
| Loss  |         | 19,345,169                 | 19,133,802                 |
|   |         | 22,044,755                 | 20,846,699                 |
|   |         | 462,158,293                | 25,990,248                 |

|      |                               |                               |
|------|-------------------------------|-------------------------------|
| Note | 31 March 2024<br>(Un-Audited) | 31 December 2023<br>(Audited) |
|      | Rupees in '000                |                               |

## 11. PROPERTY AND EQUIPMENT

|                               |      |            |            |
|-------------------------------|------|------------|------------|
| Capital work-in-progress      | 11.1 | 376,960    | 293,119    |
| Property and equipment        |      | 15,958,457 | 15,489,044 |
|                               |      | 16,335,417 | 15,782,163 |
| 11.1 Capital work-in-progress |      |            |            |
| Civil works                   |      | 176,003    | 79,056     |
| Advance to suppliers          |      | 200,957    | 214,063    |
|                               |      | 376,960    | 293,119    |

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

|                               |               |
|-------------------------------|---------------|
| 31 March 2024<br>(Un-Audited) | 31 March 2023 |
|-------------------------------|---------------|

## 11.2 Additions to fixed assets

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

|   |           |         |
|---|-----------|---------|
| Capital work-in-progress - additions / (transfer to fixed assets) - net | 83,841    | 155,302 |
| Property and equipment  |           |         |
| Furniture and fixtures  | 43,739    | 43,755  |
| Electrical, office and computer equipment                               | 850,178   | 175,139 |
| Vehicles  | 35,926    | 14,839  |
| Lease hold improvements   | 115,841   | 34,485  |
|   | 1,045,684 | 268,218 |
|   | 1,129,525 | 423,520 |



|  | 31 March<br>2024<br>(Un-Audited) | 31 March<br>2023                 |
|--|----------------------------------|----------------------------------|
|  | Rupees in '000                   |                                  |
| <b>11.3 Disposal of fixed assets</b>   |                                  |                                  |
| The net book value of fixed assets disposed off during the period is as follows: |                                  |                                  |
| Furniture and fixtures   | 244                              | 349                              |
| Electrical, office and computer equipment  | 384                              | 60                               |
| Vehicles   | 11,309                           | 4,930                            |
|  | <u>11,937</u>                    | <u>5,339</u>                     |
|  | 31 March<br>2024<br>(Un-Audited) | 31 December<br>2023<br>(Audited) |
|  | Rupees in '000                   |                                  |
| <b>12. RIGHT-OF-USE ASSETS</b>   |                                  |                                  |
| At 01 January 2024   |                                  |                                  |
| Cost   | 12,479,390                       | 10,130,149                       |
| Accumulated Depreciation   | <u>(4,854,380)</u>               | <u>(3,386,731)</u>               |
| Net Carrying amount at 01 January 2024   | 7,625,010                        | 6,743,418                        |
| Additions during the period / year   | 733,134                          | 2,349,241                        |
| Depreciation Charge for the period / year  | <u>(373,167)</u>                 | <u>(1,467,649)</u>               |
| Net Carrying amount at 31 March 2024   | <u>7,984,977</u>                 | <u>7,625,010</u>                 |
| <b>13. INTANGIBLE ASSETS</b>   |                                  |                                  |
| Computer Software  | 340,695                          | 326,733                          |
| Management rights  | <u>41,600</u>                    | <u>41,600</u>                    |
|  | <u>382,295</u>                   | <u>368,333</u>                   |
|  | 31 March<br>2024<br>(Un-Audited) | 31 March<br>2023                 |
|  | Rupees in '000                   |                                  |
| <b>13.1 Additions to intangible assets</b>                                       |                                  |                                  |
| Directly purchased - Computer Software   | <u>56,760</u>                    | <u>1,700</u>                     |
|  | 31 March<br>2024<br>(Un-Audited) | 31 December<br>2023<br>(Audited) |
|  | Rupees in '000                   |                                  |
| <b>14. DEFERRED TAX ASSETS</b>   |                                  |                                  |
| <b>Deductible temporary differences on</b>                                       |                                  |                                  |
| - Credit loss allowance for diminution in value of investments                   | 262,409                          | 150,572                          |
| - Credit loss allowance against advances and off balance sheet                   | 4,357,281                        | 5,523,386                        |
| - Accelerated tax depreciation   | 380,802                          | 317,308                          |
| - Deferred liability on defined benefit plan                                     | 29,068                           | (14,780)                         |
| - Deficit on revaluation of investments  | 1,808,250                        | 1,489,809                        |
| - Others   | <u>(2,511)</u>                   | <u>(4,242)</u>                   |
|  | 6,835,299                        | 7,462,053                        |
| <b>Taxable temporary differences on</b>  |                                  |                                  |
| - Surplus on revaluation of non-banking assets                                   | (769,953)                        | (769,953)                        |
| - Surplus on revaluation of property and equipment                               | <u>(1,387,882)</u>               | <u>(1,426,787)</u>               |
| - Exchange translation reserve   | -                                | -                                |
|  | <u>(2,157,835)</u>               | <u>(2,196,740)</u>               |
| <b>Net deferred tax assets</b>   | <u>4,677,464</u>                 | <u>5,265,313</u>                 |

|  | Note | 31 March<br>2024<br>(Un-Audited) | 31 December<br>2023<br>(Audited) |
|--|------|----------------------------------|----------------------------------|
|  |      | Rupees in '000                   |                                  |
| 15. OTHER ASSETS   |      |                                  |                                  |
| Income / mark-up / profit accrued in local currency                                |      |                                  |                                  |
| - net of provision   |      | 41,518,816                       | 38,133,593                       |
| Income / mark-up / profit accrued in foreign currencies                            |      |                                  |                                  |
| - net of provision   |      | 186,649                          | 304,547                          |
| Advances, deposits and other prepayments   |      | 729,966                          | 670,226                          |
| Non-banking assets acquired in satisfaction of claims                              | 15.1 | 2,204,729                        | 2,204,729                        |
| Branch adjustment account  |      | 5,034                            | -                                |
| Mark-to-market gain on forward foreign exchange contracts                          |      | 2,920,676                        | 2,888,760                        |
| Acceptances  |      | 27,038,738                       | 25,076,677                       |
| Receivable from the SBP against encashment of<br>government securities             |      | 26,976                           | 43,509                           |
| Stationery and stamps on hand  |      | 283,555                          | 245,121                          |
| Receivable from defined benefit plan   |      | -                                | 55,014                           |
| Others   |      | 834,542                          | 781,857                          |
|  |      | 75,749,681                       | 70,404,033                       |
| Credit loss allowance / provision held against other assets                        | 15.2 | (442,777)                        | (377,842)                        |
| Other Assets (net of credit loss allowance)  |      | 75,306,904                       | 70,026,191                       |
| Surplus on revaluation of non-banking assets acquired in<br>satisfaction of claims | 19   | 2,095,111                        | 2,095,111                        |
|  |      | 77,402,015                       | 72,121,302                       |
| 15.1 Credit loss allowance held against other assets                               |      | 442,777                          | 377,842                          |
| 15.2 Movement in Credit loss allowance held<br>against other assets                |      |                                  |                                  |
| Opening balance  |      | 377,842                          | 377,802                          |
| Impact of adoption of IFRS 9   |      | 33,500                           | -                                |
| Charge for the period / year   |      | 31,534                           | 40                               |
| Reversal for the period / year   |      | (99)                             | -                                |
|  |      | 31,435                           | 40                               |
| Closing balance  |      | 442,777                          | 377,842                          |

|   | 31 March<br>2024<br>(Un-Audited) | 31 December<br>2023<br>(Audited) |
|---|----------------------------------|----------------------------------|
|   | Rupees in '000                   |                                  |
| <b>16. BILLS PAYABLE</b>  |                                  |                                  |
| In Pakistan   | 17,530,544                       | 28,254,056                       |
| Outside Pakistan  | 96,956                           | 98,643                           |
|   | <u>17,627,500</u>                | <u>28,352,699</u>                |
| <b>17. BORROWINGS</b>   |                                  |                                  |
| <b>Secured</b>  |                                  |                                  |
| Borrowings from the State Bank of Pakistan under                            |                                  |                                  |
| - Export refinance scheme   | 76,631,704                       | 85,990,034                       |
| - Long term financing facility - renewable energy scheme                    | 2,332,664                        | 2,327,108                        |
| - Long term financing facility  | 18,245,476                       | 19,057,928                       |
| - Temporary economic refinance facility                                     | 27,781,314                       | 28,797,755                       |
| - Long term financing facility - for storage of agricultural produce scheme | 594,605                          | 621,700                          |
| - Refinance facility for modernization of SME                               | 134,012                          | 105,858                          |
| - Refinance facility for combating COVID-19                                 | 32,394                           | 35,878                           |
| - Refinance and credit guarantee scheme for women entrepreneurs             | 36,633                           | 23,208                           |
|   | <u>125,788,802</u>               | <u>136,959,469</u>               |
| Repurchase agreement borrowings (Repo)                                      | 142,693,171                      | 184,947,267                      |
| Due against bills rediscounting   | 2,233,647                        | 474,216                          |
|   | <u>270,715,620</u>               | <u>322,380,952</u>               |
| <b>Unsecured</b>  |                                  |                                  |
| Certificate of investment   | 13,325,115                       | 9,505,606                        |
| Musharika borrowing   | -                                | 2,495,662                        |
| Overdrawn nostro accounts   | 3,783,277                        | 888,638                          |
|   | <u>17,108,392</u>                | <u>12,889,906</u>                |
|   | <u>287,824,012</u>               | <u>335,270,858</u>               |

