



FIRST QUARTERLY **REPORT**

MARCH 31, 2025

Vision

To be the leading financial services provider, partnering with our customers for a more prosperous and secure future.

Mission

We are a team of committed professionals, providing innovative and efficient financial solutions to create and nurture long-term relationships with our customers. In doing so, we ensure that our shareholders can invest with confidence in us.

Core Values

The standards and principles which determine our behavior and how we interact with our customers and each other.

Credit Rating
Long-Term AAA (Triple A)
Short –Term A1+ (A one plus)
By PACRA

Corporate Profile

Board of Directors:

Mian Mohammad Mansha Mr. Muhammad Tariq Rafi Mian Umer Mansha Mrs. Iqraa Hassan Mansha Mr. Muhammad Ali Zeb Mr. Mohd Suhail Amar Suresh bin Abdullah Mr. Yahya Saleem Mr. Salman Khalid Butt Mr. Shahzad Hussain Mr. Masood Ahmed Puri Shaikh Muhammad Jawed Mr. Norzulkarnien Bin Nor Mohamad Mr. Muhammad Nauman Chughtai	Chairman Director Director Director Director Director Director Director Director Director Director Director Director President & CEO
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Audit Committee:

Mr. Shahzad Hussain Mian Umer Mansha Mr. Muhammad Ali Zeb Mr. Norzulkarnien Bin Nor Mohamad	Chairman Member Member Member
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Chief Financial Officer:	Mr. Hammad Khalid
Company Secretary:	Mr. Farid Ahmad
Auditors:	M/s. A. F. Ferguson & Co. Chartered Accountants
Legal Advisors:	M/s. Khalid Anwer & Co. Advocates & Legal Consultants
Registered /Principal Office:	MCB House, 15-Main Gulberg, Jail Road, Lahore, Pakistan.
Contact us:	UAN: + 92 42 111 000 622 E-mail: investor.relations@mcb.com.pk Visit us: www.mcb.com.pk
Registrar's and Share Registration Office(s):	Head Office: M/s. THK Associates (Pvt.) Limited Plot No. 32-C, Jami Commercial Street 2, D.H.A., Phase VII, Karachi, Pakistan. Branch Office: M/s. THK Associates (Pvt.) Limited Office No. 309, 3rd Floor, North Tower, LSE Building, 19-Shahrah-e-Aiwan-e-Iqbal, Lahore, Pakistan.



On behalf of the Board of Directors, we are pleased to present the financial statements of MCB Bank Limited (MCB) for the quarter ended March 31, 2025.

Performance Review

On a standalone basis, the profit before and after taxation for the period ended March 31, 2025 together with appropriations is as under:

	Rs. in Million
Profit Before Taxation	29,303
Taxation	15,491
Profit After Taxation	13,812
Un-appropriated Profit Brought Forward	110,426
Surplus realized on disposal of investments in equity instruments through FVOCI - net of tax	439
Transfer in respect of incremental depreciation from surplus on revaluation of property and equipment to un-appropriated profit - net of tax	33
	110,898
Profit Available for Appropriation	124,710
Appropriations:	
Statutory Reserve	(1,382)
Final Cash Dividend at Rs. 9.0 per share - December 2024	(10,666)
Total Appropriations	(12,048)
Un-appropriated Profit Carried Forward	112,662

MCB reported a Profit Before Tax (PBT) of Rs. 29.3 billion and Profit After Tax (PAT) of Rs. 13.8 billion for Q1 2025, translating into Earnings Per Share (EPS) of Rs. 11.65. On a consolidated basis, PBT stood at Rs. 31.6 billion. These results underscore Bank's prudent approach towards balance sheet management, relentless focus on core banking fundamentals, and disciplined risk framework.

The net interest income declined by 7.6% year-on-year on account of narrowing margins in a normalized interest rate environment. However, non-markup income remained resilient at Rs. 9.2 billion, slightly up from Rs. 9.1 billion in the corresponding period last year. Fee and commission income stood at Rs. 5.3 billion, while foreign exchange income and dividend income contributed Rs. 2.2 billion and Rs. 1.7 billion, respectively. The Bank's continued investment in digital channels and process optimization enhanced both customer convenience and operational efficiency.

Operating expenses increased by 22% year-on-year, primarily driven by investments in talent, technology and marketing. However, the cost-to-income ratio remained efficient at 38.23%, reflecting disciplined financial management on Bank's part amidst continued investment in innovation and talent development.

Total assets grew by 17% over December 31, 2024 to reach Rs. 3.2 trillion as at March 31, 2025. This growth was primarily led by a 56% increase in net investments (Rs. 658 billion), while gross advances decreased by 26% (Rs. 284 billion), in line with a measured approach to lending amid evolving macroeconomic dynamics.

The Bank crossed a significant milestone of Rs. 1 trillion in current account deposits, raising the CA ratio to 51% as at March 31, 2025. Deposits reported at Rs. 2.09 trillion, reflecting a 9% increase and strengthening MCB's domestic market share to 6.04% (up from 5.74% as at December 31, 2024). The domestic cost of deposits dropped significantly to 5.51%, compared to 10.70% in Q1 2024, supporting overall margin management.

MCB's return on assets (ROA) and return on equity (ROE) were reported at 1.88% and 24.12%, respectively, while book value per share stood at Rs. 194.82. As a leading player in the remittance segment, MCB recorded USD 1,169



million in home remittance inflows during the quarter, reflecting a 31% year-on-year growth. The Bank continues to support the State Bank of Pakistan's efforts to promote formal remittance channels and financial inclusion.

Asset quality remained strong, with Non-Performing Loans (NPLs) reporting at Rs. 53.5 billion, and coverage and infection ratios at 94.13% and 6.61%, respectively. These metrics reinforce MCB's effective credit risk governance and diversified lending approach.

MCB maintained a robust capital position, with a Capital Adequacy Ratio (CAR) of 19.10%, and a Common Equity Tier-1 (CET1) ratio of 15.32%, significantly above regulatory thresholds. The Leverage Ratio stood at 6.18%, while liquidity indicators remained strong with Liquidity Coverage Ratio (LCR) at 252.37% and Net Stable Funding Ratio (NSFR) at 139.24%, both comfortably above the 100% regulatory requirement.

The Board of Directors has declared first interim cash dividend of Rs. 9.0 per share i.e. 90% for the quarter ended March 31, 2025.

Despite ongoing macroeconomic challenges, MCB Bank remains committed to delivering long-term stakeholder value through sound financial stewardship, customer-centric innovation, and operational excellence.

Ratings

Pakistan Credit Rating Agency re-affirmed credit ratings of MCB at "AAA / A1+" for long term and short term respectively, through its notification dated June 22, 2024.

Economic Review

The first quarter of 2025 witnessed heightened volatility across global markets, shaped by geopolitical risks and trade policy uncertainties. Protectionist measures, particularly the trade tariffs, exacerbated market fragility, while political polarization in key economies further clouded the outlook. An initial rally in equities, fueled by post-U.S. presidential election optimism, proved short-lived as renewed trade tensions triggered a sharp correction.

Commodity markets mirrored this turbulence, with oil prices facing sustained downward pressure due to subdued demand and expanded OPEC+ production. Gold, traditionally a safe-haven asset, gained traction amid periods of heightened market uncertainty.

While geopolitical developments, including potential de-escalation in Eastern Europe, provided intermittent relief, broader concerns over trade fragmentation and its implications for global growth dominated investor sentiment.

Amid this uncertain global backdrop, Pakistan's economy demonstrated notable stability, supported by successful engagement with the IMF and disciplined fiscal management. The IMF and Pakistan reached a Staff-Level Agreement (SLA) following the first review of the Extended Fund Facility (EFF). Additionally, the IMF approved a Resilience and Sustainability Facility (RSF) of USD 1.3 billion for 28 months. Investor confidence strengthened, as evidenced by the bullish performance of the Pakistan Stock Exchange.

Inflationary pressures receded significantly, aided by declining food and energy prices. Inflation in Pakistan fell to a low of 0.7% in March 2025, with an average inflation rate of 5.25% for the fiscal year 2025. Fiscal consolidation measures have yielded positive results, showing improvements in fiscal accounts during the first half of the fiscal year FY2025; the fiscal deficit being recorded at 1.2% of GDP. Similarly, the primary surplus increased to Rs. 3,604 billion (2.9% of GDP). The external account position has strengthened, driven by a continued increase in exports and a notable rise in remittances, despite an upward trend in imports. From July to March FY2025, the current account posted a surplus of USD 1,859 million, compared to a deficit of USD 1,652 million last year.

However, structural challenges persist. Revenue shortfalls remain a concern, progress on state-owned enterprise (SOE) reforms has been sluggish, and circular debt in the energy sector continues to weigh on fiscal sustainability, despite efforts to renegotiate contracts with Independent Power Producers (IPPs). The State Bank of Pakistan's decision to maintain the policy rate at 12% reflects a cautious stance, balancing inflation expectations against growth objectives, with further easing contingent on sustained price stability, particularly in core inflation.

Future Outlook

The risk of a synchronized global downturn has risen materially, with trade policy serving as a critical swing factor. According to the IMF, the U.S. dollar's share of global reserves declined to 58% in 2024, down from over 70% two decades ago, as investors diversified into alternative currencies and safe-haven assets. This shift signals a gradual reconfiguration of the international monetary order, though its implications for trade and capital flows remain uncertain.

Market trajectories in the coming quarters will hinge on the interplay of trade policies among major economies, technological disruption, and divergent monetary policy paths. The potential for slower growth and persistent inflationary pressures continues to drive portfolio repositioning among global investors.

The IMF has revised Pakistan's GDP growth projection downward to 2.6% for fiscal year 2025, down from its previous estimate of 3%, while forecasting 4% growth for fiscal year 2026. The revision reflects weak cotton output and subdued industrial performance. While Pakistan's near-term fundamentals appear stable, realizing durable growth requires addressing persistent vulnerabilities. Prioritizing revenue mobilization, accelerating SOEs privatization, and resolving energy sector inefficiencies would enhance resilience against external shocks. The anticipated moderation in inflation could provide room for further monetary easing, contingent on sustained fiscal discipline. External risks, including commodity price volatility and geopolitical spillovers, warrant vigilant macroeconomic management.

Appreciation and Acknowledgements

The Board of Directors of MCB Bank Limited would like to extend their sincere gratitude towards the Government of Pakistan, the State Bank of Pakistan, the Securities & Exchange Commission of Pakistan and other regulatory bodies for their continued support and guidance, all shareholders and customers of the Bank for their trust, and our employees for their continuous dedication and commitment.

For and on behalf of the Board of Directors,



Muhammad Nauman Chughtai
President & CEO
MCB Bank Limited
April 23, 2025



Mian Umer Mansha
Director
MCB Bank Limited

تاہم، ڈھانچہ جاتی چیلنجز اپنی جگہ موجود ہیں۔ آمدنی میں کمی ایک توجہ طلب مسئلہ ہے۔ حکومتی ملکیتی اداروں کے حوالے سے پیش رفت سست روی کا شکار ہے اور آزاد پاور پروڈیوسرز کے ساتھ معاہدوں پر مذاکرات کی کوششوں کے باوجود گردش قرضے مالی پائیداری پر ایک مسلسل بوجھ کی شکل میں برقرار ہیں۔ اسٹیٹ بینک آف پاکستان کا پالیسی ریٹ کو 12 فیصد کی شرح پر برقرار رکھنے کا فیصلہ ایک محتاط سوچ کی نمائندگی کرتا ہے جو ترقی کے مقاصد کے حصول کی خاطر افراط زر کی توقعات کو متوازن رکھنے کی کوشش ہے اور جس کی بدولت قیمتوں میں پائیدار استحکام کی شکل میں، خاص طور پر خالص افراط زر کے حوالے سے، مزید آسانی کی توقع ہے۔

مستقبل کی پیش بینی

عالمی منڈی کی یکساں تنزلی کے خطرات میں نمایاں طور پر اضافہ ہو رہا ہے جس میں تجارتی پالیسی، تبدیلی کے واضح اور شدید، کردار کی حامل ہے۔ آئی ایم ایف کے مطابق، سرمایہ کاروں نے تنوع اختیار کرتے ہوئے متبادل کرنسیوں اور محفوظ اثاثوں کا رخ کیا ہے جس کی وجہ سے سال 2024ء میں عالمی ذخائر میں امریکی ڈالر کی شمولیت کا حصہ، جو گزشتہ دو دہائیوں میں 70 فیصد سے زیادہ کی شرح پر مشتمل تھا، کم ہوتے ہوئے 58 فیصد پر جا پہنچا۔ یہ تبدیلی بین الاقوامی مالیاتی نظام کی بتدریج تشکیل نو کی جانب اشارہ کرتی ہے۔ اگرچہ، اس کے تجارت اور سرمایہ کاری کے بہاؤ پر اثرات ابھی مبہم ہیں۔

آنے والی سماہوں میں مارکیٹ کے رجحان، بڑی معیشتوں کے مابین تجارتی پالیسیوں کے باہمی تعامل، تکنیکی و ٹیکنالوجیکل دشواریوں اور مختلف مانیٹری پالیسی اقدامات پر منحصر ہیں۔ نمو میں سست روی کے امکانات اور افراط زر کے مسلسل دباؤ عالمی سرمایہ کاروں کو اپنے پورٹ فولیو کی ری پوزیشننگ (تفکیلی نو) پر مائل رکھے ہوئے ہیں

آئی ایم ایف نے پاکستان کی جی ڈی پی کی نمو کو سال 2025ء کے لیے اپنے 3 فیصد کے سابقہ تخمینے میں تخفیف کر کے 2.6 فیصد پر مقرر کیا ہے۔ جبکہ، مالی سال 2026ء کے لیے اس نمو کو 4 فیصد پر تجویز کیا ہے۔ یہ نظر ثانی، کپاس کی کمزور پیداوار اور ناقص صنعتی ترقی کی عکاسی کرتی ہے۔ جبکہ، پاکستان کے قریبی مدت کے بنیادی اشاریے مضبوط نظر آتے ہیں۔ پائیدار نمو کے حصول کے لیے مستقل کمزوریوں اور دشواریوں کو دور کرنے کی ضرورت ہے۔ محصولات کو متحرک کرنے، حکومتی ملکیتی اداروں کی نجکاری اور توانائی کے شعبے میں موجود صلاحیتوں کے فقدان جیسے معاملات کو حل کرنا اپنی ترجیحات میں شامل کرنا ہو گا۔ جس سے بیرونی دباؤ کو برداشت کرنے کی استعداد میں اضافہ ممکن ہو سکے گا۔ افراط زر میں متوقع اعتدال سے مزید مالیاتی آسانی ہو سکتی ہے مگر یہ پائیدار مالی نظم و نسق سے منسلک ہے۔ بیرونی خطرات جن میں اجناس کی قیمتوں میں اتار چڑھاؤ اور جغرافیائی و سیاسی تنازعات کے پھیلاؤ جیسے عوامل شامل ہیں، سے نبرد آزما ہونے کے لیے محتاط اور بھرپور نیکرواکنامک انتظام ایک ناگزیر ضرورت ہے۔