## 18. DEPOSITS AND OTHER ACCOUNTS

|                               | 31 March 2024 (Un-Audited) |                          |                      | 31 December 2023 (Audited) |                          |                      |
|-------------------------------|----------------------------|--------------------------|----------------------|----------------------------|--------------------------|----------------------|
|                               | In local<br>currency       | In foreign<br>currencies | Total                | In local<br>currency       | In foreign<br>currencies | Total                |
|                               | Rupees in '000             |                          |                      |                            |                          |                      |
| <b>Customers</b>              |                            |                          |                      |                            |                          |                      |
| Current deposits              | 306,400,360                | 61,993,341               | 368,393,701          | 310,637,089                | 59,724,307               | 370,361,396          |
| Savings deposits              | 370,028,493                | 16,547,205               | 386,575,698          | 341,134,624                | 16,798,084               | 357,932,708          |
| Term deposits                 | 201,751,464                | 69,787,300               | 271,538,764          | 175,133,425                | 50,971,995               | 226,105,420          |
| Others                        | 35,878,401                 | 8,844                    | 35,887,245           | 41,503,257                 | 72,458                   | 41,575,715           |
|                               | <u>914,058,718</u>         | <u>148,336,690</u>       | <u>1,062,395,408</u> | <u>868,408,395</u>         | <u>127,566,844</u>       | <u>995,975,239</u>   |
| <b>Financial institutions</b> |                            |                          |                      |                            |                          |                      |
| Current deposits              | 4,947,946                  | 841,793                  | 5,789,739            | 2,327,236                  | 1,030,085                | 3,357,321            |
| Savings deposits              | 16,081,095                 | -                        | 16,081,095           | 11,868,434                 | -                        | 11,868,434           |
| Term deposits                 | 542,403                    | 22,895                   | 565,298              | 260,684                    | 22,739                   | 283,423              |
| Others                        | 2,156                      | -                        | 2,156                | 1,356                      | -                        | 1,356                |
|                               | <u>21,573,600</u>          | <u>864,688</u>           | <u>22,438,288</u>    | <u>14,457,710</u>          | <u>1,052,824</u>         | <u>15,510,534</u>    |
|                               | <u>935,632,318</u>         | <u>149,201,378</u>       | <u>1,084,833,696</u> | <u>882,866,105</u>         | <u>128,619,668</u>       | <u>1,011,485,773</u> |

|  | Note | 31 March<br>2024<br>(Un-Audited) | 31 December<br>2023<br>(Audited) |
|--|------|----------------------------------|----------------------------------|
|  |      | Rupees in '000                   |                                  |
| 19. LEASE LIABILITIES  |      |                                  |                                  |
| Opening Balance  |      | 9,086,176                        | 7,803,164                        |
| Addition during the period / year                                |      | 733,134                          | 2,349,241                        |
| Lease payments including interest                                |      | (475,254)                        | (2,035,353)                      |
| Interest expense   |      | 279,031                          | 969,124                          |
| Closing balance  |      | 9,623,087                        | 9,086,176                        |
| 19.1. Liabilities Outstanding                                    |      |                                  |                                  |
| Not later than one year  |      | 923,686                          | 887,259                          |
| Later than one year and upto five years                          |      | 4,603,981                        | 4,279,303                        |
| Over five years  |      | 4,095,420                        | 3,919,614                        |
| Total  |      | 9,623,087                        | 9,086,176                        |
| 20. OTHER LIABILITIES  |      |                                  |                                  |
| Mark-up / return / interest payable in local currency            |      | 16,622,834                       | 19,657,456                       |
| Mark-up / return / interest payable in foreign currencies        |      | 1,381,295                        | 684,315                          |
| Unearned commission and income on bills discounted               |      | 779,462                          | 721,371                          |
| Accrued expenses   |      | 5,254,140                        | 4,461,216                        |
| Current taxation (provision less payments)                       |      | 7,458,789                        | 10,045,748                       |
| Acceptances  |      | 27,038,738                       | 25,076,677                       |
| Unclaimed dividend   |      | 138,780                          | 85,648                           |
| Dividend payable   |      | -                                | 54,108                           |
| Branch adjustment account  |      | -                                | 3,719                            |
| Mark-to-market loss on forward foreign exchange contracts        |      | 4,252,205                        | 4,203,701                        |
| Provision for compensated absences                               | 20.1 | 342,677                          | 325,877                          |
| Deferred liability on defined benefit plan                       | 20.2 | 120,773                          | -                                |
| Credit loss allowance against off-balance sheet obligations      |      | 289,662                          | 32,583                           |
| Workers' welfare fund  |      | 3,953,484                        | 3,764,458                        |
| Charity fund   |      | 125                              | 402                              |
| Excise duty payable  |      | 2,357                            | 2,263                            |
| Locker deposits  |      | 964,521                          | 989,676                          |
| Advance against diminishing musharakah                           |      | 87,489                           | 58,716                           |
| Advance rental for ijarah  |      | 22,127                           | 19,440                           |
| Security deposits against leases / ijarah                        |      | 237,943                          | 244,813                          |
| Sundry creditors   |      | 4,260,574                        | 3,674,016                        |
| Withholding tax / duties   |      | 831,754                          | 315,255                          |
| Others   |      | 5,931,095                        | 16,856,607                       |
|  |      | 79,970,824                       | 91,278,065                       |
| 20.1 Credit loss allowance against off-balance sheet obligations |      |                                  |                                  |
| Opening balance  |      | 32,583                           | 32,583                           |
| Impact of adoption of IFRS 9                                     |      | 487,204                          | -                                |
| Charge for the period / year                                     |      | -                                | -                                |
| Reversal for the period / year                                   |      | (230,125)                        | -                                |
| Net charge for the period / year                                 |      | (230,125)                        | -                                |
| Closing balance  |      | 289,662                          | 32,583                           |

20.2 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  
31 March  
2024  
(Un-Audited)  
— Rupees in '000 —

## 21. SURPLUS / (DEFICIT) ON REVALUATION OF ASSETS - NET OF TAX

|   |     |                                  |
|---|-----|----------------------------------|
| Surplus / (deficit) on revaluation of                       |     |                                  |
| - Securities measured at FVOCI-Debt                         | 9.1 | (4,282,459)                      |
| - Securities measured at FVOCI-Equity                       | 9.1 | 620,064                          |
| - Fixed Assets  |     | 6,391,767                        |
| - Non-banking assets acquired in satisfaction of claims     |     | 2,095,111                        |
|   |     | 4,824,483                        |
| Less: Deferred tax on surplus / (deficit) on revaluation of |     |                                  |
| - Securities measured at FVOCI-Debt                         |     | (2,098,405)                      |
| - Securities measured at FVOCI-Equity                       |     | 303,831                          |
| - Fixed Assets  |     | 1,387,882                        |
| - Non-banking assets acquired in satisfaction of claims     |     | 769,953                          |
|   |     | (363,261)                        |
| Less : Surplus pertaining to non-controlling interest       |     | (53,807)                         |
|   |     | 4,407,415                        |
|   |     |                                  |
|   |     | 31 December<br>2023<br>(Audited) |
|   |     | — Rupees in '000 —               |
| Surplus / (deficit) on revaluation of                       |     |                                  |
| - Available for sale securities                             |     | (3,016,348)                      |
| - Fixed Assets  |     | 6,471,163                        |
| - Non-banking assets acquired in satisfaction of claims     |     | 2,095,111                        |
|   |     | 5,549,926                        |
| Less: Deferred tax on surplus / (deficit) on revaluation of |     |                                  |
| - Available for sale securities                             |     | (1,489,809)                      |
| - Fixed Assets  |     | 1,426,787                        |
| - Non-banking assets acquired in satisfaction of claims     |     | 769,953                          |
|   |     | (706,931)                        |
| Less : Surplus pertaining to non-controlling interest       |     | (13,181)                         |
|   |     | 4,829,814                        |

|   | Note   | 31 March<br>2024<br>(Un-Audited) | 31 December<br>2023<br>(Audited) |
|---|--------|----------------------------------|----------------------------------|
|   |        | Rupees in '000                   |                                  |
| 22. CONTINGENCIES AND COMMITMENTS   |        |                                  |                                  |
| Guarantees  | 22.1   | 121,358,489                      | 137,319,392                      |
| Commitments   | 22.2   | 737,479,915                      | 500,787,681                      |
| Other contingent liabilities  | 22.3   | 3,947,987                        | 3,941,041                        |
|   |        | <u>862,786,391</u>               | <u>642,048,114</u>               |
| 22.1 Guarantees   |        |                                  |                                  |
| Financial guarantees  |        | 30,009,649                       | 29,705,918                       |
| Performance guarantees  |        | 36,875,243                       | 55,811,913                       |
| Other guarantees  |        | 54,473,598                       | 51,801,561                       |
|   |        | <u>121,358,489</u>               | <u>137,319,392</u>               |
| 22.2 Commitments  |        |                                  |                                  |
| Documentary credits and short-term trade-related transactions:  |        |                                  |                                  |
| Letters of credit   |        | 174,368,997                      | 132,975,536                      |
| Commitments in respect of:  |        |                                  |                                  |
| Forward foreign exchange contracts  | 22.2.1 | 560,866,918                      | 365,390,061                      |
| Forward lendings  | 22.2.2 | 1,568,000                        | 2,119,000                        |
| Commitments in respect of:  |        |                                  |                                  |
| Acquisition of operating fixed assets   |        | 676,000                          | 303,084                          |
|   |        | <u>737,479,915</u>               | <u>500,787,681</u>               |
| 22.2.1 Commitments in respect of forward foreign exchange contracts   |        |                                  |                                  |
| Purchase  |        | 294,058,000                      | 190,089,104                      |
| Sale  |        | 266,808,918                      | 175,300,957                      |
|   |        | <u>560,866,918</u>               | <u>365,390,061</u>               |
| 22.2.2 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: |        |                                  |                                  |
|   |        | 31 March<br>2024<br>(Un-Audited) | 31 December<br>2023<br>(Audited) |
|   |        | Rupees in '000                   |                                  |
| Commitments in respect of syndicate financing   |        | 281,000                          | 1,093,000                        |
| Commitments in respect of other financing transactions  |        | 1,287,000                        | 1,026,000                        |
|   |        | <u>1,568,000</u>                 | <u>2,119,000</u>                 |

|  | Note   | 31 March<br>2024<br>(Un-Audited) | 31 December<br>2023<br>(Audited) |
|--|--------|----------------------------------|----------------------------------|
|  |        | Rupees in '000                   |                                  |
| <b>22.3 Other contingent liabilities</b>     |        |                                  |                                  |
| Claims against bank not acknowledged as debt | 22.3.1 | 3,841,931                        | 3,834,985                        |
| Foreign Exchange repatriation case           | 22.3.2 | 106,056                          | 106,056                          |
|  |        | <u>3,947,987</u>                 | <u>3,941,041</u>                 |

22.3.1 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 financial statements.

#### 22.3.2 Foreign exchange repatriation case

While adjudicating foreign exchange repatriation cases of exporters, the Foreign Exchange Adjudicating Court of the State Bank of Pakistan has adjudicated penalty of Rs. 106,056 thousand, arbitrarily on the Bank. The Bank has filed appeals before the Appellate Board and constitutional petitions in the Honorable High Court of Sindh against the said judgment. The Honorable High Court has granted relief to Bank by way of interim orders. Based on merits of the appeals, management is confident that these appeals shall be decided in favor of the Bank and therefore no provision has been made against the impugned penalty.

## 23. 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. MARK-UP / RETURN / INTEREST EARNED

|                                    | Note | 31 March<br>2024  | 31 March<br>2023  |
|------------------------------------|------|-------------------|-------------------|
|                                    |      | (Un-Audited)      |                   |
|                                    |      | Rupees in '000    |                   |
| Loans and advances                 | 24.1 | 19,188,965        | 14,536,864        |
| Investments                        |      | 40,126,497        | 29,689,569        |
| Lendings to financial institutions |      | 731,926           | 611,110           |
| Balances with banks                |      | 16,665            | 10,392            |
|                                    |      | <u>60,064,053</u> | <u>44,847,935</u> |

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

|   |                   |          |
|---|-------------------|----------|
| Financial assets measured at amortised cost;        | 3,380,045         | –        |
| Financial assets measured at fair value through P&L | 610,318           | –        |
| Financial assets measured at fair value through OCI | 36,136,134        | –        |
|   | <u>40,126,497</u> | <u>–</u> |

## 25. MARK-UP / RETURN / INTEREST EXPENSED

|   |                   |                   |
|---|-------------------|-------------------|
| Deposits                                    | 29,685,368        | 18,839,748        |
| Borrowings                                  | 11,920,894        | 10,640,776        |
| Foreign currency swap cost                  | 1,378,525         | 1,111,965         |
| Lease liability against right-of-use assets | 279,031           | 211,136           |
|   | <u>43,263,818</u> | <u>30,803,625</u> |

## 26. FEE & COMMISSION INCOME

|  |                  |                  |
|--|------------------|------------------|
| Branch banking customer fees                         | 317,382          | 280,499          |
| Credit related fees                                  | 12,204           | 7,227            |
| Card related fees                                    | 275,289          | 277,073          |
| Commission on trade                                  | 1,524,172        | 1,237,651        |
| Commission on guarantees                             | 237,568          | 203,128          |
| Commission on remittances including home remittances | 12,518           | 10,557           |
| Commission on bancassurance                          | 40,461           | 44,015           |
| Commission on cash management                        | 41,495           | 35,941           |
| Others   | 14,746           | 63,008           |
|  | <u>2,475,835</u> | <u>2,159,099</u> |



|  | Note | 31 March<br>2024<br>(Un-Audited) | 31 March<br>2023 |
|--|------|----------------------------------|------------------|
|  |      | Rupees in '000                   |                  |
| 27. GAIN / (LOSS) ON SECURITIES - NET  |      |                                  |                  |
| Realised   | 27.1 | (311,303)                        | (142,402)        |
| Unrealised - measured at FVPL  | 27.2 | 44,166                           | -                |
|  |      | (267,137)                        | (142,402)        |
| 27.1 Realised gain on:   |      |                                  |                  |
| Federal government securities - net  |      | (311,303)                        | (172,210)        |
| Shares - net   |      | -                                | 20,088           |
| Mutual funds - net   |      | -                                | 29,808           |
|  |      | (311,303)                        | (142,402)        |
| 27.2 Net gain / loss on financial assets / liabilities measured at FVPL:       |      |                                  |                  |
| Designated upon initial recognition  |      | 142,943                          | -                |
| Mandatorily measured at FVPL   |      | 44,166                           | -                |
|  | 9.1  | 187,109                          | -                |
| Net gain / (loss) on financial assets / liabilities measured at amortised cost |      | -                                | -                |
| Net gain / (loss) on financial assets measured at FVOCI                        |      | (4,282,459)                      | -                |
| Net gain / (loss) on investments in equity instruments designated at FVOCI     |      | 620,064                          | -                |
|  | 9.1  | (3,662,395)                      | -                |
|  |      | (3,475,286)                      | -                |
| 28. OTHER INCOME   |      |                                  |                  |
| Rent on properties   |      | 7,335                            | 4,537            |
| Gain on sale of fixed assets - net   |      | 15,735                           | 9,157            |
| Gain on sale of ijarah assets - net  |      | 3,014                            | 5,663            |
| Staff notice period and other recoveries                                       |      | 258                              | 267              |
|  |      | 26,342                           | 19,624           |

|  | 31 March<br>2024 | 31 March<br>2023 |
|--|------------------|------------------|
|  | (Un-Audited)     |                  |
|  | Rupees in '000   |                  |
| <b>29. OPERATING EXPENSES</b>          |                  |                  |
| Total compensation expense             | 3,031,783        | 2,752,934        |
| <b>Property expense</b>                |                  |                  |
| Rent & taxes                           | 45,775           | 89,924           |
| Insurance                              | 6,421            | 1,720            |
| Utilities cost                         | 375,278          | 258,258          |
| Security                               | 256,901          | 190,101          |
| Repair & maintenance                   | 221,807          | 262,895          |
| Depreciation on owned fixed assets     | 241,979          | 216,888          |
| Depreciation on right-of-use assets    | 373,167          | 321,246          |
|  | 1,521,328        | 1,341,032        |
| <b>Information technology expenses</b> |                  |                  |
| Software maintenance                   | 179,390          | 96,196           |
| Hardware maintenance                   | 107,840          | 93,696           |
| Depreciation                           | 119,511          | 73,153           |
| Amortisation                           | 42,800           | 18,041           |
| Network charges                        | 178,942          | 132,857          |
|  | 628,483          | 413,943          |
| <b>Other operating expenses</b>        |                  |                  |
| Directors' fees and allowances         | 6,657            | 3,288            |
| Fees and allowances to Shariah Board   | 9,018            | 9,634            |
| Legal & professional charges           | 91,822           | 58,900           |
| Outsourced services costs              | 87,055           | 84,765           |
| Travelling & conveyance                | 204,019          | 138,149          |
| NIFT clearing charges                  | 24,050           | 26,381           |
| Depreciation                           | 200,952          | 153,794          |
| Training & development                 | 7,963            | 8,497            |
| Postage & courier charges              | 49,525           | 38,679           |
| Communication                          | 40,773           | 38,514           |
| Subscription                           | 208,473          | 179,741          |
| Repair & maintenance                   | 78,568           | 33,373           |
| Brokerage & commission                 | 20,382           | 44,096           |
| Stationery & printing                  | 156,058          | 120,805          |
| Marketing, advertisement & publicity   | 231,479          | 110,431          |
| Management fee                         | 135,902          | 407,662          |
| Insurance                              | 284,217          | 246,466          |
| Donations                              | 140,688          | 69,043           |
| Auditors' Remuneration                 | 11,222           | 10,701           |
| Security                               | 105,362          | 68,571           |
| Others                                 | 158,314          | 180,453          |
|  | 2,252,499        | 2,031,943        |
|  | 7,434,093        | 6,539,852        |