حسین و فکر

ایم سی بی بینک کے بورڈ آف ڈائریکٹرز؛ حکومت پاکستان، اسٹیٹ بینک آف پاکستان، سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور دیگر انضباطی اداروں کا اگلی جاری معاونت کے لیے، بینک کے شیئر ہولڈرز اور صارفین کا اگلے بھرپور اعتماد کے لیے اور اپنے ملازمین کا اگلی مسلسل لگن اور مخلصانہ خدمات پر شکریہ ادا کرتے ہیں۔

منجانب و برائے بورڈ آف ڈائریکٹرز

محمد نعمان چغتائی

پریذیڈنٹ اور سی ای او

ایم سی بی بینک لمیٹڈ

23 اپریل 2025ء

میاں عمر منشا

ڈائریکٹر

ایم سی بی بینک لمیٹڈ

بورڈ آف ڈائریکٹرز کی جانب سے ہم، ایم سی بی بینک لمیٹڈ (ایم سی بی) کے 31 مارچ 2025ء کو اختتام پذیر سرمایہ کے مالیاتی گوشواروں کو آپ کے سامنے پیش کرتے ہوئے نہایت مسرت محسوس کرتے ہیں۔

کارکردگی کا جائزہ

31 مارچ 2025ء کو اختتام پذیر مدت تک کے بینک کے انفرادی منافع قبل و بعد از ٹیکس اور تخصیص، مندرجہ ذیل ہے:

ملین روپے	
29,303	
15,491	
13,812	
110,426	
439	
33	
110,898	
124,710	
(1,382)	
(10,666)	
(12,048)	
112,662	

منافع قبل از ٹیکس

ٹیکس

منافع بعد از ٹیکس

افتتاحی غیر تخصیص شدہ منافع

ایف وی اوی آئی (FVOCI) کے ذریعے ایکویٹی انسٹرومنٹس کی فروخت سے حاصل شدہ سرپلس - خالص از ٹیکس

از سر نو تخمینہ شدہ معین اثاثوں کے سرپلس سے اضافی فرسودگی کی غیر تخصیص شدہ منافع میں منتقلی (خالص از ٹیکس)

تخصیص کیلئے دستیاب منافع

تخصیص:

قانونی ریزرو

حتمی کیش ڈیویڈنڈ 9 روپے فی شیئر - برائے دسمبر 2024ء

کل تخصیص

اختتامی غیر تخصیص شدہ منافع

ایم سی بی نے سال 2025ء کی پہلی سرمایہ میں 29.3 بلین روپے کا منافع قبل از ٹیکس اور 13.8 بلین روپے کا منافع بعد از ٹیکس حاصل کیا۔ جس کی بدولت فی حصص آمدنی 11.65 روپے فی شیئر پر درج ہوئی۔ جبکہ بینک اور اس کے ذیلی اداروں کا مجموعی طور پر منافع قبل از ٹیکس 31.6 بلین روپے رہا۔ یہ مالیاتی نتائج بینک کے بنیادی ضوابط و اصولوں پر ان تھک توجہ اور رسک فریم ورک میں موجود نظم و نسق کو برقرار رکھنے کی دانشمندانہ سوچ اور نقطہ نظر کی نشاندہی کرتے ہیں۔

معمول کی طرف آتے انٹرسٹ ریٹ کے منظر نامے میں، مارجنز میں کمی کی وجہ سے خالص انٹرسٹ آمدنی میں، سال بہ سال کی بنیاد پر، 7.6 فیصد کمی دیکھی گئی۔ تاہم، نان مارک آمدنی گزشتہ تقابلی سال کے 9.1 بلین روپے کے حجم سے معمولی اضافے کے ساتھ 9.2 بلین روپے کی پگھلا سٹ پر رہی۔ فیس و کمیشن کی آمدنی 5.3 بلین روپے پر درج ہوئی جبکہ فارن ایکسچینج آمدنی اور ڈیویڈنڈ آمدنی کی شمولیت بالترتیب 2.2 بلین روپے اور 1.7 بلین روپے پر رہی۔ بینک نے ڈیجیٹل چینلز میں سرمایہ کاری کو جاری رکھا اور اپنے طریقہ کار میں مثبت رجحان میں، صارفین کی سہولت اور کاروباری صلاحیت، دونوں حوالوں سے اضافہ کیا۔

کاروباری اخراجات میں انفرادی صلاحیت، ٹیکنالوجی اور مارکیٹنگ میں سرمایہ کاری کی بنیادی وجہ کی بناء پر 22 فیصد، سال بہ سال کی بنیاد پر، اضافہ دیکھا گیا۔ تاہم، لاگت اور آمدنی کا تناسب 38.23 فیصد کی نمایاں شرح پر برقرار رہا۔ جو کہ جدت طرازی اور ٹیلنٹ ڈیولپمنٹ میں سرمایہ کاری کے ذریعے بینک کے منظم مالیاتی انتظام کی عکاسی کرتا ہے۔

کل اثاثہ جات 31 دسمبر 2024ء کی سطح سے 17 فیصد کے اضافے کے ساتھ 31 مارچ 2025ء تک 3.2 ٹریلین روپے پر جا پہنچے۔ اس نمونہ خالص سرمایہ کاری میں ہونے والے 56 فیصد (658 بلین روپے) کے اضافے کا بنیادی کردار رہا۔ جبکہ کل قرضہ جات میں 26 فیصد (284 بلین روپے) کی کمی واقع ہوئی، جو کہ ارتقاء پذیر ہو کر واکٹا تک اشاریوں کی صورتحال کے مابین، قرض کے اجراء کے لیے مختص سوچ اور نقطہ نظر کی عین مطابقت میں ہے۔

بینک نے 1 ٹریلین روپے کے کرنٹ اکاؤنٹ کے قابل رشک سب مل کو عبور کرتے 31 مارچ 2025ء تک اپنے کرنٹ اکاؤنٹ کی شرح کو 51 فیصد کی سطح پر درج کیا۔ ڈیپازٹس 9 فیصد کے اضافے کے ساتھ 2.09 ٹریلین روپے پر رپورٹ ہوئے اور کل مارکیٹ میں ایم سی بی کی شمولیت کی شرح کو تقویت پہنچاتے ہوئے 6.04 فیصد کی سطح پر لانے کا باعث بنے (31 دسمبر 2024ء تک کی 5.74 فیصد کی سطح سے بڑھوتی)۔ ڈیپازٹس کی لاگت کی شرح 2024ء کی پہلی سرمایہ کی 10.70 فیصد کی سطح سے کم ہوتے ہوئے 5.51 فیصد پر درج ہوئی جو کہ مارجن کے مجموعی انتظام میں معاون ثابت ہوئی۔

ایم سی بی کی اثاثہ جات کی آمدنی اور ایکویٹی کی آمدنی کی شرح بالترتیب 1.88 فیصد اور 24.12 فیصد پر رپورٹ ہوئی۔ جبکہ ولیو فی حصص 194.82 روپے پر درج کی گئی۔ ترسیلات کے شعبے میں ایک سرکردہ حیثیت کا حامل ہونے کی بناء پر، ایم سی بی نے اس سرمایہ کے دوران گھریلو ترسیلات کی مدد میں 1,169 ملین امریکی ڈالرز کے ان فلوڈ (ترسیلات) کو ریکارڈ کیا جو کہ سال بہ سال کی بنیاد پر، 31 فیصد کی نمو کو ظاہر کرتی ہیں۔ بینک، اسٹیٹ بینک آف پاکستان کی جانب سے ترسیلات زر کے لیے باضابطہ ذرائع کا اختیار کرنے اور اگلی مالی شمولیت کے فروغ کے لیے اٹھائے گئے اقدامات اور کوششوں کی حمایت کو جاری رکھے ہوئے ہے۔

اثاثہ جات کے معیار میں استحکام برقرار ہے۔ اس کے ساتھ غیر فعال قرضہ جات 53.5 بلین روپے پر درج ہوئے اور کوریج و انشورنس کی شرحیں بالترتیب 94.13 فیصد اور 6.61 فیصد پر شمار ہوئیں۔ یہ اشاریے، ایم سی بی کی موثر کریڈٹ رسک گورننس اور قرض کی فراہمی میں متنوع سوچ کو مزید مضبوطی فراہم کرتے ہیں۔

ایم سی بی، اپنے سرمایہ کی مضبوط صورتحال کو برقرار رکھے ہوئے ہے۔ جس کے ساتھ سرمایہ کی معقولیت کی شرح 19.10 فیصد اور کامن ایکویٹی ٹیئر 1 (Common Equity Tier) کی شرح 15.32 فیصد پر رپورٹ ہوئی۔ جو کہ، اپنی مطلوبہ ضوابط کی شرح سے نمایاں طور پر بلند ہے۔ لیونج کی شرح 6.18 فیصد پر رپورٹ ہوئی جبکہ لیکویڈیٹی کوریج (Liquidity Coverage) کی 252.37 فیصد کی شرح کے ساتھ سیالیت کی دستیابی کے اشاریوں میں استحکام برقرار رہا اور نیٹ سٹیبل فنڈنگ (Net Stable Funding) کی شرح 139.24 فیصد پر درج ہوئی۔ یہ دونوں شرحیں 100 فیصد کی مطلوبہ ضوابطی حد سے خاصی بلند ہیں۔

بورڈ آف ڈائریکٹرز نے 31 مارچ 2025ء کو اختتام پذیر سرمایہ کی لیے 9 روپے فی حصص یعنی 90 فیصد کے پہلے عبوری کیش ڈیویڈنڈ کا اعلان کیا ہے۔

موجودہ میکر واکٹا تک چیلنجز کے تسلسل کے باوجود، ایم سی بی بینک اپنے مضبوط مالیاتی انتظام، صارفین کی ضروریات پر متمرکز جدت طرازی اور بہترین کاروباری کارکردگی کے ذریعے طویل المدت اسٹیک ہولڈرز ولیو کی فراہمی کے لیے پرعزم ہے۔

ریٹنگز:

پاکرا (PACRA) کے نوٹیفیکیشن بتاریخ 22 جون 2024ء کی بنیاد پر بینک کی، طویل اور قلیل مدت کی کریڈٹ ریٹنگز کو بالترتیب AAA اور + A1 کی سطح پر برقرار رکھا ہے۔

مقامی تجزیہ

سال 2025ء کی پہلی سرمایہ میں جغرافیائی و سیاسی خدشات اور تجارتی پالیسیوں میں غیر یقینی کی صورتحال کے باعث عالمی منڈیوں میں اتار چڑھاؤ میں اضافہ دیکھا گیا۔ تحفظ پسندانہ اقدامات، خاص طور پر تجارتی ٹیئرس (محصولات) کے حوالے سے، نے مارکیٹ کی حساسیت میں مزید اضافہ کیا ہے۔ جبکہ نمایاں معیشتوں میں سیاسی تقلیب (پولرائزیشن) نے پیش بینی کو مزید دھندلا دیا ہے۔ سرمایہ ہونے والی ابتدائی تیزی، جسے امریکی صدارتی انتخابات کے بعد مضبوطی حاصل ہوئی، قلیل مدتی ثابت ہوئی کیونکہ تجارت میں نئے سرے سے ہونے والے تناؤ کی بدولت ان میں اتار ہی تیز سکڑاؤ پیدا ہوا۔

اجناس کی منڈیوں میں بھی اس تبدیلی کے اثرات دیکھے گئے، جس کے ساتھ تیل کی قیمتوں میں طلب کی کمی اور اوپیک ممالک کی جانب سے پیداوار میں اضافے کی بدولت مسلسل غمی داؤ دیکھا گیا۔ سونا، جو کہ روایتی طور پر ایک محفوظ اثاثہ ہے، مارکیٹ کی بڑھتی غیر یقینی کے تناظر میں زیادہ توجہ حاصل کرنے میں کامیاب رہا۔

جبکہ جغرافیائی و سیاسی پیش رفتوں بشمول مشرقی یورپ میں تناؤ میں متوقع کمی بتدریج آسانی اور امید کا باعث تو بنی لیکن تجارتی تقسیم اور عالمی ترقی پر اس کے مضمرات کے بارے میں وسیع تر خدشات کی موجودگی سرمایہ کاروں کے اعتماد اور جذبات پر اثر انداز ہوتی رہی۔

اس غیر یقینی عالمی منظر نامے کے مابین، پاکستان کی معیشت نے آئی ایم ایف سے کامیاب روابط اور منظم مالیاتی انتظام کے تعاون سے قابل ذکر استحکام کا مظاہرہ کیا۔ پاکستان اور آئی ایم ایف ایکسٹنڈڈ فنڈ فیسلیٹی (Extended Fund Facility) کے پہلے جائزے کے بعد ایک اسٹاف لیول ایگریمنٹ پر اتفاق کر چکے ہیں۔ علاوہ ازیں، آئی ایم ایف نے، 28 ماہ پر محیط، ایک ریٹینیئس اینڈ سسٹینا بیلٹی فنڈ (Resilience and Sustainability Fund) کی منظوری بھی دی ہے جس کا حجم 1.3 بلین امریکی ڈالرز ہے۔ سرمایہ کاروں کا اعتماد بحال ہوا ہے جس کا اندازہ پاکستان اسٹاک ایکسچینج کی شاندار کارکردگی سے کیا جاسکتا ہے۔

افراط زر کے دباؤ میں، اشیاء خورد و نوش اور توانائی کی قیمتوں میں گراؤ کی بدولت، خاطر خواہ کمی دیکھی گئی۔ پاکستان میں افراط زر کی شرح مارچ 2025ء میں کم ہوتے ہوئے 0.7 فیصد کی سطح پر آگئی اور اس طرح مالی سال 2025ء میں افراط زر کی اوسط شرح 5.25 فیصد پر شمار ہوئی۔ مالیاتی جامعیت کے اقدامات مثبت نتائج کا باعث بنے، مالی سال 2025ء کی پہلی ششماہ کی مدت میں مالیاتی اکاؤنٹس میں بہتری نظر آئی اور مالی خسارہ جی ڈی پی کی 1.2 فیصد کی شرح پر درج کیا گیا۔ اسی مائٹ میں بنیادی سرپلس بڑھتے ہوئے 3,604 بلین روپے (جی ڈی پی کا 2.9 فیصد) پر جا پہنچا۔ بیرونی اکاؤنٹ کی صورتحال مضبوط ہوئی ہے جس میں درآمدات میں اضافے کے باوجود برآمدات میں جاری اضافے اور ترسیلات زر میں ہونے والی قابل ذکر بڑھوتی کا بنیادی کردار ہے۔ مالی سال 2025ء کے جولائی تا مارچ کے عرصے میں کرنٹ اکاؤنٹ میں گزشتہ سال کے 1,652 ملین امریکی ڈالرز کے خسارے کی نسبت 1,859 ملین امریکی ڈالرز کا سرپلس درج ہوا۔