|   | Note | 31 March<br>2024<br>(Un-Audited) | 31 March<br>2023 |
|---|------|----------------------------------|------------------|
|   |      | Rupees in '000                   |                  |
| <b>30. OTHER CHARGES</b>  |      |                                  |                  |
| Penalties imposed by the SBP  |      | 71,777                           | 5                |
| <b>31. CREDIT LOSS ALLOWANCE &amp; WRITE OFFS - NET</b>                 |      |                                  |                  |
| Credit loss allowance against Cash and balances with banks              |      | 121,420                          | -                |
| Credit loss allowance against lending to financial institutions         |      | 1,424                            | -                |
| Credit loss allowance for diminution in value of investments            | 9.2  | 254,536                          | 29,696           |
| Credit loss allowance against loans & advances                          | 10.3 | 712,882                          | 1,055,649        |
| Credit loss allowance against other assets                              |      | 31,435                           | (93)             |
| Reversal of credit loss allowance against off balance sheet obligations |      | (230,125)                        | -                |
| Recovery of written off / charged off bad debts                         |      | -                                | (35,000)         |
|   |      | 891,572                          | 1,050,252        |
| <b>32. TAXATION</b>   |      |                                  |                  |
| Current   |      | 5,184,453                        | 4,404,717        |
| Deferred  |      | 592,912                          | (4,152)          |
|   |      | 5,777,365                        | 4,400,565        |
| <b>33. BASIC AND DILUTED EARNINGS PER SHARE</b>                         |      |                                  |                  |
| Profit attributable to equity shareholders of the holding company       |      | 5,954,276                        | 5,749,929        |
|   |      | Number in '000                   |                  |
| Weighted average number of ordinary shares                              |      | 1,047,831                        | 1,047,831        |
|   |      | Rupees                           |                  |
| Basic and diluted earnings per share                                    |      | 5.68                             | 5.49             |

## 34. FAIR VALUE MEASUREMENTS

The fair value of quoted securities other than investment in subsidiaries and those classified as amortised cost / held to maturity, is based on quoted market price. Quoted securities classified as amortised cost / held to maturity are carried at cost. The fair value of unquoted equity securities, other than investments in subsidiaries, is determined on the basis of the break-up value of these investments as per their latest available audited financial statements.

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.

### 34.1 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 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

|  |  | 31 March 2024 (Un-Audited)   |            |             |         |             |
|--|--|------------------------------|------------|-------------|---------|-------------|
|  |  | Carrying /<br>notional value | Fair value |             |         | Total       |
|  |  |                              | Level 1    | Level 2     | Level 3 |             |
|  |  | Rupees in '000               |            |             |         |             |
| Financial assets measured at fair value                        |  |                              |            |             |         |             |
| -  | FVTPL & FVOCI                                  |                              |            |             |         |             |
|  | Federal government securities                  | 773,974,489                  | -          | 773,974,489 | -       | 773,974,489 |
|  | Sukuk certificates and bonds                   | 7,144,005                    | -          | 7,144,005   | -       | 7,144,005   |
|  | Ordinary shares of listed companies            | 5,346,083                    | 5,346,083  | -           | -       | 5,346,083   |
|  | Ordinary shares of unlisted companies          | 52,658                       | -          | -           | -       | -           |
|  | Mutual funds - open end                        | 240,324                      | 240,324    | -           | -       | 240,324     |
|  | - close end                                    | 6,863                        | 6,863      | -           | -       | 6,863       |
|  | Real estate investment trust                   | 2,035,973                    | 2,035,973  | -           | -       | 2,035,973   |
|  | Listed term finance certificates               | 1,317,961                    | -          | 1,317,961   | -       | 1,317,961   |
|  | Unlisted term finance certificates             | 3,038,924                    | -          | 3,038,924   | -       | 3,038,924   |
| Financial assets - disclosed but not measured at fair value    |  |                              |            |             |         |             |
| -  | Investments                                    |                              |            |             |         |             |
| -  | Amortised cost                                 |                              |            |             |         |             |
|  | Federal government securities                  | 99,934,861                   | -          | 93,219,506  | -       | 93,219,506  |
|  |  | 893,092,141                  | 7,629,243  | 878,694,885 | -       | 886,324,128 |
| Off-balance sheet financial instruments measured at fair value |  |                              |            |             |         |             |
| -  | Forward purchase of foreign exchange contracts | 294,058,000                  | -          | 290,117,994 | -       | 290,117,994 |
| -  | Forward sale of foreign exchange contracts     | 266,808,918                  | -          | 269,417,395 | -       | 269,417,395 |

**On balance sheet financial instruments**

| On balance sheet financial instruments                         |                              | 31 December 2023 (Audited) |             |         |             |
|--|------------------------------|----------------------------|-------------|---------|-------------|
|  | Carrying /<br>notional value | Fair value                 |             |         | Total       |
|  |                              | Level 1                    | Level 2     | Level 3 |             |
| Financial assets measured at fair value                        |                              |                            |             |         |             |
| - Investments  |                              |                            |             |         |             |
| - Available-for-sale securities                                |                              |                            |             |         |             |
| - Federal government securities                                | 802,747,878                  | -                          | 802,747,878 | -       | 802,747,878 |
| - Sukuk certificates and bonds                                 | 7,143,865                    | -                          | 7,143,865   | -       | 7,143,865   |
| - Ordinary shares of listed companies                          | 4,699,654                    | 4,699,654                  | -           | -       | 4,699,654   |
| - Mutual funds - open end                                      | 230,712                      | -                          | 230,712     | -       | 230,712     |
| - close end  | 8,255                        | 8,255                      | -           | -       | 8,255       |
| - Real estate investment trust                                 | 1,992,625                    | 1,992,625                  | -           | -       | 1,992,625   |
| - Listed term finance certificates                             | 1,317,481                    | -                          | 1,317,481   | -       | 1,317,481   |
| - Unlisted term finance certificates                           | 3,295,000                    | -                          | 3,295,000   | -       | 3,295,000   |
| Financial assets - disclosed but not measured at fair value    |                              |                            |             |         |             |
| - Investments  |                              |                            |             |         |             |
| - Held-to-maturity securities                                  |                              |                            |             |         |             |
| - Federal government securities                                | 99,146,633                   | -                          | 91,756,989  | -       | 91,756,989  |
| - Available-for-sale securities                                |                              |                            |             |         |             |
| - Ordinary shares of unlisted companies                        | 52,658                       | -                          | -           | -       | -           |
|  | 920,634,761                  | 6,700,534                  | 906,491,925 | -       | 913,192,459 |
| Off-balance sheet financial instruments measured at fair value |                              |                            |             |         |             |
| - Forward purchase of foreign exchange contracts               | 190,089,104                  | -                          | 187,821,748 | -       | 187,821,748 |
| - Forward sale of foreign exchange contracts                   | 175,300,957                  | -                          | 176,253,371 | -       | 176,253,371 |

**34.2 Fair value of non-financial assets**

|   |                              | 31 March 2024 (Un-Audited) |          |                   |                   |
|---|------------------------------|----------------------------|----------|-------------------|-------------------|
|   | Carrying /<br>notional value | Fair value                 |          |                   | Total             |
|   |                              | Level 1                    | Level 2  | Level 3           |                   |
|   |                              | Rupees in '000             |          |                   |                   |
| Non-financial assets measured at fair value               |                              |                            |          |                   |                   |
| - Fixed assets  | 10,513,293                   | -                          | -        | 10,513,293        | 10,513,293        |
| - Non-banking assets acquired<br>in satisfaction of claim | 4,299,840                    | -                          | -        | 4,299,840         | 4,299,840         |
|   | <u>14,813,133</u>            | <u>-</u>                   | <u>-</u> | <u>14,813,133</u> | <u>14,813,133</u> |
|   |                              | 31 December 2023 (Audited) |          |                   |                   |
|   | Carrying /<br>notional value | Fair value                 |          |                   | Total             |
|   |                              | Level 1                    | Level 2  | Level 3           |                   |
|   |                              | Rupees in '000             |          |                   |                   |
| Non-financial assets measured at fair value               |                              |                            |          |                   |                   |
| - Fixed assets  | 10,735,947                   | -                          | -        | 10,735,947        | 10,735,947        |
| - Non-banking assets acquired<br>in satisfaction of claim | 4,299,840                    | -                          | -        | 4,299,840         | 4,299,840         |
|   | <u>15,035,787</u>            | <u>-</u>                   | <u>-</u> | <u>15,035,787</u> | <u>15,035,787</u> |