	Note	Unaudited March 31, 2025	Audited December 31, 2024
-----Rupees in '000-----			
ASSETS			
Cash and balances with treasury banks	7	178,623,700	168,507,615
Balances with other banks	8	34,551,664	27,841,879
Lendings to financial institutions	9	79,863,187	55,655,504
Investments	10	1,825,349,379	1,167,452,611
Advances	11	759,943,231	1,041,626,286
Property and equipment	12	83,456,640	82,694,343
Right-of-use assets	13	5,919,921	6,045,346
Intangible assets	14	1,351,666	1,314,143
Other assets	15	194,078,297	152,201,578
Total Assets		3,163,137,685	2,703,339,305
LIABILITIES			
Bills payable	17	11,287,640	41,827,458
Borrowings	18	600,555,828	268,486,812
Deposits and other accounts	19	2,092,459,460	1,922,211,999
Lease liabilities	20	9,416,106	9,586,216
Subordinated debt		-	-
Deferred tax liabilities	21	19,320,809	16,637,759
Other liabilities	22	155,658,489	174,329,721
Total Liabilities		2,888,698,332	2,433,079,965
NET ASSETS		274,439,353	270,259,340
REPRESENTED BY			
Share capital		11,850,600	11,850,600
Reserves	23	106,356,503	104,929,819
Surplus on revaluation of assets	24	43,570,157	43,053,137
Unappropriated profit		112,662,093	110,425,784
		274,439,353	270,259,340
CONTINGENCIES AND COMMITMENTS	25		

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



		Three Months Ended	
	Note	January 01 to March 31, 2025	January 01 to March 31, 2024
		-----Rupees in '000-----	
Mark-up / return / interest earned	27	69,839,610	89,009,290
Mark-up / return / interest expensed	28	34,655,511	50,937,794
Net mark-up / interest income		35,184,099	38,071,496
NON MARK-UP / INTEREST INCOME			
Fee and commission income	29	5,271,365	6,086,353
Dividend income		1,716,678	1,003,781
Foreign exchange income		2,242,062	1,934,095
Income from derivatives		880	397
Gain on securities - net	30	(186,399)	(522)
Net gains / (loss) on derecognition of financial assets measured at amortised cost		-	-
Other income	31	162,914	99,669
Total non-markup / interest Income		9,207,500	9,123,773
Total income		44,391,599	47,195,269
NON MARK-UP / INTEREST EXPENSES			
Operating expenses	32	16,970,126	13,920,740
Workers Welfare Fund		586,054	650,833
Other charges	33	70,153	150,894
Total non-markup / interest expenses		17,626,333	14,722,467
Profit before credit loss allowance		26,765,266	32,472,802
Credit loss allowance and write offs - net	34	(2,537,412)	(68,831)
PROFIT BEFORE TAXATION		29,302,678	32,541,633
Taxation	35	15,490,807	15,986,315
PROFIT AFTER TAXATION		13,811,871	16,555,318
		-----Rupees -----	
Basic and diluted earnings per share	36	11.65	13.97

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

Unconsolidated Condensed Interim Statement of Comprehensive Income (Un-audited)
For the Three Months Period Ended March 31, 2025



Profit after taxation for the period

Other comprehensive income

Items that may be reclassified to profit and loss account in subsequent periods:

Effect of translation of net investment in foreign branches

Movement in surplus / (deficit) on revaluation of debt investments through FVOCI - net of tax

Items that will not be reclassified to profit and loss account in subsequent periods:

Movement in surplus / (deficit) on revaluation of equity investments through FVOCI - net of tax

Total comprehensive income

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

Three Months Ended	
January 01 to March 31, 2025	January 01 to March 31, 2024
-----Rupees in '000-----	
13,811,871	16,555,318
45,497	204,132
(1,042,328)	(580,243)
(996,831)	(376,111)
2,030,513	95,532
2,030,513	95,532
14,845,553	16,274,739

Unconsolidated Condensed Interim Statement of Changes In Equity (Un-audited)
For the Three Months Period Ended March 31, 2025



Share capital	Capital reserve		Statutory reserve	Revenue reserve	Surplus/deficit on revaluation of		Unappropriated profit	Total
	Share premium	Non-distributable capital reserve			Investments	Property and equipment / non-building assets		
11,850,600	23,751,114	905,317	8,953,375	18,600,000	(11,938,715)	36,031,912	96,009,536	200,706,869
-	-	-	-	-	(5,119,464)	-	789,307	(4,330,157)
11,850,600	23,751,114	905,317	8,953,375	18,600,000	(17,058,179)	36,031,912	96,808,843	206,366,692
-	-	-	-	-	-	-	16,555,318	16,555,318
-	-	-	204,132	-	-	-	-	204,132
-	-	-	-	-	58,532	-	-	58,532
-	-	-	-	-	(580,243)	-	-	(580,243)
-	-	-	204,132	-	(484,111)	-	-	(280,979)
-	-	-	-	-	-	-	(1,655,532)	-
-	-	-	-	-	-	-	3,732	-
-	-	-	-	-	-	-	3,747	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	(10,665,540)	(10,665,540)
11,850,600	23,751,114	905,317	8,789,507	18,600,000	(17,580,337)	35,984,180	101,482,248	201,956,811
-	-	-	-	-	-	-	41,059,192	41,059,192
-	-	-	-	-	-	-	-	-
-	-	-	240,700	-	-	(212,382)	-	28,318
-	-	-	-	-	-	(20,063)	-	(20,063)
-	-	-	-	-	-	2,423,108	-	2,423,108
-	-	-	-	-	9,454,405	-	-	9,454,405
-	-	-	-	-	17,315,109	-	-	17,315,109
-	-	-	-	-	-	(232,445)	-	(232,445)
-	-	-	-	-	-	-	(4,115,919)	-
-	-	-	-	-	-	-	107,936	-
-	-	-	-	-	-	(1,755,556)	-	-
-	-	-	-	-	-	(13,222)	-	-
-	-	-	-	-	-	(20,061)	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	(10,665,540)	(10,665,540)
-	-	-	-	-	-	-	(10,665,540)	(10,665,540)
-	-	-	-	-	-	-	(31,986,520)	(31,986,520)
11,850,600	23,751,114	905,317	9,000,207	18,600,000	7,432,621	35,620,516	110,425,784	270,259,340
-	-	-	-	-	-	-	1,381,871	1,381,871
-	-	-	45,497	-	-	-	-	45,497
-	-	-	-	-	2,030,513	-	-	2,030,513
-	-	-	-	-	(1,042,328)	-	-	(1,042,328)
-	-	-	45,497	-	988,185	-	-	1,033,682
-	-	-	-	-	-	-	(1,381,187)	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	(32,627)	-
-	-	-	-	-	-	-	498,538	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	(10,665,540)	(10,665,540)
11,850,600	23,751,114	905,317	9,075,704	18,600,000	7,962,258	35,367,889	112,852,033	274,139,353

Balance as at December 31, 2023 (Audited)
Impact of adoption of IFRS 9
Opening balance as at January 01, 2024
Profit after taxation for the period ended March 31, 2024
Other comprehensive income - net of tax
Effect of translation of net investment in foreign branches
Movement in surplus / (deficit) on revaluation of equity investments through FVOCI - net of tax
Movement in surplus / (deficit) on revaluation of debt investments through FVOCI - net of tax
Transfer to statutory reserve
Transfer in respect of incremental depreciation from surplus on revaluation of property and equipment to unappropriated profit - net of tax
Surplus realized on disposal of investments in equity instruments through FVOCI - net of tax
Surplus realized on disposal of investments in equity instruments through FVOCI - net of tax
Remeasurement gain on defined benefit obligations - net of tax
Movement in surplus / (deficit) on revaluation of equity investments through FVOCI - net of tax
Movement in surplus / (deficit) on revaluation of debt investments through FVOCI - net of tax
Transfer to statutory reserve
Transfer in respect of incremental depreciation from surplus on revaluation of property and equipment to unappropriated profit - net of tax
Surplus realized on disposal of investments in equity instruments through FVOCI - net of tax
Surplus realized on disposal of investments in equity instruments through FVOCI - net of tax
Surplus realized on disposal of non-banking assets - net of tax
Transactions with owners, recorded directly in equity
Interim cash dividend at Rs. 9.0 per share - March 31, 2024
Interim cash dividend at Rs. 9.0 per share - June 30, 2024
Interim cash dividend at Rs. 9.0 per share - September 30, 2024
Balance as at December 31, 2024 (Audited)
Profit after taxation for the period ended March 31, 2025
Other comprehensive income - net of tax
Effect of translation of net investment in foreign branches
Movement in surplus / (deficit) on revaluation of equity investments through FVOCI - net of tax
Movement in surplus / (deficit) on revaluation of debt investments through FVOCI - net of tax
Transfer to statutory reserve
Transfer in respect of incremental depreciation from surplus on revaluation of property and equipment to unappropriated profit - net of tax
Surplus realized on disposal of investments in equity instruments through FVOCI - net of tax
Surplus realized on disposal of investments in equity instruments through FVOCI - net of tax
Remeasurement gain on defined benefit obligations - net of tax
Movement in surplus / (deficit) on revaluation of equity investments through FVOCI - net of tax
Movement in surplus / (deficit) on revaluation of debt investments through FVOCI - net of tax
Transactions with owners, recorded directly in equity
Interim cash dividend at Rs. 9.0 per share - December 31, 2024
Balance as at March 31, 2025 (Un-audited)
For details of dividend declaration and appropriations, please refer note 41 to these unconsolidated condensed interim financial statements.
For details of reserves, please refer note 23 to these unconsolidated condensed interim financial statements.
The annexed notes 1 to 43 form an integral part of these unconsolidated condensed interim financial statements.

Hammad Khalid
Chief Financial Officer

Muhammad Nauman Chughtai
President / CEO

Mian Umer Mansha
Director

Shahzad Hussain
Director

Muhammad Ali Zeb
Director

Hammad Khalid
Chief Financial Officer

Muhammad Nauman Chughtai
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Director

Muhammad Ali Zeb
Director

Unconsolidated Condensed Interim Cash Flow Statement (Un-audited)
For the Three Months Period Ended March 31, 2025



CASH FLOW FROM OPERATING ACTIVITIES

Note	Three Months Ended	
	January 01 to March 31, 2025	January 01 to March 31, 2024
-----Rupees in '000-----		
Profit before taxation	29,302,678	32,541,633
Less: Dividend income	(1,716,678)	(1,003,781)
	27,586,000	31,537,852
Adjustments:		
Net mark-up / interest income	(35,184,099)	(38,071,496)
Depreciation on property and equipment	32 1,052,931	824,593
Depreciation on right-of-use assets	32 329,150	316,344
Depreciation on non-banking assets acquired in satisfaction of claims	32 4,111	4,669
Amortization	32 145,856	129,046
Credit loss allowance and write offs - net	34 (2,537,412)	(68,831)
Gain on sale of property and equipment - net	31 (94,363)	(48,398)
Finance charges on lease liability against right-of-use assets	28 315,234	281,269
Workers Welfare Fund	586,054	650,833
Charge for defined benefit plans - net	(254,560)	(103,383)
Gain on termination of lease liability against right-of-use assets	31 (20,491)	(15,999)
Unrealized gain on revaluation of investments classified as FVTPL	30 (210,224)	(6,139)
	(35,867,813)	(36,107,492)
	(8,281,813)	(4,569,640)
Decrease / (increase) in operating assets		
Lendings to financial institutions	(24,210,587)	46,155,843
Securities classified as FVTPL	870,738	14,778
Advances	284,515,982	(24,917,926)
Others assets (excluding advance taxation)	(26,939,611)	65,573,645
	234,236,522	86,826,340
Increase / (decrease) in operating liabilities		
Bills Payable	(30,539,818)	(13,680,198)
Borrowings from financial institutions	335,998,967	(63,480,391)
Deposits	170,247,461	45,942,866
Other liabilities (excluding current taxation)	2,080,941	(3,920,089)
	477,787,551	(35,137,812)
Mark-up / Interest received	55,848,077	85,095,535
Mark-up / Interest paid	(50,898,219)	(35,139,467)
Defined benefits paid	(71,875)	(67,436)
Income tax paid	(19,565,030)	(22,797,625)
Net cash flow from operating activities	689,055,213	74,209,895
CASH FLOW FROM INVESTING ACTIVITIES		
Net investment in securities classified as FVOCI	(656,468,988)	(38,388,650)
Net investment in securities classified as amortized cost	(16,874)	(766,193)
Dividends received	1,359,983	863,987
Investments in property and equipment	(1,834,291)	(2,103,431)
Disposal of property and equipment	114,109	63,103
Investments in Intangible assets	(183,411)	(646,128)
Investment in subsidiary	-	(1,000,000)
Effect of translation of net investment in foreign branches	45,497	204,132
Net cash flow used in investing activities	(656,983,975)	(41,773,180)
CASH FLOW FROM FINANCING ACTIVITIES		
Payment of lease liability against right-of-use-assets	(667,791)	(557,514)
Dividend paid	(10,562,881)	(9,177,277)
Net cash flow used in financing activities	(11,230,672)	(9,734,791)
Effects of credit loss allowance changes on cash and cash equivalents	(84,746)	75,655
Increase in cash and cash equivalents	20,755,820	22,777,579
Cash and cash equivalents at beginning of the period	192,170,855	205,182,283
Effects of exchange rate changes on cash and cash equivalents	438,342	(487,304)
Opening expected credit loss allowance on cash and cash equivalents	(562,567)	(518,896)
	192,046,630	204,176,083
	212,802,450	226,953,662

Cash and cash equivalents at end of the period

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

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Chief Financial Officer

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President / CEO

Mian Umer Mansha
Director

Shahzad Hussain
Director

Muhammad Ali Zeb
Director

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited)
For the Three Months Period Ended March 31, 2025



1. STATUS AND NATURE OF BUSINESS

MCB Bank Limited (the 'Bank') is a banking company incorporated in Pakistan and is engaged in commercial banking and related services. The Bank's ordinary shares are listed on the Pakistan stock exchange. The Bank's Registered Office and Principal Office are situated at MCB - 15 Main Gulberg, Lahore. The Bank operates 1,395 branches (2024: 1,394 branches) within Pakistan and 9 branches (2024: 9 branches) outside Pakistan (including the Karachi Export Processing Zone branch).

2. BASIS OF PREPARATION

2.1 These unconsolidated condensed interim financial statements represent separate financial statements of MCB Bank Limited. The consolidated condensed interim financial statements of the Group are being issued separately.

2.2 In accordance with the directives of the Federal Government regarding the shifting of the banking system to Islamic modes, the State Bank of Pakistan has issued various circulars from time to time. Permissible forms of trade-related modes of financing include purchase of goods by banks from their customers and immediate resale to them at appropriate profit in price on deferred payment basis. The purchases and sales arising under these arrangements are not reflected in these unconsolidated condensed interim financial statements as such but are restricted to the amount of facility actually utilized and the appropriate portion of profit thereon.

2.3 The unconsolidated condensed interim financial statements are presented in Pak Rupees, which is the Bank's functional and presentation currency of its primary economic environment. The amounts are rounded off to the nearest thousand.

2.4 These unconsolidated condensed interim financial statements have been prepared under the historical cost convention except that certain classes of property and equipment and non-banking assets acquired in satisfaction of claims are stated at revalued amounts; investments classified at fair value through profit and loss and fair value through other comprehensive income; foreign exchange contracts and derivative financial instruments are measured at fair value; defined benefit obligations are carried at present value; right of use of asset and related lease liability are measured at present value on initial recognition; and staff loans and subsidised loans disbursed under Temporary Economic Refinance Facility (TERF) are measured at fair value on initial recognition.

2.5 The Bank believes that there is no significant doubt on the Bank's ability to continue as a going concern. Therefore, the unconsolidated condensed interim financial statements have been prepared on a going concern basis.

3. STATEMENT OF COMPLIANCE

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

- International Accounting Standard 34 "Interim Financial Reporting" and 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).

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 IAS 34, IFRS or IFAS, the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 and the said directives, shall prevail.

3.2 The State Bank of Pakistan has deferred the applicability of International Accounting Standards 40, 'Investment Property' for Banking Companies through BSD Circular No. 10 dated August 26, 2002. The Securities and Exchange Commission of Pakistan (SECP) has deferred applicability of IFRS 7 "Financial Instruments: Disclosures" on banks through S.R.O 411(1) /2008 dated April 28, 2008. Accordingly, the requirements of these standards have not been considered in the preparation of these unconsolidated financial statements.

3.3 IFRS 10 "Consolidated Financial Statements" was made applicable from period beginning on or after January 01, 2015 vide S.R.O 633(I)/2014 dated July 10, 2014 by SECP. However, SECP has directed through S.R.O 56(I) / 2016 dated January 28, 2016, that the requirements of consolidation under section 237 of the repealed Companies Ordinance 1984 (Section 228 of Companies Act 2017) and IFRS 10 "Consolidated Financial Statements" is not applicable in case of investment by companies in mutual funds established under Trust structure.

3.4 The disclosures made in these unconsolidated condensed interim financial statements have been limited based on a format prescribed by the SBP vide BPRD Circular No. 02 of 2023 dated February 09, 2023 and IAS 34, Interim Financial Reporting. These unconsolidated condensed interim financial statements do not include all the information and disclosures required in the audited annual financial statements, and should be read in conjunction with the audited annual unconsolidated financial statements for the financial year ended December 31, 2024.

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited)
For the Three Months Period Ended March 31, 2025



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

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Bank's accounting periods beginning on or after January 1, 2025 but are considered not to be relevant or do not have any material effect on the Bank's operations and therefore are not detailed in these unconsolidated condensed interim financial statements.

3.6 Standards, interpretations of and amendments to approved accounting standards that are not yet effective

The following new standard and amendments to existing accounting standards will be effective from the dates mentioned below against the respective standard or amendment:

Effective date (annual periods
beginning on or after)

Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments	January 1, 2026
IFRS 18 – Presentation and Disclosure in Financial Statements	January 1, 2027

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

4. MATERIAL ACCOUNTING POLICIES

The material accounting policies and methods of computation adopted in the preparation of these unconsolidated condensed interim financial statements are consistent with those applied in the preparation of the audited annual unconsolidated financial statements of the Bank for the year ended December 31, 2024 except for change mentioned below.

The Bank has measured unquoted equity securities at fair value, in accordance with SBP's BPRD Circular Letter No. 16 dated July 29, 2024. Previously, these securities were measured at the lower of cost or break-up value until December 31, 2024, as permitted by the SBP.

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

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

6. FINANCIAL RISK MANAGEMENT

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

	Unaudited March 31, 2025	Audited December 31, 2024
	-----Rupees in '000-----	

7. CASH AND BALANCES WITH TREASURY BANKS

In hand		
Local currency	49,505,867	36,773,730
Foreign currencies	8,716,876	5,702,061
	58,222,743	42,475,791
With State Bank of Pakistan in		
Local currency current account	78,301,620	88,510,145
Foreign currency current accounts	5,512,923	4,996,806
Foreign currency deposit account	8,176,604	8,178,869
	91,991,147	101,685,820
With other central banks in		
Foreign currency current accounts	13,104,642	20,199,247
With National Bank of Pakistan in		
Local currency current accounts	15,757,710	4,559,842
Prize bonds	121,597	139,503
Less: Credit loss allowance held against cash and balances with treasury banks	(574,139)	(552,588)
Cash and balances with treasury banks - net of credit loss allowance	178,623,700	168,507,615

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited)
For the Three Months Period Ended March 31, 2025



Note	Unaudited March 31, 2025	Audited December 31, 2024
	-----Rupees in '000-----	
8. BALANCES WITH OTHER BANKS		
Inside Pakistan		
In current account	16,846	11,688
Outside Pakistan		
In current accounts	18,169,239	4,688,039
In deposit accounts	16,438,789	23,152,131
	34,608,028	27,840,170
Less: Credit loss allowance held against balances with other banks	(73,210)	(9,979)
Balances with other banks - net of credit loss allowance	34,551,664	27,841,879
9. LENDINGS TO FINANCIAL INSTITUTIONS		
Call / clean money lendings	61,939,983	55,655,526
Repurchase agreement lendings (Reverse Repo)	17,926,130	-
	79,866,113	55,655,526
Less: Credit loss allowance held against lending to financial institutions	(2,926)	(22)
Lending to financial institutions - net of credit loss allowance	79,863,187	55,655,504

		Unaudited March 31, 2025		Audited December 31, 2024	
		Lending	Credit loss allowance held	Lending	Credit loss allowance held
		-----Rupees in '000-----			
9.1 Particulars of credit loss allowance					
Domestic					
Performing	Stage 1	26,620,968	(2,926)	200,000	(22)
Under performing	Stage 2	-	-	-	-
Non-performing	Stage 3	-	-	-	-
Substandard		-	-	-	-
Doubtful		-	-	-	-
Loss		-	-	-	-
		-	-	-	-
Total		26,620,968	(2,926)	200,000	(22)
Overseas					
Performing	Stage 1	52,783,546	-	55,360,426	-
Under performing	Stage 2	461,599	-	95,100	-
Non-performing	Stage 3	-	-	-	-
Substandard		-	-	-	-
Doubtful		-	-	-	-
Loss		-	-	-	-
		-	-	-	-
Total		53,245,145	-	55,455,526	-

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited)
For the Three Months Period Ended March 31, 2025



10. INVESTMENTS

10.1 Investments by type:

Unaudited March 31, 2025

Cost / Amortised cost	Credit loss allowance	Surplus / (Deficit)	Carrying Value
-----Rupees in '000-----			
1,256,482	-	-	1,256,482
9,838,181	-	(8,324)	9,829,857
2,183,054	-	218,548	2,401,602
13,277,717	-	210,224	13,487,941
1,659,981,502	(436,312)	1,680,302	1,661,225,492
41,694,014	-	14,940,168	56,634,182
61,724,137	-	9,254	61,733,391
1,763,399,653	(436,312)	16,629,724	1,779,593,065
12,975,343	(215,771)	-	12,759,572
118	(118)	-	-
1,319,396	(479,233)	-	840,163
14,294,857	(695,122)	-	13,599,735
700,401	-	-	700,401
17,968,237	-	-	17,968,237
1,809,640,885	(1,131,434)	16,839,948	1,825,349,379

Audited December 31, 2024

Cost / Amortised cost	Credit loss allowance	Surplus / (Deficit)	Carrying Value
-----Rupees in '000-----			
2,621,794	-	-	2,621,794
9,838,181	-	(31,052)	9,807,129
1,470,023	-	249,509	1,719,532
13,929,998	-	218,457	14,148,455
1,010,039,782	(425,777)	3,822,524	1,013,436,529
37,871,512	-	11,623,556	49,495,068
58,082,509	-	38,551	58,121,060
1,105,993,803	(425,777)	15,484,631	1,121,052,657
12,917,566	(215,096)	-	12,702,470
118	(118)	-	-
1,360,360	(479,969)	-	880,391
14,278,044	(695,183)	-	13,582,861
700,401	-	-	700,401
17,968,237	-	-	17,968,237
1,152,870,483	(1,120,960)	15,703,088	1,167,452,611

10.1.1 Investments given as collateral

- Market Treasury Bills
- Pakistan Investment Bonds

10.2 Credit loss allowance for diminution in value of investments

Unaudited March 31, 2025	Audited December 31, 2024
-----Rupees in '000-----	
17,553,906	18,468,908
501,853,300	160,686,611
519,407,206	179,155,519
1,120,960	11,179,534
-	(10,026,787)
-	4,304
3,736	(7,972)
7,474	305
(736)	(28,424)
6,738	(28,119)
-	-
1,131,434	1,120,960

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited)
For the Three Months Period Ended March 31, 2025



Unaudited March 31, 2025		Audited December 31, 2024	
Outstanding amount	Credit loss allowance held	Outstanding amount	Credit loss allowance held
-----Rupees in '000-----			

10.3 Particulars of credit loss allowance against debt securities

Domestic					
Performing	Stage 1	1,668,629,769	4,609	1,020,131,094	4,609
Under performing	Stage 2	862,745	-	1,850,070	-
Non-performing	Stage 3	-	-	-	-
Substandard		-	-	-	-
Doubtful		-	-	-	-
Loss		474,742	474,742	475,478	475,478
		474,742	474,742	475,478	475,478
		1,669,967,256	479,351	1,022,456,642	480,087
Overseas					
Performing	Stage 1	68,084,548	-	63,417,054	-
Under performing	Stage 2	9,043,355	652,083	8,986,614	640,873
Non-performing	Stage 3	-	-	-	-
		77,127,903	652,083	72,403,668	640,873
Total		1,747,095,159	1,131,434	1,094,860,310	1,120,960

10.4 Summarized financial information of associates and subsidiaries

Unaudited March 31, 2025							
	Country of incorporation	% of interest held	Revenue	Profit / (loss) after tax	Total comprehensive income / (loss)	Assets	Liabilities
----- Rupees in '000 -----							
Associates							
Euronet Pakistan (Private) Limited (unaudited based on March 31, 2025)	Pakistan	30.00%	435,890	(16,146)	(16,146)	2,624,797	2,286,286
Adamjee Insurance Company Limited (audited based on December 31, 2024)	Pakistan	20.00%	57,231,074	4,952,686	11,918,145	221,286,434	45,602,859
Subsidiaries							
MCB Islamic Bank Limited (unaudited based on March 31, 2025)	Pakistan	100.00%	7,955,993	613,504	(841,294)	308,311,711	282,593,495
MCB Investment Management Limited (unaudited based on March 31, 2025)	Pakistan	81.42%	3,523,693	1,370,818	1,370,818	4,433,411	1,540,581
MCB Non-Bank Credit Organization Closed Joint Stock Company (unaudited based on March 31, 2025)	Azerbaijan	99.94%	252,007	8,166	8,166	5,795,415	4,358,726
MCB Exchange Company (Private) Limited (unaudited based on March 31, 2025)	Pakistan	100.00%	18,107	(6,527)	(6,527)	1,108,498	71,729
Audited December 31, 2024							
	Country of incorporation	% of interest held	Revenue	Profit / (loss) after tax	Total comprehensive income / (loss)	Assets	Liabilities
----- Rupees in '000 -----							
Associates							
Euronet Pakistan (Private) Limited (unaudited based on December 31, 2024)	Pakistan	30.00%	1,910,127	321,344	334,085	2,279,467	1,925,074
Adamjee Insurance Company Limited (unaudited based on September 30, 2024)	Pakistan	20.00%	38,034,803	3,559,856	7,154,122	207,980,763	170,141,927
Subsidiaries							
MCB Islamic Bank Limited (audited based on December 31, 2024)	Pakistan	100.00%	45,874,654	4,238,672	4,820,477	307,343,628	281,397,622
MCB Investment Management Limited (audited based on June 30, 2024)	Pakistan	81.42%	1,841,338	861,302	861,302	3,267,731	1,313,719
MCB Non-Bank Credit Organization Closed Joint Stock Company (audited based on December 31, 2024)	Azerbaijan	99.94%	845,219	273,005	273,005	5,580,419	4,160,146
MCB Exchange Company (Private) Limited (audited based on December 31, 2024)	Pakistan	100.00%	19,300	11,025	11,025	1,113,739	68,032

11. ADVANCES

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited)
For the Three Months Period Ended March 31, 2025



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11.1 Particulars of advances (gross)

In local currency
In foreign currencies

11.2 Advances include Rs. 53,536,621 million (2024: Rs. 53,551,218 million) which have been placed under Stage 3 status as detailed below:

Category of Classification

Category of Classification	Note	Unaudited March 31, 2025		Audited December 31, 2024	
		Non Performing Loans	Credit loss allowance	Non Performing Loans	Credit loss allowance
		-----Rupees in '000-----			
Domestic					
Other Assets Especially Mentioned (OAEI)					
Substandard	11.2.1	1,355,050	646,249	1,431,702	687,259
Doubtful		400,662	231,886	510,274	286,404
Loss		623,306	320,022	2,279,272	1,147,921
		36,932,975	35,526,029	35,068,633	34,211,855
Overseas		39,311,993	36,724,186	39,289,881	36,333,439
Upto 90 Days		-	-	-	-
91 to 180 days		395,305	219,867	461,349	220,855
180 to 365 days		328,051	164,025	429,388	214,694
> 365 days		13,501,272	4,743,445	13,370,600	4,723,032
		14,224,628	5,127,337	14,261,337	5,158,581
Total		53,536,621	41,851,523	53,551,218	41,492,020

11.2.1 This includes non-performing portfolio of agricultural, small enterprise and Infrastructure Project Financing classified as "Other Assets Especially Mentioned" as per the requirements of respective Prudential Regulations issued by the State Bank of Pakistan.

11.3 Particulars of credit loss allowance against advances

	Unaudited March 31, 2025			Audited December 31, 2024		
	Expected Credit Loss		Total	Expected Credit Loss		Total
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
-----Rupees in '000-----						
Opening balance	2,400,994	845,982	41,492,020	8,456,884	-	53,195,880
Impact of ECL on adoption of IFRS 9	-	-	-	-	-	-
Exchange adjustments	(1,123)	-	32,084	-	898,536	1,592,047
Charge for the period / year	691,459	114,610	1,500,675	1,115,853	563,635	4,238,357
Reversals	(555,803)	(530,909)	(1,117,031)	(636,108)	(616,189)	(3,954,485)
Amounts written off	135,656	(416,299)	383,644	479,745	(52,554)	283,872
Amounts charged off	-	-	(56,225)	-	-	(1,120,526)
Closing balance	2,535,527	429,683	41,851,523	2,400,994	845,982	41,492,020

11.3.1 An analysis of changes in credit loss allowance in relation to loans & advances of the Bank is as follows:

	Unaudited March 31, 2025			Audited December 31, 2024		
	Expected Credit Loss		Total	Expected Credit Loss		Total
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
-----Rupees in '000-----						
Opening balance	2,400,994	845,982	41,492,020	8,456,884	-	53,195,880
Impact of ECL on adoption of IFRS 9	-	-	-	-	-	-
Opening balance post IFRS 9	2,400,994	845,982	41,492,020	1,856,822	898,536	1,592,047
Exchange adjustments	(1,123)	-	32,084	1,856,822	898,536	43,528,177
New Advances	116,265	27,781	2,256	64,427	-	(8,568)
Advances derecognized or repaid	(30,896)	(10,996)	(99,348)	304,693	217,927	92,724
Transfer to stage 1	470,762	(469,273)	(1,489)	(122,979)	(115,448)	(959,238)
Transfer to stage 2	(3,292)	36,902	(33,610)	312,041	(306,889)	(5,152)
Transfer to stage 3	(2,278)	(14,956)	17,234	(28,325)	117,148	(88,823)
Amounts written off	550,561	(430,542)	(114,957)	(11,396)	(54,411)	65,807
Amounts charged off	-	-	(56,225)	454,034	(141,673)	(894,682)
Changes in risk parameters	(414,905)	14,243	498,601	-	-	(1,120,526)
Closing balance	2,535,527	429,683	41,851,523	2,400,994	845,982	41,492,020



Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited)
For the Three Months Period Ended March 31, 2025

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited)
For the Three Months Period Ended March 31, 2025



		Unaudited March 31, 2025		Audited December 31, 2024	
		Outstanding amount	Credit loss allowance Held	Outstanding amount	Credit loss allowance Held
		-----Rupees in '000-----			
11.3.2 Category of Classification	Domestic				
	Performing	697,361,934	2,415,137	973,808,984	2,150,169
	Under performing	19,398,323	322,358	21,563,674	433,719
	Non-performing				
	Other Assets Especially Mentioned				
	Substandard	1,355,050	646,249	1,431,702	687,259
	Doubtful	400,662	231,886	510,274	286,404
	Loss	623,306	320,022	2,279,272	1,147,921
		36,932,975	35,526,029	35,068,633	34,211,855
	General Provision	39,311,993	36,724,186	39,289,881	36,333,439
	Overseas				
	Performing	-	5,206,041	-	8,232,386
	Under performing	756,072,250	44,667,722	1,034,662,539	47,149,713
	Non-performing				
	Substandard	35,086,549	120,390	35,183,207	250,825
	Doubtful	4,953,398	107,325	10,715,083	412,263
	Loss				
		395,305	219,867	461,349	220,855
		328,051	164,025	429,388	214,694
	General Provision	13,501,272	4,743,445	13,370,600	4,723,032
Total		14,224,628	5,127,337	14,261,337	5,158,581
		-	370,820	-	224,498
		54,264,575	5,725,872	60,159,627	6,046,167
		810,336,825	50,393,594	1,094,822,166	53,195,880

11.3.3 State Bank of Pakistan vide BSD Circular No. 2 dated January 27, 2009, BSD Circular No. 10 dated October 20, 2009, BSD Circular No. 1 of 2011 dated October 21, 2011 has allowed benefit of Forced Sale Value (FSV) of Plant & Machinery under charge, pledged stock and mortgaged residential, commercial & industrial properties (land and building only) held as collateral against Non Performing Loans (NPLs) for five years from the date of classification. However, management has not taken the FSV benefit in calculation of specific provision.