### 34.3 Valuation techniques used in determination of fair valuation of financial instruments within level 2.

|  |  |
|--|--|
| Federal government debt securities                       | The fair value of government securities are valued using PKRV 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. |
| Forward foreign exchange 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.

|   |   |
|---|---|
| Fixed assets and non-banking assets acquired in satisfaction of claim | Fixed assets and non-banking assets are valued by professionally qualified valuers. 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 3 valuation based on significant non-observable inputs being the location and condition of the assets. 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. |
|---|---|

## 35. SEGMENT DETAILS WITH RESPECT TO BUSINESS ACTIVITIES

|  | 31 March 2024 (Un-Audited) |                |                    |               |
|--|----------------------------|----------------|--------------------|---------------|
|  | Trade & Sales              | Retail Banking | Commercial Banking | Total         |
|  | Rupees in '000             |                |                    |               |
| <b>Profit and Loss</b>                   |                            |                |                    |               |
| Net mark-up / return / interest / profit | 32,817,996                 | (13,428,436)   | (2,589,325)        | 16,800,235    |
| Inter segment revenue - net              | (35,787,462)               | 21,755,192     | 14,032,270         | -             |
| Non mark-up / return / interest income   | 1,240,548                  | 297,331        | 2,204,834          | 3,742,713     |
| Total income                             | (1,728,918)                | 8,624,087      | 13,647,779         | 20,542,948    |
| Segment direct expenses                  | (113,098)                  | -              | (89,159)           | (202,257)     |
| Inter segment expense allocation         | -                          | (2,349,594)    | (5,198,495)        | (7,548,089)   |
| Total expenses                           | (113,098)                  | (2,349,594)    | (5,287,654)        | (7,750,346)   |
| Credit loss allowance                    | (255,960)                  | (236)          | (635,376)          | (891,572)     |
| Profit before tax                        | (2,097,976)                | 6,274,257      | 7,724,749          | 11,901,303    |
| <b>Balance Sheet</b>                     |                            |                |                    |               |
| Cash and bank balances                   | 11,783,826                 | 32,717,522     | 71,398,522         | 115,899,870   |
| Investments - net                        | 893,092,141                | -              | -                  | 893,092,141   |
| Net inter segment lending                | -                          | 447,673,188    | 295,816,016        | 743,489,204   |
| Lendings to financial institutions       | 5,177,650                  | -              | -                  | 5,177,650     |
| Advances - performing                    | -                          | 16,022,430     | 446,710,299        | 462,732,729   |
| Advances - non-performing                | -                          | 236,711        | 21,808,044         | 22,044,755    |
| Credit loss allowance against advances   | -                          | (105,277)      | (27,251,757)       | (27,357,034)  |
| Others                                   | 32,057,476                 | 8,741,412      | 65,983,280         | 106,782,168   |
| Total assets                             | 942,111,093                | 505,285,986    | 874,464,404        | 2,321,861,483 |
| Borrowings                               | 150,210,095                | -              | 137,613,917        | 287,824,012   |
| Subordinated debt                        | -                          | -              | -                  | -             |
| Deposits and other accounts              | -                          | 465,519,081    | 619,314,615        | 1,084,833,696 |
| Net inter segment borrowing              | 743,489,204                | -              | -                  | 743,489,204   |
| Others                                   | 5,005,621                  | 13,438,861     | 88,776,929         | 107,221,411   |
| Total liabilities                        | 898,704,920                | 478,957,942    | 845,705,461        | 2,223,368,323 |
| Net Assets                               | 43,406,173                 | 26,328,044     | 28,758,943         | 98,493,160    |
| <b>Equity</b>                            |                            |                |                    | 98,493,160    |
| Contingencies and commitments            | 560,866,918                | 2,000          | 320,346,381        | 881,215,299   |

|  | 31 March 2023 (Un-Audited) |                |                    |               |
|--|----------------------------|----------------|--------------------|---------------|
|  | Trade & Sales              | Retail Banking | Commercial Banking | Total         |
|  | Rupees in '000             |                |                    |               |
| <b>Profit and Loss</b>                   |                            |                |                    |               |
| Net mark-up / return / interest / profit | 21,904,537                 | (7,831,758)    | (28,469)           | 14,044,310    |
| Inter segment revenue - net              | (19,177,041)               | 12,169,544     | 7,007,497          | -             |
| Non mark-up / return / interest income   | 1,814,449                  | 305,325        | 1,861,469          | 3,981,243     |
| Total Income                             | 4,541,945                  | 4,643,111      | 8,840,497          | 18,025,553    |
| Segment direct expenses                  | (121,608)                  | -              | (92,457)           | (214,065)     |
| Inter segment expense allocation         | -                          | (2,023,620)    | (4,480,582)        | (6,504,202)   |
| Total expenses                           | (121,608)                  | (2,023,620)    | (4,573,039)        | (6,718,267)   |
| Provision                                | (29,603)                   | (5,635)        | (1,015,014)        | (1,050,252)   |
| Profit before tax                        | 4,390,734                  | 2,613,856      | 3,252,444          | 10,257,034    |
|  |                            |                |                    |               |
|  | 31 December 2023 (Audited) |                |                    |               |
| <b>Balance Sheet</b>                     |                            |                |                    |               |
| Cash and bank balances                   | 21,270,067                 | 29,853,257     | 61,613,686         | 112,737,010   |
| Investments - net                        | 920,634,761                | -              | -                  | 920,634,761   |
| Net inter segment lending                | -                          | 456,265,123    | 263,545,211        | 719,810,334   |
| Lendings to financial institutions       | 5,496,284                  | -              | -                  | 5,496,284     |
| Advances - performing                    | -                          | 16,829,682     | 423,388,340        | 440,218,022   |
| Advances - non-performing                | -                          | 330,126        | 20,443,231         | 20,773,357    |
| Provision against advances               | -                          | (201,087)      | (27,157,690)       | (27,358,777)  |
| Others                                   | 28,147,337                 | 8,678,456      | 64,336,328         | 101,162,121   |
| Total assets                             | 975,548,449                | 511,755,557    | 806,169,106        | 2,293,473,112 |
|  |                            |                |                    |               |
| Borrowings                               | 198,311,389                | -              | 136,959,469        | 335,270,858   |
| Deposits and other accounts              | -                          | 463,433,999    | 548,051,774        | 1,011,485,773 |
| Net inter segment borrowing              | 719,810,334                | -              | -                  | 719,810,334   |
| Others                                   | 5,000,244                  | 19,316,073     | 104,400,623        | 128,716,940   |
| Total liabilities                        | 923,121,967                | 482,750,072    | 789,411,866        | 2,195,283,905 |
| Net Assets                               | 52,426,482                 | 29,005,485     | 16,757,240         | 98,189,207    |
| Equity                                   |                            |                |                    | 98,189,207    |
| Contingencies and commitments            | 365,390,061                | 9,000          | 281,201,314        | 646,600,375   |

### 36. 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:

|  | 31 March 2024 (Un-Audited) |               |                          |           |                          |               |
|--|----------------------------|---------------|--------------------------|-----------|--------------------------|---------------|
|  | Ultimate parent company    | Associates    | Key management personnel | Directors | Retirement benefit plans | Total         |
|  | Rupees in '000             |               |                          |           |                          |               |
| <b>Balances with other banks</b>                               |                            |               |                          |           |                          |               |
| In current accounts  | 947,179                    | 614,886       | -                        | -         | -                        | 1,562,065     |
| <b>Advances</b>  |                            |               |                          |           |                          |               |
| Opening balance  | -                          | 5,709,339     | 290,151                  | -         | -                        | 5,999,490     |
| Addition during the period                                     | -                          | 39,669,908    | 3,940                    | -         | -                        | 39,673,848    |
| Repaid during the period                                       | -                          | (38,385,064)  | 14,688                   | -         | -                        | (38,370,376)  |
| Closing balance  | -                          | 6,994,183     | 308,779                  | -         | -                        | 7,302,962     |
| Credit loss allowance held against advances                    | -                          | -             | -                        | -         | -                        | -             |
| <b>Other Assets</b>  |                            |               |                          |           |                          |               |
| Mark-up / return / interest receivable                         | -                          | 42,889        | -                        | -         | -                        | 42,889        |
| Prepayments / advance deposits / other receivables             | 936                        | 74,092        | -                        | -         | -                        | 75,028        |
|  | 936                        | 116,981       | -                        | -         | -                        | 117,917       |
| Credit loss allowance against other assets                     | -                          | -             | -                        | -         | -                        | -             |
| <b>Deposits and other accounts</b>                             |                            |               |                          |           |                          |               |
| Opening balance  | 242,044                    | 25,121,296    | 319,529                  | 822,094   | 1,579,293                | 28,084,256    |
| Received during the period                                     | 995,367                    | 686,432,451   | 299,419                  | 526,922   | 1,754,749                | 690,008,908   |
| Withdrawn during the period                                    | (945,764)                  | (685,034,927) | (307,160)                | (519,531) | (1,934,867)              | (688,742,249) |
| Closing balance  | 291,647                    | 26,518,820    | 311,788                  | 829,485   | 1,399,175                | 29,350,915    |
| <b>Other Liabilities</b>                                       |                            |               |                          |           |                          |               |
| Mark-up / return / interest payable                            | -                          | 345,150       | 2,872                    | 7,641     | 45,971                   | 401,634       |
| Management fee payable for technical and consultancy services* | 1,800,233                  | -             | -                        | -         | -                        | 1,800,233     |
| Other payables   | -                          | 630           | -                        | 995       | 115,827                  | 117,452       |
|  | 1,800,233                  | 345,780       | 2,872                    | 8,636     | 161,798                  | 2,319,319     |
| <b>Contingencies and commitments</b>                           |                            |               |                          |           |                          |               |
| Transaction-related contingent liabilities                     | -                          | 11,002,942    | -                        | -         | -                        | 11,002,942    |
| Trade-related contingent liabilities                           | -                          | 5,205,563     | -                        | -         | -                        | 5,205,563     |
|  | -                          | 16,208,505    | -                        | -         | -                        | 16,208,505    |