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited)
For the Three Months Period Ended March 31, 2025



		Note	Unaudited March 31, 2025	Audited December 31, 2024
			-----Rupees in '000-----	
12.	PROPERTY AND EQUIPMENT			
	Capital work-in-progress	12.1	3,989,788	4,300,760
	Property and equipment		79,466,852	78,393,583
			83,456,640	82,694,343
12.1	Capital work-in-progress			
	Civil works		3,329,133	2,558,070
	Equipment		100,957	56,108
	Advances to suppliers		557,153	1,685,317
	Others		2,545	1,265
			3,989,788	4,300,760
			Unaudited Three Months Period ended March 31, 2025	Unaudited Three Months Period ended March 31, 2024
			-----Rupees in '000-----	
12.2	Additions to property and equipment			
	The following additions have been made to property and equipment during the period:			
	Capital work-in-progress - net additions		-	1,222,434
	Property and equipment			
	Building on freehold land		134,739	24,870
	Building on leasehold land		710	2,185
	Freehold land		800,598	-
	Electrical office and computer equipment		475,942	551,639
	Furniture and fixture		62,874	97,225
	Leasehold Improvements		248,446	53,890
	Vehicles		421,954	151,188
			2,145,263	880,997
			2,145,263	2,103,431
12.3	Disposal of property and equipment			
	The net book value of property and equipment disposed off during the period is as follows:			
	Vehicles		18,107	12,456
	Furniture and fixture		450	430
	Electrical office and computer equipment		1,189	1,819
			19,746	14,705
		Note	Unaudited March 31, 2025	Audited December 31, 2024
			-----Rupees in '000-----	
13.	RIGHT-OF-USE ASSETS			
	Right-of-use assets	13.1	5,919,921	6,045,346
13.1	At January 01,			
	Cost		12,441,274	11,457,135
	Accumulated depreciation		(6,395,928)	(5,579,270)
	Net carrying amount at January 01,		6,045,346	5,877,865
	Additions / adjustments during the period / year		225,960	1,952,331
	Deletions during the period / year		(24,567)	(101,228)
	Exchange adjustments		2,332	11,644
	Depreciation charge for the period / year		(329,150)	(1,695,266)
	Closing net carrying amount		5,919,921	6,045,346

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited)
For the Three Months Period Ended March 31, 2025



Note	Unaudited March 31, 2025	Audited December 31, 2024
-----Rupees in '000-----		
14. INTANGIBLE ASSETS		
Computer software	840,695	918,862
Capital work-in-progress	510,971	395,281
	<u>1,351,666</u>	<u>1,314,143</u>
	Unaudited Three Months Period ended March 31, 2025	Unaudited Three Months Period ended March 31, 2024
-----Rupees in '000-----		
14.1 Additions to intangible assets		
The following additions have been made to intangible assets during the period:		
Computer software	67,721	646,128
Capital work-in-progress - net additions	115,690	-
	<u>183,411</u>	<u>646,128</u>
	Unaudited March 31, 2025	Audited December 31, 2024
-----Rupees in '000-----		
15. OTHER ASSETS		
Income / mark-up accrued in local currency	66,767,963	53,058,018
Income / mark-up accrued in foreign currencies	1,185,696	904,108
Advances, deposits, advance rent and other prepayments	11,594,666	9,440,982
Non-banking assets acquired in satisfaction of claims	1,376,726	1,380,837
Compensation for delayed income tax refunds	133,809	133,809
Branch adjustment account	276,986	-
Mark to market gain on forward foreign exchange contracts	928,164	1,588,049
Mark to market gain on forward contracts of government securities	-	2,096,975
Unrealized gain on derivative financial instruments	259,851	157,610
Acceptances	34,591,387	34,343,175
Receivable from the pension fund	13,733,419	13,336,849
Clearing and settlement accounts	52,567,359	25,743,659
Deferred cost on staff loans	6,696,317	6,112,869
Claims receivable against fraud and forgeries	603,710	598,183
Others	6,470,279	6,356,054
	<u>197,186,332</u>	<u>155,251,177</u>
Less: Credit loss allowance held against other assets	3,669,176	3,610,740
Other Assets net of credit loss allowance	<u>193,517,156</u>	<u>151,640,437</u>
Surplus on revaluation of non-banking assets acquired in satisfaction of claims	561,141	561,141
Other Assets - total	<u>194,078,297</u>	<u>152,201,578</u>
15.1 Credit loss allowance held against other assets		
Non banking assets acquired in satisfaction of claims	40,091	40,091
Claims receivable against fraud and forgeries	603,710	598,183
Mark-up accrued	144,522	99,361
Others	2,880,853	2,873,105
	<u>3,669,176</u>	<u>3,610,740</u>

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited)
For the Three Months Period Ended March 31, 2025



	Unaudited March 31, 2025	Audited December 31, 2024
-----Rupees in '000-----		
15.1.1 Movement in credit loss allowance held against other assets		
Opening balance	3,610,740	3,370,145
Impact of ECL on adoption of IFRS 9	-	123,113
Charge for the period / year	51,437	193,068
Reversals	(1,091)	(58,447)
	<u>50,346</u>	<u>134,621</u>
Amounts written off	-	(521)
Exchange and other adjustments	8,090	(16,618)
Closing balance	<u>3,669,176</u>	<u>3,610,740</u>
16. CONTINGENT ASSETS		
There were no contingent assets of the Bank as at March 31, 2025 (2024: Nil).		
17. BILLS PAYABLE		
In Pakistan	11,259,651	41,801,315
Outside Pakistan	27,989	26,143
	<u>11,287,640</u>	<u>41,827,458</u>
18. BORROWINGS		
Secured		
Borrowings from State Bank of Pakistan		
Under export refinance scheme	37,771,663	40,524,304
Under long term financing facility	14,717,283	15,598,591
Under renewable energy performance platform	2,025,533	2,121,916
Under temporary economic refinance facility	25,457,730	25,839,999
Under financing facility for storage of agricultural produce	168,690	176,755
Under Refinance and Credit Guarantee Scheme for Women Entrepreneurs	4,328	4,567
	<u>80,145,227</u>	<u>84,266,132</u>
Repurchase agreement borrowings	519,591,631	179,227,580
Total secured	<u>599,736,858</u>	<u>263,493,712</u>
Unsecured		
Call borrowings	283,770	527,950
Overdrawn nostro accounts	372,914	4,302,864
Others	162,286	162,286
Total unsecured	<u>818,970</u>	<u>4,993,100</u>
	<u>600,555,828</u>	<u>268,486,812</u>



Customers

	Unaudited March 31, 2025		Audited December 31, 2024	
	In Local Currency	In Foreign currencies	Total	In Foreign currencies
Current deposits	806,017,734	186,084,527	992,102,261	196,127,089
Savings deposits	889,077,100	33,606,307	922,683,407	35,204,745
Term deposits	52,358,740	19,951,345	72,310,085	18,399,616
Others	40,844,735	4,514,116	45,358,851	4,216,067
	1,788,298,309	244,156,295	2,032,454,604	253,947,517

Financial Institutions

Current deposits	25,648,869	3,774,630	29,421,499	3,400,370
Savings deposits	20,064,514	1,242,896	21,307,410	730,511
Term deposits	416,968	8,773,322	9,190,290	8,412,163
Others	-	85,657	85,657	85,250
	46,128,351	13,876,505	60,004,856	12,828,294
	1,834,426,660	258,032,800	2,092,459,460	266,575,811

20. LEASE LIABILITIES

Lease Liabilities

	Note	Unaudited March 31, 2025	Audited December 31, 2024
		-----Rupees in '000-----	
	20.1	9,416,106	9,586,216

20.1 At January 01,

Additions / adjustments during the period / year
Lease payments including interest
Finance charges
Deletions during the period / year
Exchange adjustments
Closing Balance

20.2 Liabilities Outstanding

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

	Unaudited March 31, 2025		Audited December 31, 2024	
	Buildings	Others	Total	Buildings
	-----Rupees in '000-----			Others
	9,586,216	-	9,586,216	8,686,003
	225,960	-	225,960	1,952,331
	(667,791)	-	(667,791)	(2,452,883)
	315,234	-	315,234	1,567,504
	(45,058)	-	(45,058)	(179,938)
	1,545	-	1,545	13,199
	9,416,106	-	9,416,106	9,586,216
	1,126,833	-	1,126,833	1,138,973
	4,117,045	-	4,117,045	4,186,092
	4,172,228	-	4,172,228	4,261,151
	9,416,106	-	9,416,106	9,586,216



21. DEFERRED TAX LIABILITIES - NET

Taxable Temporary Differences on

- Surplus on revaluation of property and equipment
- Surplus on revaluation of non-banking assets
- Accelerated tax depreciation
- Receivable from pension fund
- Surplus / (deficit) on revaluation of investments
- Business combination

Deductible Temporary Differences on

- Credit loss allowance against financial assets

22. OTHER LIABILITIES

- Mark-up / return / interest payable in local currency
- Mark-up / return / interest payable in foreign currencies
- Unearned commission and income on bills discounted
- Accrued expenses
- Current taxation (provisions less payments)
- Workers Welfare Fund
- Acceptances
- Unclaimed / dividends payable
- Mark to market loss on forward foreign exchange contracts
- Unrealised loss on derivative financial instruments
- Branch adjustment account
- Provision for employees' compensated absences
- Provision for post retirement medical benefits
- Provision for employees' contributory benevolent scheme
- Insurance payable against consumer assets
- Unclaimed balances
- Duties and taxes payable
- Credit loss allowance against off-balance sheet obligations
- Security deposits against lease
- Clearing and settlement accounts
- Others

22.1 Supreme Court of Pakistan vide its order dated November 10, 2016 has held that the amendments made in the law introduced by the Federal Government for the levy of Workers Welfare Fund 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 judgment may not currently be treated as conclusive. Accordingly, the Bank maintained its provision in respect of WWF.

Unaudited March 31, 2025 Audited December 31, 2024
-----Rupees in '000-----

3,645,890	3,681,236
291,793	291,793
4,035,573	4,115,762
7,141,377	6,935,161
8,647,456	8,052,010
705,218	705,218
24,467,307	23,781,180
(5,146,498)	(7,143,421)
19,320,809	16,637,759

Note Unaudited March 31, 2025 Audited December 31, 2024
-----Rupees in '000-----

21,251,490	37,547,920
566,358	512,636
2,964,195	2,630,291
6,996,719	9,300,306
6,879,007	12,546,312
16,765,039	16,178,985
34,591,387	34,343,175
2,849,083	2,746,424
445,322	912,461
259,851	157,610
-	129,455
1,269,773	1,249,500
2,221,101	2,169,019
140,328	142,549
29,789	30,428
418,659	395,575
3,086,705	2,712,028
1,609,677	1,459,096
3,530,939	3,075,992
41,841,410	38,081,228
7,941,657	8,008,731
155,658,489	174,329,721

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited)
For the Three Months Period Ended March 31, 2025



22.2 An analysis of changes in credit loss allowance against off-balance sheet obligations is as follows:

	Unaudited March 31, 2025	Audited December 31, 2024
-----Rupees in '000-----		
Opening balance	1,459,096	78,807
Impact of ECL on adoption of IFRS 9	-	1,595,511
Exchange adjustment	(200)	1,606
Charge for the period / year	405,501	286,777
Reversals	(254,720)	(503,605)
	150,781	(216,828)
Amount written off	-	-
Closing balance	1,609,677	1,459,096

23. RESERVES

	Note	Unaudited March 31, 2025	Audited December 31, 2024
-----Rupees in '000-----			
Share premium		23,751,114	23,751,114
Non - distributable capital reserve - gain on bargain purchase option	23.1	908,317	908,317
Exchange translation reserve		9,075,704	9,030,207
Statutory reserve	23.2	54,021,368	52,640,181
General reserve		18,600,000	18,600,000
		106,356,503	104,929,819

23.1 Under IFRS 3 a bargain purchase represents an economic gain which should be immediately recognized by the acquirer as income. However, the amount of bargain purchase gain has not been taken to the profit and loss account as the SBP, through its letter BPRD(R&PD)/2017/14330 dated June 13, 2017 recommended that the amount of gain may be routed directly into equity as a Non-distributable Capital Reserve (NCR). The NCR may become available for distribution through a stock dividend only with prior approval of the SBP. The Bank, before distribution of the gain as a stock dividend, may adjust any subsequent provisions / deficit, assessed by the Bank or recommended by the Banking Inspection Department of SBP, in the acquired assets and liabilities of NIB Bank Limited against the NCR.

23.2 Statutory reserve represents amount set aside as per the requirements of section 21 of the Banking Companies Ordinance, 1962.