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



31 March 2023 (Un-Audited)

|  | Ultimate<br>parent<br>company | Associates      | Key<br>management<br>personnel | Directors   | Retirement<br>benefit<br>plans | Total           |
|--|-------------------------------|-----------------|--------------------------------|-------------|--------------------------------|-----------------|
|  | Rupees in '000                |                 |                                |             |                                |                 |
| <b>Balances with other banks</b>                                   |                               |                 |                                |             |                                |                 |
| In current accounts  | 680,649                       | 186,957         | –                              | –           | –                              | 867,606         |
| Advances   |                               |                 |                                |             |                                |                 |
| Opening balance  | –                             | 4,923,312       | 247,128                        | –           | –                              | 5,170,440       |
| Addition during the year   | –                             | 107,246,311     | 144,741                        | –           | –                              | 107,391,052     |
| Repaid during the year   | –                             | (106,460,284)   | (101,718)                      | –           | –                              | (106,562,002)   |
| Closing balance  | –                             | 5,709,339       | 290,151                        | –           | –                              | 5,999,490       |
| Provision against advances   | –                             | –               | –                              | –           | –                              | –               |
| <b>Other Assets</b>  |                               |                 |                                |             |                                |                 |
| Mark-up / return / interest receivable                             | –                             | 88,690          | –                              | –           | –                              | 88,690          |
| Prepayments / advance deposits /<br>other receivables              | 468                           | 59,669          | –                              | –           | 60,450                         | 120,587         |
|  | 468                           | 148,359         | –                              | –           | 60,450                         | 209,277         |
| Provision against other assets                                     | –                             | –               | –                              | –           | –                              | –               |
| <b>Deposits and other accounts</b>                                 |                               |                 |                                |             |                                |                 |
| Opening balance  | 186,031                       | 21,811,626      | 395,587                        | 703,394     | 1,267,570                      | 24,364,208      |
| Received during the year   | 25,230,932                    | 2,458,473,253   | 3,199,802                      | 1,710,093   | 5,434,990                      | 2,494,049,070   |
| Withdrawn during the year  | (25,174,919)                  | (2,455,163,584) | (3,275,860)                    | (1,591,393) | (5,123,266)                    | (2,490,329,022) |
| Closing balance  | 242,044                       | 25,121,295      | 319,529                        | 822,094     | 1,579,294                      | 28,084,256      |
| <b>Other Liabilities</b>   |                               |                 |                                |             |                                |                 |
| Mark-up / return / interest payable                                | –                             | 254,878         | 8,517                          | 8,523       | 104,940                        | 376,858         |
| Management fee payable for<br>technical and consultancy services * | 1,850,085                     | –               | –                              | –           | –                              | 1,850,085       |
| Other payables   | –                             | 630             | –                              | 995         | –                              | 1,625           |
|  | 1,850,085                     | 255,508         | 8,517                          | 9,518       | 104,940                        | 2,228,568       |
| <b>Contingencies and commitments</b>                               |                               |                 |                                |             |                                |                 |
| Transaction-related contingent liabilities                         | –                             | 10,950,031      | –                              | –           | –                              | 10,950,031      |
| Trade-related contingent liabilities                               | –                             | 1,920,863       | –                              | –           | –                              | 1,920,863       |
|  | –                             | 12,870,894      | –                              | –           | –                              | 12,870,894      |

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

## Transactions during the period

|   | For the period ended 31 March 2024 (Un-Audited) |            |                          |           |                          |
|---|---|------------|--------------------------|-----------|--------------------------|
|   | Ultimate parent company                         | Associates | Key management personnel | Directors | Retirement benefit plans |
|   | Rupees in '000                                  |            |                          |           |                          |
| <b>Income</b>   |   |            |                          |           |                          |
| Mark-up / return / interest earned                              | –   | 18,405     | 3,940                    | –         | –                        |
| Fee and commission income                                       | 41  | 204,152    | –                        | 58        | –                        |
| Rent income   | 1,404   | 2,585      | –                        | –         | –                        |
| <b>Expense</b>  |   |            |                          |           |                          |
| Mark-up / return / interest expensed                            | –   | 914,314    | 13,183                   | 19,150    | 61,917                   |
| Commission / brokerage / bank charges paid                      | 54  | 717        | –                        | –         | –                        |
| Salaries and allowances   | –   | –          | 255,718                  | –         | –                        |
| Directors' fees and allowances                                  | –   | –          | –                        | 6,657     | –                        |
| Charge to defined benefit plan                                  | –   | –          | –                        | –         | 83,162                   |
| Contribution to defined contribution plan                       | –   | –          | –                        | –         | 94,805                   |
| Insurance premium expenses                                      | –   | 20,464     | –                        | –         | –                        |
| Management fee expense for technical and consultancy services * | 135,902   | –          | –                        | –         | –                        |
| Donation  | –   | 480        | –                        | –         | –                        |

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

**Transactions during the period**

|  | For the period ended 31 March 2023 (Un-Audited) |            |                                |           |                                |         |
|--|---|------------|--------------------------------|-----------|--------------------------------|---------|
|  | Ultimate<br>parent<br>company                   | Associates | Key<br>management<br>personnel | Directors | Retirement<br>benefit<br>plans | Total   |
|  | Rupees in '000                                  |            |                                |           |                                |         |
| Income   |   |            |                                |           |                                |         |
| Mark-up / return / interest earned                                 | –   | 140,828    | 3,536                          | –         | –                              | 144,364 |
| Fee and commission income  | 29  | 53,682     | –                              | 40        | –                              | 53,751  |
| Rent income  | 1,404   | 2,585      | –                              | –         | –                              | 3,989   |
| Expenses   |   |            |                                |           |                                |         |
| Mark-up / return / interest expensed                               | –   | 523,227    | 13,119                         | 11,674    | 84,400                         | 632,420 |
| Commission / brokerage / bank charges paid                         | 35  | 4,215      | –                              | –         | –                              | 4,250   |
| Salaries and allowances  | –   | –          | 231,753                        | –         | –                              | 231,753 |
| Directors' fees and allowances                                     | –   | –          | –                              | 3,288     | –                              | 3,288   |
| Charge to defined benefit plan                                     | –   | –          | –                              | –         | 75,366                         | 75,366  |
| Contribution to defined contribution plan                          | –   | –          | –                              | –         | 82,353                         | 82,353  |
| Insurance premium expenses   | –   | 5,945      | –                              | –         | –                              | 5,945   |
| Management fee expense for technical<br>and consultancy services * | 407,662   | –          | –                              | –         | –                              | 407,662 |
| Donation   | –   | 480        | –                              | –         | –                              | 480     |

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

### 37. CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

|   | 31 March<br>2024<br>(Un-Audited) | 31 December<br>2023<br>(Audited) |
|---|----------------------------------|----------------------------------|
|   | Rupees in '000                   |                                  |
| <b>Minimum Capital Requirement (MCR):</b>             |                                  |                                  |
| Paid-up capital (net of losses)                       | 10,478,315                       | 10,478,315                       |
| <b>Capital Adequacy Ratio (CAR):</b>                  |                                  |                                  |
| Eligible common equity Tier 1 (CET 1) Capital         | 89,513,699                       | 89,001,463                       |
| Eligible additional Tier 1 (ADT 1) Capital            | 39,314                           | 38,306                           |
| Total eligible Tier 1 capital                         | 89,553,013                       | 89,039,769                       |
| Eligible Tier 2 capital                               | 8,766,820                        | 8,940,628                        |
| Total eligible capital (Tier 1 + tier 2)              | 98,319,833                       | 97,980,397                       |
| <b>Risk Weighted Assets (RWAs):</b>                   |                                  |                                  |
| Credit risk   | 440,000,890                      | 428,865,561                      |
| Market risk   | 2,990,096                        | 2,408,671                        |
| Operational risk                                      | 115,752,384                      | 115,752,388                      |
| Total   | 558,743,370                      | 547,026,620                      |
| CET 1 capital adequacy ratio                          | 16.02%                           | 16.27%                           |
| Tier 1 capital adequacy ratio                         | 16.03%                           | 16.28%                           |
| Total capital adequacy ratio                          | 17.60%                           | 17.91%                           |
| <b>Minimum capital requirements prescribed by SBP</b> |                                  |                                  |
| 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 | 89,553,013    | 89,039,769    |
| Total exposures         | 1,923,557,625 | 1,860,804,377 |
| Leverage ratio          | 4.66%         | 4.79%         |