24. SURPLUS ON REVALUATION OF ASSETS

	Note	Unaudited March 31, 2025	Audited December 31, 2024
-----Rupees in '000-----			
Surplus / (deficit) on revaluation of			
- Securities measured at FVOCI - Debt securities	10.1	1,689,556	3,861,075
- Securities measured at FVOCI - Equity securities	10.1	14,940,168	11,623,556
- Property and equipment		38,964,431	39,032,404
- Non-banking assets acquired in satisfaction of claims	15	561,141	561,141
		56,155,296	55,078,176
Deferred tax on (surplus) / deficit on revaluation of:			
- Securities measured at FVOCI - Debt securities	21	(878,569)	(2,007,760)
- Securities measured at FVOCI - Equity securities	21	(7,768,887)	(6,044,250)
- Property and equipment	21	(3,645,890)	(3,681,236)
- Non-banking assets acquired in satisfaction of claims	21	(291,793)	(291,793)
		(12,585,139)	(12,025,039)
		43,570,157	43,053,137

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited)
For the Three Months Period Ended March 31, 2025



25. CONTINGENCIES AND COMMITMENTS

	Note	Unaudited March 31, 2025	Audited December 31, 2024
-----Rupees in '000-----			
-Guarantees	25.1	265,054,316	245,965,320
-Commitments	25.2	610,901,400	735,379,420
-Other contingent liabilities	25.3	26,547,563	28,432,693
		902,503,279	1,009,777,433
25.1 Guarantees:			
Financial guarantees		174,617,670	151,784,648
Performance guarantees		88,691,163	91,752,480
Other guarantees		1,745,483	2,428,192
		265,054,316	245,965,320
25.2 Commitments:			
Documentary credits and short-term trade-related transactions			
- letters of credit		284,605,943	261,162,111
Commitments in respect of:			
- forward foreign exchange contracts	25.2.1	138,674,045	157,415,286
- forward government securities transactions	25.2.2	169,180,050	301,115,690
- derivatives	25.2.3	16,319,774	12,927,274
Commitments for acquisition of:			
- property and equipment		1,661,164	2,164,870
- intangible assets		460,424	594,189
		610,901,400	735,379,420
25.2.1 Commitments in respect of forward foreign exchange contracts			
Purchase		56,853,286	71,498,197
Sale		81,820,759	85,917,089
		138,674,045	157,415,286
25.2.2 Commitments in respect of forward government securities transactions			
Purchase		134,818,525	301,115,690
Sale		34,361,525	-
		169,180,050	301,115,690
25.2.3 Commitments in respect of derivatives			
FX options			
Purchase		8,159,887	6,463,637
Sale		8,159,887	6,463,637
		16,319,774	12,927,274
		16,319,774	12,927,274

25.2.4 The Bank makes commitments to extend credit in the normal course of its business but these being revocable commitments do not attract any significant penalty or expense if the facility is unilaterally withdrawn.



	Note	Unaudited March 31, 2025	Audited December 31, 2024
		-----Rupees in '000-----	
25.3 Other contingent liabilities			
Claims against the Bank not acknowledged as debts	25.3.1	26,547,563	28,432,693
25.3.1	These mainly represent counter claims by borrowers for damages and other claims relating to banking transactions. Based on legal advice and / or internal assessments, management is confident that the matters will be decided in the Bank's favour and the possibility of any adverse outcome is remote. Accordingly, no provision has been made in these unconsolidated condensed interim financial statements.		
25.4 Taxation			
For assessment year 1999-2000 through tax year 2024, the tax department disputed Bank's treatment on certain issues, where the Bank's appeals are pending at various appellate forums, entailing an additional tax liability of Rs. 2,632.390 million (2024: Rs. 2,632.390 million). Such issues inter alia principally include disallowance of expenses for non deduction of withholding tax and non availability of underlying records, provision for non performing loans, attribution of expenses to heads of income other than income from business and disallowance of credit for taxes paid in advance / deducted at source.			
The Bank has filed appeals which are pending at various appellate forums. In addition, certain decisions made in favour of the Bank are being contested by the department at higher forums. No provision has been made in these unconsolidated condensed interim financial statements regarding the aforesaid additional tax demand and already issued favourable decisions where the department is in appeal, as the management is of the view that the issues will be decided in the Bank's favour as and when these are taken up by the Appellate Authorities.			
25.5 Amortization of goodwill and other intangibles amounting to Rs 28.08 billion of Ex. NIB			
Issue of goodwill and other related assets amortization for few years has been assessed in Bank's favour at appellate forums, however, the tax department has filed appeal against these decisions. The management has not recorded any tax benefit because the issue has not attained finality.			

26. DERIVATIVE INSTRUMENTS

	Unaudited March 31, 2025					
	Cross Currency Swaps		Interest Rate Swaps		FX Options	
	Notional Principal	Mark to market gain / loss	Notional Principal	Mark to market gain / loss	Notional Principal	Mark to market gain / loss
	-----Rupees in '000-----					
Total						
Hedging	-	-	-	-	8,159,887	259,851
Market Making	-	-	-	-	8,159,887	(259,851)
	-----Rupees in '000-----					
	Audited December 31, 2024					
	-----Rupees in '000-----					
Total						
Hedging	-	-	-	-	6,463,637	157,610
Market Making	-	-	-	-	6,463,637	(157,610)



	Note	Unaudited Three Months Period ended March 31, 2025	Unaudited Three Months Period ended March 31, 2024
		-----Rupees in '000-----	
27. MARK-UP / RETURN / INTEREST EARNED			
Loans and advances		23,752,679	26,334,971
Investments		44,732,799	59,844,508
Lendings to financial institutions		1,017,552	2,280,415
Balances with banks		336,580	549,396
		69,839,610	89,009,290
27.1	Interest income recognised on:		
	Financial assets measured at amortised cost	25,385,033	29,867,010
	Financial assets measured at FVOCI	43,150,267	59,100,172
	Financial assets measured at FVTPL	1,304,310	42,108
		69,839,610	89,009,290
28. MARK-UP / RETURN / INTEREST EXPENSED			
Deposits		25,535,082	45,049,271
Borrowings		8,769,921	4,809,681
Cost of foreign currency swaps against foreign currency deposits / borrowings		35,274	797,573
Finance charges on lease liability against right-of-use assets		315,234	281,269
		34,655,511	50,937,794
29. FEE & COMMISSION INCOME			
Branch banking customer fees		1,142,016	985,425
Consumer finance related fees		183,570	172,259
Card related fees (debit and credit cards)		2,188,109	1,851,672
Credit related fees		262,777	350,940
Investment banking fee		24,687	3,450
Commission on trade		747,409	977,484
Commission on guarantees		230,860	548,244
Commission on cash management		275,929	245,040
Commission on remittances including home remittances		(336,639)	528,388
Commission on bancassurance		194,489	171,609
Rent on lockers		70,289	61,434
Commission on utility bills		23,963	24,445
Commission on investments services		212,918	119,287
Others		50,988	46,676
		5,271,365	6,086,353
30. GAIN / (LOSS) ON SECURITIES			
Realised	30.1	(396,623)	(6,661)
Unrealised - Measured at FVTPL	10.1	210,224	6,139
		(186,399)	(522)
30.1	Realised gain / (loss) on:		
	Federal Government Securities	(278,782)	16,951
	Non Government Debt Securities	31,053	58
	Shares	(148,894)	(23,670)
		(396,623)	(6,661)
30.2	Realised gain / (loss) on:		
	Financial assets measured at FVTPL		
	Designated upon initial recognition	(438,790)	(5,509)
	Mandatorily measured at FVPL	-	-
		(438,790)	(5,509)
	Financial assets measured at FVOCI	42,167	(1,152)
		42,167	(1,152)
		(396,623)	(6,661)

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited)
For the Three Months Period Ended March 31, 2025



	Unaudited Three Months Period ended March 31, 2025	Unaudited Three Months Period ended March 31, 2024
-----Rupees in '000-----		
31. OTHER INCOME		
Rent on property	48,060	35,272
Gain on termination of lease liability against right of use assets	20,491	15,999
Gain on sale of property and equipment - net	94,363	48,398
	<u>162,914</u>	<u>99,669</u>
32. OPERATING EXPENSES		
Total compensation expense	7,395,670	6,371,598
Property expense		
Rent and taxes	143,517	76,699
Insurance	7,042	6,549
Utilities cost	605,286	554,421
Fuel expense generators	194,021	252,655
Security (including guards)	591,124	518,908
Repair and maintenance (including janitorial charges)	333,011	288,244
Depreciation on right-of-use assets	329,150	316,344
Depreciation	298,648	245,905
	<u>2,501,799</u>	<u>2,259,725</u>
Information technology expenses		
Software maintenance	565,900	415,640
Hardware maintenance	90,789	79,295
Depreciation	379,949	261,231
Amortization	145,856	129,046
Network charges	164,875	158,668
Insurance	2,968	1,725
	<u>1,350,337</u>	<u>1,045,605</u>
Other operating expenses		
Directors' fees and allowances	14,560	8,460
Legal and professional charges	139,609	120,672
Outsourced services costs	294,807	251,799
Travelling and conveyance	143,100	143,844
NIFT clearing charges	68,110	51,726
Depreciation	374,334	317,457
Depreciation on non-banking assets acquired in satisfaction of claims	4,111	4,669
Training and development	14,503	19,142
Postage and courier charges	83,016	67,340
Communication	644,332	402,953
Stationery and printing	290,358	299,837
Marketing, advertisement & publicity	1,006,581	320,866
Donations	-	10,000
Auditors' remuneration	23,137	20,996
Cash transportation charges	330,064	308,283
Repair and maintenance	199,223	169,698
Subscription	24,178	10,956
Entertainment	131,463	106,318
Remittance charges	72,296	52,943
Brokerage expenses	12,924	12,164
Card related expenses	947,397	750,184
CNIC verification charges	76,954	97,567
Insurance	641,735	575,109
Others	185,528	120,829
	<u>5,722,320</u>	<u>4,243,812</u>
	<u>16,970,126</u>	<u>13,920,740</u>

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited)
For the Three Months Period Ended March 31, 2025



	Note	Unaudited Three Months Period ended March 31, 2025	Unaudited Three Months Period ended March 31, 2024
-----Rupees in '000-----			
33. OTHER CHARGES			
Penalties of State Bank of Pakistan		2,975	59,815
VAT & National Building tax & Crop Insurance Levy		39,978	67,279
Education cess		27,200	23,800
		<u>70,153</u>	<u>150,894</u>
34. CREDIT LOSS ALLOWANCE AND WRITE OFFS - NET			
Credit loss allowance against balance with other banks		63,195	(75,655)
Credit loss allowance against cash and balances with treasury banks		21,551	-
Credit loss allowance for diminution in value of investments	10.2	6,738	10,187
(Reversal) / credit loss allowance against loans and advances	11.3	(2,777,022)	697,431
Credit loss allowance / (reversal) against lendings to financial institutions		2,904	(120,981)
Credit loss allowance / (reversal) against off balance sheet items		150,781	(512,265)
Credit loss allowance / (reversal) against other assets	15.1.1	50,346	(22,267)
Recovery of written off / charged off bad debts		(55,905)	(45,281)
		<u>(2,537,412)</u>	<u>(68,831)</u>
35. TAXATION			
Current		13,403,203	16,103,334
Prior years		-	-
Deferred		2,087,604	(117,019)
		<u>15,490,807</u>	<u>15,986,315</u>
36. BASIC AND DILUTED EARNINGS PER SHARE			
-----Rupees in '000-----			
Profit after tax		<u>13,811,871</u>	<u>16,555,318</u>
-----Number-----			
Weighted average number of ordinary shares		<u>1,185,060,006</u>	<u>1,185,060,006</u>
-----Rupees-----			
Basic and diluted earnings per share		<u>11.65</u>	<u>13.97</u>

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited)
For the Three Months Period Ended March 31, 2025



37. FAIR VALUE MEASUREMENTS

The fair value of quoted securities other than those classified as amortised cost, is based on quoted market price. Quoted debt securities classified as amortised cost are carried at cost. Fair value of unquoted equity investments, other than investments in associates and subsidiaries, is determined on the basis of discounted cashflow method.

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 absence of current and active market for such assets and liabilities and reliable data regarding market rates for similar instruments.

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

37.1 Fair value of financial assets

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

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

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurements using input for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

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

Item	Valuation approach and input used
Federal Government securities	The fair values of Treasury Bills and fixed rate Pakistan Investments Bonds are determined using the PKRV rates while floating rate Pakistan Investments Bonds are revalued using PKFRV rates. The fair values of foreign currency denominated GoP Eurobonds are determined on the basis of rates taken from Bloomberg.
Term Finance and Bonds	Investments in debt securities (comprising term finance certificates, sukuks, bonds and any other security issued by a company or a body corporate for the purpose of raising funds in the form of redeemable capital) are valued on the basis of the rates announced by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by the Securities and Exchange Commission of Pakistan.
Foreign Government Debt Securities	The fair values of Foreign Government debt securities are determined on the basis of rates taken from Bloomberg.
Foreign exchange contracts	The valuation has been determined by interpolating the mark-to-market currency rates announced by the State Bank of Pakistan.
Derivatives	The fair values of derivatives which are not quoted in active markets are determined by using valuation techniques. The valuation techniques take into account the relevant underlying parameters including foreign currency involved, interest rates, yield curves, volatilities, contracts duration etc.
Unquoted equity investments	The value of unquoted equity investments are determined on the basis of discounted cashflow method by using certain key assumptions regarding future business projection of these entities considering economic and market conditions.
Mutual Funds	Units of mutual funds are valued using the Net Asset Value (NAV) announced by the Mutual Funds Association of Pakistan (MUFAP).
Property and equipment (land and building) & Non-banking assets acquired in satisfaction of claims	Land, buildings and non-banking assets acquired in satisfaction of claims are revalued on a periodic basis using professional valuers. The valuation is based on their assessment of the market value of the assets.

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

(a) Financial instruments in level 1

Financial instruments included in level 1 comprise of investments in listed ordinary shares.

(b) Financial instruments in level 2

Financial instruments included in level 2 comprise of Sukuk Bonds, Pakistan Investment Bonds, Market Treasury Bills, Mutual Fund units, Term Finance certificates, FX options, Cross Currency Swaps, Interest Rate Swaps and Forward Exchange Contracts.

(c) Financial instruments in level 3

Financial instruments included in level 3 comprise of investments in unquoted equity investments.

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited)
For the Three Months Period Ended March 31, 2025



The table below analyses the financial and non-financial assets carried at fair values, by valuation methods. For financial assets, the Bank essentially carries its investments in debt and equity securities at fair values. Valuation of investments is carried out as per guidelines specified by the SBP. In case of non-financial assets, the Bank has adopted revaluation model (as per IAS 16) in respect of property and equipment (land and building) & non-banking assets acquired in satisfaction of claims.

Unaudited March 31, 2025					
	Carrying / Notional Value	Level 1	Level 2	Level 3	Total
	-----Rupees in '000-----				
On balance sheet financial instruments					
Financial assets - measured at fair value					
Investments					
Federal Government Securities	1,662,481,974	-	1,662,481,974	-	1,662,481,974
Shares and units	59,035,784	53,100,035	200,473	5,735,276	59,035,784
Non-Government Debt Securities	9,829,857	-	9,829,857	-	9,829,857
Foreign Securities	61,733,391	-	61,733,391	-	61,733,391
Financial assets - disclosed but not measured at fair value					
Investments (amortized cost, subsidiaries and associates)	32,268,373	-	-	-	-
Non - Financial Assets measured at fair value					
Property and equipment (land and buildings)	65,621,520	-	65,621,520	-	65,621,520
Non-banking assets	1,897,776	-	1,897,776	-	1,897,776
Off-balance sheet financial instruments - measured at fair value					
Forward purchase of foreign exchange	56,853,286	-	187,902	-	187,902
Forward sale of foreign exchange	81,820,759	-	670,744	-	670,744
Derivatives purchase	8,159,887	-	259,851	-	259,851
Derivatives sale	8,159,887	-	259,851	-	259,851
Audited December 31, 2024					
	Carrying / Notional Value	Level 1	Level 2	Level 3	Total
	-----Rupees in '000-----				
On balance sheet financial instruments					
Financial assets - measured at fair value					
Investments					
Federal Government Securities	1,016,058,323	-	1,016,058,323	-	1,016,058,323
Shares and units	49,810,066	49,708,452	101,614	-	49,810,066
Non-Government Debt Securities	9,807,129	-	9,807,129	-	9,807,129
Foreign Securities	58,121,060	-	58,121,060	-	58,121,060
Financial assets - disclosed but not measured at fair value					
Investments (HTM, unlisted ordinary shares, subsidiaries and associates)	33,656,033	-	-	-	-
Non - Financial Assets measured at fair value					
Property and equipment (land and buildings)	64,861,626	-	64,861,626	-	64,861,626
Non-banking assets	1,901,887	-	1,901,887	-	1,901,887
Off-balance sheet financial instruments - measured at fair value					
Forward purchase of foreign exchange	71,498,197	-	726,974	-	726,974
Forward sale of foreign exchange	85,917,089	-	1,402,562	-	1,402,562
Forward purchase of government securities	301,115,690	-	2,096,975	-	2,096,975
Derivatives purchase	6,463,637	-	157,610	-	157,610
Derivatives sale	6,463,637	-	157,610	-	157,610

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

Unaudited Three Months Period ended March 31, 2025

	Retail Banking	Consumer banking	Corporate Banking	Treasury	International Banking	Others	Sub-total	Eliminations	Total
Rupees in '000									
Profit & Loss									
Net mark-up/return/profit	(21,100,827)	1,649,423	16,089,153	36,648,082	1,898,268	-	35,184,099	-	35,184,099
Inter segment revenue - net	44,632,663	(935,307)	(13,736,574)	(32,643,910)	(88,652)	2,771,780	-	-	-
Non mark-up / return / interest income	3,889,010	814,504	1,749,478	2,251,727	649,697	(146,916)	9,207,500	-	9,207,500
Total Income	27,420,846	1,528,620	4,102,057	6,255,889	2,459,313	2,624,864	44,391,599	-	44,391,599
Segment direct expenses	11,084,870	693,869	1,136,881	266,543	834,783	3,609,397	17,626,333	-	17,626,333
Inter segment expense allocation	-	-	-	-	-	-	-	-	-
Total expenses	11,084,870	693,869	1,136,881	266,543	834,783	3,609,397	17,626,333	-	17,626,333
Credit loss allowance and write offs - net	1,144,146	51,180	(119,532)	(192,027)	(84,396)	(3,336,783)	(2,537,412)	-	(2,537,412)
Profit before tax	15,191,830	783,581	3,084,708	6,181,383	1,708,926	2,362,250	29,302,678	-	29,302,678

Statement of Financial Position

Unaudited March 31, 2025

Cash & Bank balances	73,092,018	219,567	432,548	109,035,908	30,395,303	-	213,175,364	-	213,175,364
Investments	-	-	10,631,082	1,738,140,313	76,245,159	332,825	1,825,349,379	-	1,825,349,379
Net inter segment lending	1,623,825,109	-	-	-	-	297,245,198	1,921,070,307	(1,921,070,307)	-
Lendings to financial institutions	-	-	-	26,618,042	53,245,145	-	79,863,187	-	79,863,187
Advances - performing / underperforming	56,901,991	38,784,659	618,336,112	-	39,812,232	(5,576,861)	748,258,133	-	748,258,133
- non performing	246,474	107,111	1,303,413	-	9,097,291	930,809	11,685,098	-	11,685,098
Others	60,703,847	3,712,840	54,672,325	53,423,730	2,831,467	109,462,315	284,806,524	-	284,806,524
Total Assets	1,814,769,439	42,824,197	685,375,480	1,927,217,993	211,626,597	402,394,286	5,084,207,992	(1,921,070,307)	3,163,137,685
Borrowings	4,350,589	40,567	75,916,356	518,101,924	2,146,392	-	600,555,828	-	600,555,828
Deposits & other accounts	1,791,292,020	-	125,535,644	-	175,620,688	11,128	2,092,459,460	-	2,092,459,460
Net inter segment borrowing	-	35,993,928	447,947,736	1,407,662,525	29,466,118	-	1,921,070,307	(1,921,070,307)	-
Others	19,126,830	6,789,702	35,975,744	1,453,544	4,393,419	127,943,805	195,683,044	-	195,683,044
Total liabilities	1,814,769,439	42,824,197	685,375,480	1,927,217,993	211,626,597	127,954,933	4,809,768,639	(1,921,070,307)	2,888,698,332
Equity	-	-	-	-	-	274,439,353	274,439,353	-	274,439,353
Total Equity & liabilities	1,814,769,439	42,824,197	685,375,480	1,927,217,993	211,626,597	402,394,286	5,084,207,992	(1,921,070,307)	3,163,137,685
Contingencies & Commitments	78,038,951	-	456,871,681	324,173,869	14,641,354	28,777,423	902,503,279	-	902,503,279



Unaudited Three Months Period ended March 31, 2024

	Retail Banking	Consumer banking	Corporate Banking	Treasury	International Banking	Others	Sub-total	Eliminations	Total
Rupees in '000									
Profit & Loss									
Net mark-up/return/profit	(36,248,148)	923,407	14,792,226	56,516,928	2,087,083	-	38,071,496	-	38,071,496
Inter segment revenue - net	69,270,480	(236,494)	(12,142,884)	(62,453,377)	(102,963)	5,665,238	-	-	-
Non mark-up / return / interest income	3,572,373	687,940	2,563,667	2,112,082	503,141	(295,440)	9,123,773	-	9,123,773
Total Income	36,594,705	1,354,853	5,213,009	(3,824,357)	2,487,261	5,369,798	47,195,269	-	47,195,269
Segment direct expenses	9,675,920	657,051	539,983	228,618	719,210	2,901,685	14,722,467	-	14,722,467
Inter segment expense allocation	-	-	-	-	-	-	-	-	-
Total expenses	9,675,920	657,051	539,983	228,618	719,210	2,901,685	14,722,467	-	14,722,467
Credit loss allowance and write offs - net	804,040	18,573	331,855	(142,496)	(798)	(1,080,005)	(68,831)	-	(68,831)
Profit before tax	26,114,745	679,229	4,341,171	(3,910,479)	1,766,849	3,548,118	32,541,633	-	32,541,633

Statement of Financial Position

Audited December 31, 2024

Cash & Bank balances	46,364,878	112,551	201,339	104,117,273	45,563,659	(10,206)	196,349,494	-	196,349,494
Investments	-	-	10,671,310	1,084,998,962	71,479,188	303,171	1,167,452,611	-	1,167,452,611
Net inter segment lending	1,540,925,947	-	-	-	-	306,652,585	1,847,578,532	(1,847,578,532)	-
Lendings to financial institutions	-	-	-	199,978	55,455,526	-	55,655,504	-	55,655,504
Advances - performing / underperforming	61,051,389	36,075,897	895,659,616	-	45,235,202	(8,455,016)	1,029,567,088	-	1,029,567,088
- non performing	221,802	129,398	936,180	-	9,102,756	1,669,062	12,059,198	-	12,059,198
Others	61,358,291	3,648,516	56,430,997	36,583,876	4,169,533	80,064,197	242,255,410	-	242,255,410
Total Assets	1,709,922,307	39,966,362	963,899,442	1,225,900,089	231,005,844	380,223,793	4,550,917,837	(1,847,578,532)	2,703,339,305
Borrowings	4,811,563	42,145	79,574,711	183,036,102	1,022,291	-	268,486,812	-	268,486,812
Deposits & other accounts	1,627,321,691	-	109,698,501	-	185,184,270	7,537	1,922,211,999	-	1,922,211,999
Net inter segment borrowing	-	33,742,698	739,981,530	1,042,577,045	31,277,259	-	1,847,578,532	(1,847,578,532)	-
Others	77,789,053	6,181,519	34,644,700	286,942	13,522,024	109,956,916	242,381,154	-	242,381,154
Total liabilities	1,709,922,307	39,966,362	963,899,442	1,225,900,089	231,005,844	109,964,453	4,280,658,497	(1,847,578,532)	2,433,079,965
Equity	-	-	-	-	-	270,259,340	270,259,340	-	270,259,340
Total Equity & liabilities	1,709,922,307	39,966,362	963,899,442	1,225,900,089	231,005,844	380,223,793	4,550,917,837	(1,847,578,532)	2,703,339,305
Contingencies & Commitments	77,434,778	-	416,240,574	471,458,250	13,340,003	31,303,828	1,009,777,433	-	1,009,777,433

38.2 Transactions between reportable segments are based on an appropriate transfer pricing mechanism using agreed rates. Furthermore, segment assets and liabilities include inter segment balances. Costs which are not allocated to segments are included in the Head office. Income taxes are managed at bank level and are not allocated to operating segments.

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited)
For the Three Months Period Ended March 31, 2025



The Bank has related party relationship with its subsidiaries, associates, employee benefit plans, its directors and key management personnel and their close family members.

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

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

	Unaudited March 31, 2025				Audited December 31, 2024					
	Directors	Key Management Personnel	Subsidiaries	Associates	Other Related Parties	Directors	Key Management Personnel	Subsidiaries	Associates	Other Related Parties
(Rupees in '000)										
Lendings to Financial Institutions										
Opening balance	-	-	-	-	-	-	-	9,000,000	-	-
Addition during the period / year	-	-	60,094,838	-	-	-	-	76,600,000	-	-
Repaid during the period / year	-	-	(51,500,000)	-	-	-	-	(85,600,000)	-	-
Closing balance	-	-	8,594,838	-	-	-	-	-	-	-
Credit loss allowance held against lending to financial institutions*	-	-	(945)	-	-	-	-	-	-	-
Investments										
Opening balance	-	-	17,968,237	700,401	249,253	-	-	16,968,237	700,401	249,253
Investment made during the period / year	-	-	-	-	-	-	-	1,000,000	-	-
Investment disposed off during the period / year	-	-	-	-	-	-	-	-	-	-
Closing balance	-	-	17,968,237	700,401	249,253	-	-	17,968,237	700,401	249,253
Credit loss allowance for diminution in value of investments*	-	-	-	-	-	-	-	-	-	-
Advances										
Opening balance	20,707	368,057	614,054	-	5,288,804	1,436	339,386	581,933	-	1,509,280
Addition / exchange adjustment during the period / year	2,518	10,670	-	-	749,883	33,104	111,052	32,121	-	4,911,914
Repaid / exchange adjustment during the period / year	(3,397)	(16,860)	(53,514)	-	(4,641,408)	(13,833)	(108,796)	-	-	(1,132,390)
Transfer in / (out)	-	(132,695)	-	-	-	-	26,415	-	-	-
Closing balance	19,828	229,172	560,540	-	1,397,279	20,707	368,057	614,054	-	5,288,804
Credit loss allowance against advances*	(720)	(8,589)	(1,439)	-	(8,828)	(747)	(12,374)	(1,248)	-	(9,864)
Property and equipment										
Purchase of property and equipment	-	-	-	1,545	-	-	-	-	25,666	541,045

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited)
For the Three Months Period Ended March 31, 2025



	Unaudited March 31, 2025					Audited December 31, 2024				
	Directors	Key Management Personnel	Subsidiaries	Associates	Other Related Parties	Directors	Key Management Personnel	Subsidiaries	Associates	Other Related Parties
(Rupees in '000)										
Other Assets										
Income / markup accrued	645	3,365	64,786	-	13,020	-	3,924	7,188	-	64,558
Advances, deposits, advance rent and other prepayments	-	-	137,248	809,300	26,068	-	-	88,594	470,036	26,329
Receivable from pension fund	-	-	-	-	13,733,419	-	-	-	-	13,336,850
	645	3,365	202,034	809,300	13,772,507	-	3,924	95,782	470,036	13,427,737
Credit loss allowance against other assets*	(28)	(135)	(17)	-	(104)	-	(104)	(16)	-	(98)
Borrowings										
Opening balance	-	-	33,725	-	-	-	-	71,914	-	-
Borrowings / exchange adjustment during the period / year	-	-	867,590	-	-	-	-	4,474,959	-	-
Settled during the period / year	-	-	(818,858)	-	-	-	-	(4,513,148)	-	-
Closing balance	-	-	82,457	-	-	-	-	33,725	-	-
Deposits and other accounts										
Opening balance	147,783	204,135	939,294	9,176,670	8,319,616	3,034,686	200,484	102,012	8,321,464	10,033,148
Received during the period / year	932,631	619,343	12,513,945	18,433,886	37,273,939	6,929,977	2,661,377	46,786,972	75,020,811	225,529,950
Withdrawn during the period / year	(733,820)	(559,101)	(12,341,441)	(19,435,664)	(27,209,851)	(9,815,845)	(2,658,593)	(45,949,690)	(74,163,605)	(227,616,705)
Transfer in / (out) - net	-	(16,439)	-	-	(48,408)	(1,035)	867	-	-	373,223
Closing balance	346,594	247,938	1,111,798	8,176,892	18,335,296	147,783	204,135	939,294	9,176,670	8,319,616
Other Liabilities										
Markup / return / interest payable	1,401	1,146	23,329	145,533	141,721	1,342	2,403	7,122	171,862	114,516
Accrued expenses and other payable	-	-	48,616	68,921	150	-	-	38,452	92,360	32,760
Advance received against sale of property	-	-	20,000	-	-	-	-	20,000	-	-
	1,401	1,146	91,945	214,454	141,871	1,342	2,403	65,574	264,222	147,276
Credit loss allowance against off-balance sheet obligations*	-	-	238	149	10,140	-	-	245	476	10,086
Contingencies and Commitments										
Letter of Credit	-	-	-	-	4,360,752	-	-	-	-	4,111,927
Bank guarantee	-	-	187,188	8,784,896	2,026,648	-	-	178,575	8,734,277	1,846,504
	-	-	187,188	8,784,896	6,387,400	-	-	178,575	8,734,277	5,958,431

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited)
For the Three Months Period Ended March 31, 2025



Unaudited March 31, 2025						Unaudited March 31, 2024				
Directors	Key Management Personnel	Subsidiaries	Associates	Other Related Parties		Directors	Key Management Personnel	Subsidiaries	Associates	Other Related Parties
(Rupees in '000)										
175	6,095	109,481	-	45,261	-	-	8,667	309,946	-	17,762
-	-	96,109	901,741	6,081	1	-	-	74,729	219,059	4,037
-	-	205,173	-	85,358	-	-	-	205,173	-	59,325
-	-	-	-	(7)	-	-	-	-	-	(199)
-	11	-	648	30	-	-	(5)	-	-	87
-	30	-	-	-	-	-	69	-	-	-
-	-	39,702	2,921	1,047	-	-	-	21,951	2,737	1,552
2,865	1,148	23,329	94,240	140,033	-	24,694	3,878	21,985	193,600	556,083
-	-	-	-	68,110	-	-	-	-	-	51,726
-	-	-	-	174,084	-	-	-	-	-	154,345
-	-	-	26,999	15,756	-	-	-	-	20,597	14,560
-	-	-	-	35,172	-	-	-	-	-	32,205
-	-	-	-	143,251	-	-	-	-	-	115,736
-	-	-	-	1,457	-	-	-	-	-	1,289
61,767	459,698	-	-	-	-	107,003	521,716	-	-	-
-	-	-	36,412	-	-	-	-	-	32,855	-
-	-	-	-	3,795	-	-	-	-	-	1,760
-	-	-	-	31,622	-	-	-	-	-	39,097
-	-	-	-	1,112	-	-	-	-	-	11,907
-	-	-	-	1,637	-	-	-	-	-	1,140
-	-	-	-	261	-	-	-	-	-	602
-	-	-	-	1,495	-	-	-	-	-	1,192
-	-	-	576,896	-	-	-	-	-	320,520	-
-	-	-	7,761	-	-	-	-	-	11,457	-
-	30	-	-	-	-	-	69	-	-	-
-	-	8,260,333	-	-	-	-	-	461,829	-	-
-	-	8,398,042	-	-	-	-	-	1,156,829	-	-
-	-	1,344,020	-	-	-	-	-	1,010,603	-	-
-	-	41,440	-	-	-	-	-	21,645	-	-
-	32,543	-	4,964,407	770,132	-	30,935	24,588	-	833,045	18,932,693
-	25,991	-	98,783	20,192	-	-	18,312	-	418,713	11,684,996
-	-	-	-	237,000	-	-	-	-	-	263,000

*Represents credit loss allowance recognized against performing exposures on adoption of IFRS 9.
The Chairman has been provided with free use of the Bank's maintained cars and household equipment in accordance with the terms of their employment.