### 38. ISLAMIC BANKING BUSINESS

The Holding Company is operating 208 (31 December 2023: 117) Islamic banking branches and 187 (31 December 2023: 233) Islamic banking windows at the end of the period.

|  | Note | 31 March<br>2024<br>(Un-Audited) | 31 December<br>2023<br>(Audited) |
|--|------|----------------------------------|----------------------------------|
|  |      | Rupees in '000                   |                                  |
| <b>ASSETS</b>                                |      |                                  |                                  |
| Cash and balances with treasury banks        |      | 17,720,154                       | 11,119,511                       |
| Balances with other banks                    |      | 2,915                            | 2,956                            |
| Due from financial institutions              |      | —                                | —                                |
| Investments                                  | 38.1 | 91,619,117                       | 77,555,576                       |
| Islamic financing and related assets - net   | 38.2 | 109,029,746                      | 114,142,245                      |
| Property and equipment                       |      | 589,929                          | 318,450                          |
| Right-of-use assets'                         |      | 2,976,325                        | 2,026,102                        |
| Intangible assets                            |      | —                                | —                                |
| Due from head office                         |      | 9,381,398                        | —                                |
| Other assets                                 |      | 14,387,946                       | 11,007,766                       |
|  |      | <u>245,707,531</u>               | <u>216,172,606</u>               |
| <b>LIABILITIES</b>                           |      |                                  |                                  |
| Bills payable                                |      | 3,705,254                        | 1,707,901                        |
| Due to financial institutions                |      | 30,230,883                       | 35,303,574                       |
| Deposits and other accounts                  | 38.3 | 190,374,274                      | 147,905,702                      |
| Due to head office                           |      | —                                | 4,644,318                        |
| Lease liabilities                            |      | 3,325,961                        | 2,143,764                        |
| Subordinated debt                            |      | —                                | —                                |
| Other liabilities                            |      | 5,335,953                        | 9,337,227                        |
|  |      | <u>232,972,325</u>               | <u>201,042,486</u>               |
| <b>NET ASSETS</b>                            |      | <u>12,735,206</u>                | <u>15,130,120</u>                |
| <b>REPRESENTED BY</b>                        |      |                                  |                                  |
| Islamic Banking Fund                         |      | 11,006,949                       | 10,007,047                       |
| Reserves                                     |      | —                                | —                                |
| Surplus / (deficit) on revaluation of assets |      | 282,077                          | 402,256                          |
| Unappropriated profit                        | 38.4 | 1,446,180                        | 4,720,817                        |
|  |      | <u>12,735,206</u>                | <u>15,130,120</u>                |
| <b>CONTINGENCIES AND COMMITMENTS</b>         |      |                                  |                                  |
|  | 38.5 |                                  |                                  |

The profit and loss account of the Bank's Islamic banking branches for the period ended 31 March 2024 is as follows:

|  | Note | 31 March<br>2024<br>(Un-Audited)<br>Rupees in '000 | 31 March<br>2023 |
|--|------|--|------------------|
| Profit / return earned                     | 38.6 | 8,873,413  | 4,523,523        |
| Profit / return expensed                   | 38.7 | (5,396,301)  | (2,669,014)      |
| <b>Net Profit / return</b>                 |      | <b>3,477,112</b>                                   | <b>1,854,509</b> |
| <b>Other income</b>                        |      |  |                  |
| Fee and commission income                  |      | 210,429  | 148,766          |
| Dividend income                            |      | –  | –                |
| Foreign exchange income                    |      | 30,396   | 25,442           |
| Income / (loss) from derivatives           |      | –  | –                |
| Gain / (loss) on securities - net          |      | (81,303)   | –                |
| Other income                               |      | 3,702  | 5,360            |
| <b>Total other income</b>                  |      | <b>163,224</b>                                     | <b>179,568</b>   |
| <b>Total Income</b>                        |      | <b>3,640,336</b>                                   | <b>2,034,077</b> |
| <b>Other expenses</b>                      |      |  |                  |
| Operating expenses                         |      | 1,355,384  | 434,494          |
| Workers' welfare fund                      |      | –  | –                |
| Other charges                              |      | 100  | 1,030            |
| <b>Total other expenses</b>                |      | <b>1,355,484</b>                                   | <b>435,524</b>   |
| Profit before credit loss allowance        |      | 2,284,852  | 1,598,553        |
| Credit loss allowance and write offs - net |      | 550,795  | 34,023           |
| <b>Profit before taxation</b>              |      | <b>2,835,647</b>                                   | <b>1,632,576</b> |
| Taxation                                   |      | 1,389,467  | 702,008          |
| <b>Profit / (loss) after taxation</b>      |      | <b>1,446,180</b>                                   | <b>930,568</b>   |

### 38.1 Investments by segments

|  | 31 March 2024 (Un-Audited) |  |                        |                   |
|--|----------------------------|--|------------------------|-------------------|
|  | Cost /<br>amortised cost   | Credit loss<br>allowance for<br>diminution | Surplus /<br>(deficit) | Carrying<br>value |
|  | Rupees in '000             |  |                        |                   |
| <b>Debt Instruments</b>  |                            |  |                        |                   |
| <b>Measured at amortised cost</b>                              |                            |  |                        |                   |
| Federal government securities                                  |                            |  |                        |                   |
| – Ijarah Sukuk   | 2,966,781                  | –  | –                      | 2,966,781         |
| Certificate of investment                                      | 5,600,000                  | (55)                                       | –                      | 5,599,945         |
|  | 8,566,781                  | (55)                                       | –                      | 8,566,726         |
| <b>Measured at FVOCI</b>                                       |                            |  |                        |                   |
| Federal government securities                                  |                            |  |                        |                   |
| – Ijarah Sukuk   | 72,222,210                 | –  | 447,033                | 72,669,243        |
| – Islamic Naya Pakistan Certificate                            | 3,682,779                  | (193,636)                                  | –                      | 3,489,143         |
| Non Government Debt Securities                                 | 6,748,961                  | (170,000)                                  | (161,161)              | 6,417,800         |
|  | 82,653,950                 | (363,636)                                  | 285,872                | 82,576,186        |
| <b>Instruments mandatory<br/>classified / measured at FVPL</b> | 480,000                    | –  | (3,795)                | 476,205           |
| <b>Total investments</b>                                       | <u>91,700,731</u>          | <u>(363,691)</u>                           | <u>282,077</u>         | <u>91,619,117</u> |

|   | 31 December 2023 (Audited) |                             |                        |                   |
|---|----------------------------|-----------------------------|------------------------|-------------------|
|   | Cost /<br>amortised cost   | Provision for<br>diminution | Surplus /<br>(deficit) | Carrying<br>value |
|   | Rupees in '000             |                             |                        |                   |
| <b>Federal Government Securities</b>                            |                            |                             |                        |                   |
| – Ijarah Sukuk  | 59,720,420                 | –                           | 586,847                | 60,307,267        |
| – Islamic Naya Pakistan certificate<br>mudaraba investment pool | 5,484,444                  | –                           | –                      | 5,484,444         |
|   | 65,204,864                 | –                           | 586,847                | 65,791,711        |
| <b>Non Government Debt Securities</b>                           |                            |                             |                        |                   |
| – Listed  | 6,768,455                  | –                           | (180,655)              | 6,587,800         |
| – Unlisted  | 5,180,000                  | –                           | (3,935)                | 5,176,065         |
|   | 11,948,455                 | –                           | (184,590)              | 11,763,865        |
| <b>Total investments</b>  | <u>77,153,319</u>          | <u>–</u>                    | <u>402,257</u>         | <u>77,555,576</u> |

#### 38.1.1 Particulars of credit loss allowance

|                                     | 31 March 2024 (Un-Audited) |                |           |                |
|-------------------------------------|----------------------------|----------------|-----------|----------------|
|                                     | Stage 3                    | Stage 2        | Stage 1   | Total          |
|                                     | Rupees in '000             |                |           |                |
| Certificate of investment           | –                          | –              | 55        | 55             |
| – Islamic Naya Pakistan Certificate | –                          | 193,636        | –         | 193,636        |
| Non Government Debt Securities      | 170,000                    | –              | –         | 170,000        |
|                                     | <u>170,000</u>             | <u>193,636</u> | <u>55</u> | <u>363,691</u> |

### 38.2 Islamic financing and related assets - net

|  | 31 March 2024 (Un-Audited) |            |           |             |
|--|----------------------------|------------|-----------|-------------|
|  | Financing                  | Advances   | Inventory | Total       |
|  | Rupees in '000             |            |           |             |
| Ijarah   | 734,387                    | 25,057     | –         | 759,444     |
| Ijarah - islamic long term financing facility                    | 17,871                     | –          | –         | 17,871      |
| Murabaha   | 4,446,076                  | 577,052    | –         | 5,023,128   |
| Working capital musharaka  | 39,055,307                 | –          | –         | 39,055,307  |
| Diminishing musharaka  | 18,045,292                 | 1,497,982  | –         | 19,543,274  |
| Salam  | –                          | –          | –         | –           |
| Istisna  | 2,178,145                  | 7,190,168  | 1,238,809 | 10,607,122  |
| Al-bai   | 1,507,127                  | –          | 532,565   | 2,039,692   |
| Diminishing musharaka:   |                            |            |           |             |
| - Islamic long term financing facility                           | 3,780,416                  | –          | –         | 3,780,416   |
| - Islamic refinance scheme for payment of wages and salaries     | –                          | 93,534     | –         | 93,534      |
| - Islamic financing facility for storage of agricultural produce | 604,287                    | –          | –         | 604,287     |
| - Islamic temporary economic refinance facility                  | 12,116,344                 | –          | –         | 12,116,344  |
| - Islamic financing facility for renewable energy                | 539,051                    | –          | –         | 539,051     |
| Islamic export refinance   |                            |            |           |             |
| - Murabaha   | –                          | –          | –         | –           |
| - Working capital musharaka                                      | 10,827,319                 | –          | –         | 10,827,319  |
| - Salam  | –                          | –          | –         | –           |
| - Istisna  | 594,669                    | 3,835,801  | 183,963   | 4,614,433   |
| - Al-bai   | 105,198                    | –          | 1,734,613 | 1,839,811   |
| Gross islamic financing and related assets                       | 94,551,489                 | 13,219,594 | 3,689,950 | 111,461,033 |
| Less: Credit loss allowance against                              |                            |            |           |             |
| Islamic financings   |                            |            |           |             |
| - Stage 1  | (337,470)                  | (22,151)   | (9,631)   | (369,253)   |
| - Stage 2  | (1,306,167)                | (51,625)   | (14,409)  | (1,372,201) |
| - Stage 3  | (689,833)                  | –          | –         | (689,833)   |
|  | (2,333,470)                | (73,776)   | (24,040)  | (2,431,286) |
| Islamic financing and related assets                             |                            |            |           |             |
| - net of credit loss allowance                                   | 92,218,019                 | 13,145,818 | 3,665,910 | 109,029,747 |



31 December 2023 (Audited)

|  | Financing      | Advances   | Inventory | Total       |
|--|----------------|------------|-----------|-------------|
|  | Rupees in '000 |            |           |             |
| Ijarah   | 753,507        | 29,589     | –         | 783,096     |
| Ijarah - islamic long term financing facility                    | 19,727         | –          | –         | 19,727      |
| Murabaha   | 4,061,236      | 58,969     | –         | 4,120,205   |
| Working capital musharaka  | 41,790,198     | –          | –         | 41,790,198  |
| Diminishing musharaka  | 18,051,336     | 493,346    | –         | 18,544,682  |
| Salam  | –              | –          | –         | –           |
| Istisna  | 4,702,421      | 3,617,508  | 720,628   | 9,040,557   |
| Al-bai   | 2,796,402      | –          | 1,800,750 | 4,597,152   |
| Diminishing musharaka:   |                |            |           |             |
| - Islamic long term financing facility                           | 3,895,893      | –          | –         | 3,895,893   |
| - Islamic refinance scheme for payment of wages and salaries     | –              | 93,534     | –         | 93,534      |
| - Islamic financing facility for storage of agricultural produce | 614,449        | –          | –         | 614,449     |
| - Islamic temporary economic refinance facility                  | 12,564,438     | –          | –         | 12,564,438  |
| - Islamic financing facility for renewable energy                | 565,892        | –          | –         | 565,892     |
| Islamic export refinance   |                |            |           |             |
| - Murabaha   | –              | –          | –         | –           |
| - Working capital musharaka                                      | 10,344,359     | –          | –         | 10,344,359  |
| - Salam  | –              | –          | –         | –           |
| - Istisna  | (175,888)      | 5,971,218  | 87,822    | 5,883,152   |
| - Al-bai   | –              | –          | 1,840,566 | 1,840,566   |
| Gross islamic financing and related assets                       | 99,983,970     | 10,264,164 | 4,449,766 | 114,697,900 |
| Provision against non-performing islamic financings              |                |            |           |             |
| - Specific   | (542,991)      | –          | –         | (542,991)   |
| - General  | (12,664)       | –          | –         | (12,664)    |
|  | (555,655)      | –          | –         | (555,655)   |
| Islamic financing and related assets - net of provision          | 99,428,315     | 10,264,164 | 4,449,766 | 114,142,245 |

### 38.3 Deposits

|                  | 31 March 2024 (Un-Audited) |                        |             | 31 December 2023 (Audited) |                        |             |
|------------------|----------------------------|------------------------|-------------|----------------------------|------------------------|-------------|
|                  | Customers                  | Financial Institutions | Total       | Customers                  | Financial Institutions | Total       |
|                  | Rupees in '000             |                        |             |                            |                        |             |
| Current deposits | 83,243,371                 | 73,839                 | 83,317,210  | 58,112,522                 | 61,371                 | 58,173,893  |
| Savings deposits | 63,669,598                 | 969,058                | 64,638,656  | 52,685,225                 | 1,716,548              | 54,401,773  |
| Term deposits    | 37,439,843                 | 135,000                | 37,574,843  | 31,990,623                 | 135,000                | 32,125,623  |
| Others           | 4,843,565                  | –                      | 4,843,565   | 3,204,413                  | –                      | 3,204,413   |
|                  | 189,196,377                | 1,177,897              | 190,374,274 | 145,992,783                | 1,912,919              | 147,905,702 |

|  | 31 March<br>2024<br>(Un-Audited) | 31 December<br>2023<br>(Audited) |
|--|----------------------------------|----------------------------------|
|  | Rupees in '000                   |                                  |
| <b>38.4 Unappropriated profit</b>  |                                  |                                  |
| Opening balance  | 4,720,817                        | 2,604,686                        |
| Add: islamic banking profit for the period                                 | 2,835,647                        | 9,256,503                        |
| Less: taxation   | (1,389,467)                      | (4,535,686)                      |
| Less: transferred to head office   | (4,720,817)                      | (2,604,686)                      |
| Closing balance  | <u>1,446,180</u>                 | <u>4,720,817</u>                 |
| <b>38.5 Contingencies and commitments</b>                                  |                                  |                                  |
| Guarantees   | 13,526,850                       | 13,819,209                       |
| Commitments  | <u>22,424,091</u>                | <u>17,509,845</u>                |
|  | <u>35,950,941</u>                | <u>31,329,054</u>                |
|  | 31 March<br>2024<br>(Un-Audited) | 31 March<br>2023                 |
|  | Rupees in '000                   |                                  |
| <b>38.6 Profit / return earned of financing, investments and placement</b> |                                  |                                  |
| Financing  | 5,002,172                        | 3,120,609                        |
| Investments  | 3,860,883                        | 1,325,068                        |
| Placements   | 10,358                           | 77,846                           |
|  | <u>8,873,413</u>                 | <u>4,523,523</u>                 |
| <b>38.7 Profit / return on deposits and other dues expensed</b>            |                                  |                                  |
| Deposits and other accounts  | 4,132,177                        | 2,264,701                        |
| Due to financial institutions  | 1,200,151                        | 386,993                          |
| Discount expense on lease liability against right-of-use assets            | 63,973                           | 17,320                           |
|  | <u>5,396,301</u>                 | <u>2,669,014</u>                 |

### 39. GENERAL

- 39.1 The figures have been rounded off to nearest thousand rupees, unless otherwise stated.
- 39.2 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. However, no major reclassification have been made, except for the classification for IFRS-9.

### 40. DATE OF AUTHORISATION FOR ISSUE

- 40.1 The Board of Directors in its meeting held on 25 April 2024 has approved an interim cash dividend of Rs. 2.5 per share (2023: Nil).
- 40.2 These consolidated condensed interim financial statements were authorised for issue on 25 April 2024 by the Board of Directors of the Bank.

FUZAIL ABBAS  
Chief Financial Officer

KHURRAM SHAHZAD KHAN  
President &  
Chief Executive Officer

MOHSIN A. NATHANI  
Director

RASHID AHMED JAFER  
Director

MOHAMED ALI R. HABIB  
Chairman