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited)
For the Three Months Period Ended March 31, 2025



		Unaudited March 31, 2025	Audited December 31, 2024
		-----Rupees in '000-----	
40 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS			
40.1 Capital Adequacy			
Minimum Capital Requirement (MCR):			
Paid-up capital (net of losses)		11,850,600	11,850,600
Capital Adequacy Ratio (CAR):			
Eligible Common Equity Tier 1 (CET 1) Capital		220,394,549	216,926,557
Eligible Additional Tier 1 (ADT 1) Capital		-	-
Total Eligible Tier 1 Capital		220,394,549	216,926,557
Eligible Tier 2 Capital		54,495,956	53,942,822
Total Eligible Capital (Tier 1 + Tier 2)		274,890,505	270,869,379
Risk Weighted Assets (RWAs):			
Credit Risk		912,003,621	892,722,644
Market Risk		228,808,861	209,096,250
Operational Risk		298,196,285	298,196,285
Total		1,439,008,767	1,400,015,179
Common Equity Tier 1 Capital Adequacy ratio		15.32%	15.49%
Tier 1 Capital Adequacy Ratio		15.32%	15.49%
Total Capital Adequacy Ratio		19.10%	19.35%

The Bank has not taken benefit allowed to banks to absorb the impact of IFRS 9 on regulatory capital.

		Unaudited March 31, 2025	Audited December 31, 2024
		-----Rupees in '000-----	
40.2 Leverage Ratio (LR):			
Eligible Tier-1 Capital		220,394,549	216,926,557
Total Exposures		3,567,166,258	3,405,253,089
Leverage Ratio		6.18%	6.37%
40.3 Liquidity Requirements			
Liquidity Coverage Ratio (LCR):			
Total High Quality Liquid Assets		1,339,739,983	1,355,092,505
Total Net Cash Outflow		530,855,093	561,499,238
Liquidity Coverage Ratio		252.37%	241.33%
Net Stable Funding Ratio (NSFR):			
Total Available Stable Funding		1,774,678,032	1,697,337,126
Total Required Stable Funding		1,274,535,488	1,323,057,743
Net Stable Funding Ratio		139.24%	128.29%



41 EVENTS AFTER THE REPORTING DATE

The Board of Directors in its meeting held on April 23, 2025 has announced an interim cash dividend in respect of three months period ended March 31, 2025 of Rs. 9.00 per share (March 31, 2024: Rs. 9.00 per share). These unconsolidated condensed interim financial statements for the period ended March 31, 2025 do not include the effect of these appropriations which will be accounted for subsequent to the period end.

42 GENERAL

Comparative information has been reclassified, rearranged or additionally incorporated in these unconsolidated condensed interim financial statements for the purposes of better presentation.

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

43 DATE OF AUTHORIZATION FOR ISSUE

These unconsolidated condensed interim financial statements were authorized for issue by the Board of Directors of the Bank in their meeting held April 23, 2025.



MCB BANK LIMITED

Consolidated Condensed Interim Financial Statements for the Three Months Period Ended March 31, 2025

 Hammad Khalid Chief Financial Officer	 Muhammad Nauman Chughtai President / CEO	 Mian Umer Mansha Director	 Shahzad Hussain Director	 Muhammad Ali Zeb Director
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Consolidated Condensed Interim Statement of Financial Position
As At March 31, 2025



	Note	Unaudited March 31, 2025	Audited December 31, 2024
-----Rupees in '000-----			
ASSETS			
Cash and balances with treasury banks	7	196,526,062	186,680,045
Balances with other banks	8	38,174,929	28,854,218
Lendings to financial institutions	9	71,269,594	57,655,504
Investments	10	1,969,816,923	1,306,556,156
Advances	11	871,741,309	1,165,914,626
Property and equipment	12	89,552,439	88,019,025
Right-of-use assets	13	8,299,377	8,452,814
Intangible assets	14	2,829,690	2,650,482
Other assets	15	213,342,513	164,938,886
Total Assets		3,461,552,836	3,009,721,756
LIABILITIES			
Bills payable	17	12,982,040	53,421,951
Borrowings	18	637,793,632	320,236,834
Deposits and other accounts	19	2,318,174,359	2,130,525,378
Lease liabilities	20	12,470,838	12,663,814
Subordinated debt		-	-
Deferred tax liabilities	21	22,773,398	20,824,376
Other liabilities	22	165,716,578	184,802,159
Total Liabilities		3,169,910,845	2,722,474,512
NET ASSETS		291,641,991	287,247,244
REPRESENTED BY			
Share capital		11,850,600	11,850,600
Reserves	23	109,717,182	108,157,770
Surplus on revaluation of assets	24	45,655,746	45,811,069
Unappropriated profit		123,880,054	120,926,276
		291,103,582	286,745,715
Non-controlling interest		538,409	501,529
		291,641,991	287,247,244

CONTINGENCIES AND COMMITMENTS

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

25

Consolidated Condensed Interim Statement of Profit and Loss Account (Un-audited)
For The Three Months Period Ended March 31, 2025



	Note	Three Months Ended	
		January 01 to March 31, 2025	January 01 to March 31, 2024
-----Rupees in '000-----			
Mark-up / return / interest earned	27	77,987,291	100,641,557
Mark-up / return / interest expensed	28	38,915,030	58,193,819
Net mark-up / interest income		39,072,261	42,447,738
NON MARK-UP / INTEREST INCOME			
Fee and commission income	29	6,613,942	6,795,932
Dividend income		1,525,284	798,608
Foreign exchange income		2,357,039	1,926,077
Income from derivatives		880	397
Gain on securities - net	30	(139,655)	6,128
Net gains / (loss) on derecognition of financial assets measured at amortised cost		-	-
Other income	31	146,885	100,845
Total non-markup / interest Income		10,504,375	9,627,987
Total income		49,576,636	52,075,725
NON MARK-UP / INTEREST EXPENSES			
Operating expenses	32	20,143,355	16,314,880
Workers Welfare Fund		631,069	705,030
Other charges	33	74,410	151,111
Total non-markup / interest expenses		20,848,834	17,171,021
Share of profit of associates		492,951	416,515
Profit before credit loss allowance		29,220,753	35,321,219
Credit loss allowance and write offs - net	34	(2,332,565)	(27,955)
PROFIT BEFORE TAXATION		31,553,318	35,349,174
Taxation	35	16,818,096	17,495,021
PROFIT AFTER TAXATION		14,735,222	17,854,153
Less: Profit attributable to non-controlling interest		(83,703)	(34,464)
PROFIT ATTRIBUTABLE TO EQUITY SHAREHOLDERS OF THE BANK		14,651,519	17,819,689
-----Rupees -----			
Basic and diluted earnings per share	36	12.36	15.04

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


Hammad Khalid
Chief Financial Officer


Muhammad Nauman Chughtai
President / CEO


Mian Umer Mansha
Director


Shahzad Hussain
Director


Muhammad Ali Zeb
Director


Hammad Khalid
Chief Financial Officer


Muhammad Nauman Chughtai
President / CEO


Mian Umer Mansha
Director


Shahzad Hussain
Director


Muhammad Ali Zeb
Director

Consolidated Condensed Interim Statement of Comprehensive Income (Un-audited)
For The Three Months Period Ended March 31, 2025



Profit after taxation for the period

Other comprehensive income

Items that may be reclassified to profit and loss account in subsequent periods:

Effect of translation of net investment in foreign branches and subsidiary

- Equity shareholders of the bank
- Non-controlling interest

Share of exchange translation reserve of associate

Movement in surplus / (deficit) on revaluation of debt investments through FVOCI - net of tax
Movement in surplus on associated undertaking-net of tax.

Items that will not be reclassified to profit and loss account in subsequent periods:

Movement in surplus / (deficit) on revaluation of equity investments through FVOCI - net of tax

Total comprehensive income

Attributable to:

- Equity shareholders of the bank
- Non-controlling interest

Total comprehensive income

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

Three Months Ended	
January 01 to March 31, 2025	January 01 to March 31, 2024
-----Rupees in '000-----	
14,735,222	17,854,153
53,743	187,823
5	(10)
53,748	187,813
1,781	(5,230)
(1,943,827)	(752,466)
169,474	64,857
(1,774,353)	(687,609)
2,090,717	95,532
2,090,717	95,532
15,107,115	17,444,659
15,023,407	17,410,205
83,708	34,454
15,107,115	17,444,659

Consolidated Condensed Interim Statement of Changes In Equity (Un-audited)
For The Three Months Period Ended March 31, 2025



Share capital	Capital reserve			Statutory reserve	Revenue reserve	Surplus (deficit) on revaluation of		Unappropriated profit	Total	New continuing interest	Grand Total	
	Share premium	Non-distributable capital reserve	Exchange transition reserve			General reserve	Investments					Associate
11,550,000	23,973,024	908,317	9,341,253	48,307,215	18,600,000	(14,470,624)	422,781	38,783,145	102,889,217	241,609,808	341,194	241,795,102
-	-	-	-	-	-	(5,116,113)	-	-	(114,737)	(5,230,850)	-	(5,230,850)
11,550,000	23,973,024	908,317	9,341,253	48,307,215	18,600,000	(16,586,727)	422,781	38,783,145	102,944,500	236,170,008	341,194	236,523,202
-	-	-	-	-	-	-	-	-	173,918,889	173,918,889	34,464	173,953,353
-	-	-	182,550	-	-	-	-	-	-	182,550	(10)	182,560
-	-	-	-	-	-	64,557	-	-	-	64,557	-	64,557
-	-	-	-	-	-	752,468	-	-	-	752,468	-	752,468
-	-	-	182,550	-	-	(603,254)	64,557	-	(402,694)	(402,694)	(10)	(402,694)
-	-	-	-	1,886,741	-	-	-	-	(1,886,741)	-	-	-
-	-	-	-	-	-	-	-	(38,287)	38,287	-	-	-
-	-	-	-	-	-	(37,427)	-	-	37,427	-	-	-
-	-	-	-	-	-	-	-	-	(10,865,540)	-	-	(10,865,540)
-	-	-	-	-	-	-	-	-	(10,865,540)	-	-	(10,865,540)
-	-	-	-	-	-	-	-	-	(68,825)	-	-	(68,825)
11,550,000	23,973,024	908,317	9,320,846	58,110,956	18,600,000	(17,281,098)	487,918	38,783,808	107,971,562	242,623,673	329,823	243,294,496
-	-	-	-	-	-	-	-	-	454,003,369	454,003,369	206,152	454,611,521
-	-	-	236,183	-	-	-	-	(218,243)	-	236,183	2	236,185
-	-	-	-	-	-	-	-	(20,093)	-	(20,093)	-	(20,093)
-	-	-	-	-	-	462,905	-	-	-	462,905	-	462,905
-	-	-	-	-	-	-	-	-	2423,108	2423,108	-	2423,108
-	-	-	-	-	-	-	-	-	9,654,405	9,654,405	-	9,654,405
-	-	-	-	-	-	19,571,988	-	-	-	19,571,988	-	19,571,988
-	-	-	236,183	-	-	27,952,403	462,905	(28,336)	2423,108	304,112,938	2	304,112,936
-	-	-	-	4,722,444	-	-	-	-	(4,722,444)	-	-	-
-	-	-	-	-	-	-	-	(108,472)	108,472	-	-	-
-	-	-	-	-	(176,556)	-	-	-	176,556	-	-	-
-	-	-	-	-	(13,222)	-	-	-	13,222	-	-	-
-	-	-	-	-	(20,061)	-	-	-	20,061	-	-	-
-	-	-	-	-	-	-	-	-	(10,865,540)	-	-	(10,865,540)
-	-	-	-	-	-	-	-	-	(10,865,540)	-	-	(10,865,540)
-	-	-	-	-	-	-	-	-	(10,865,540)	-	-	(10,865,540)
-	-	-	-	-	-	-	-	-	(10,865,540)	-	-	(10,865,540)
11,550,000	23,973,024	908,317	9,780,029	54,919,400	18,600,000	849,749	590,528	38,800,797	129,629,276	286,145,715	591,528	287,247,244
-	-	-	-	-	-	-	-	-	14,651,519	14,651,519	83,703	14,735,222
-	-	-	55,534	-	-	-	-	-	55,534	-	5	55,539
-	-	-	-	-	-	2,080,717	-	-	2,080,717	-	-	2,080,717
-	-	-	-	-	-	169,474	-	-	169,474	-	-	169,474
-	-	-	-	-	-	(194,827)	-	-	(194,827)	-	-	(194,827)
-	-	-	55,534	-	-	142,690	-	-	317,888	-	5	317,893
-	-	-	-	1,501,888	-	-	-	-	(1,501,888)	-	-	-
-	-	-	-	-	-	-	-	(33,149)	33,149	-	-	-
-	-	-	-	-	-	(438,538)	-	-	438,538	-	-	-
-	-	-	-	-	-	-	-	-	(10,865,540)	-	-	(10,865,540)
-	-	-	-	-	-	-	-	-	(10,865,540)	-	-	(10,865,540)
-	-	-	-	-	-	-	-	-	(10,865,540)	-	-	(10,865,540)
-	-	-	-	-	-	-	-	-	(68,825)	-	-	(68,825)
11,550,000	23,973,024	908,317	9,815,953	58,420,288	18,600,000	820,101	1,119,897	38,385,646	123,980,054	291,103,582	538,458	291,641,991

Notes: Financial statements

Balance as at December 31, 2023 (Audited)
Impact of adoption of IFRS 9
Opening balance as at January 01, 2024
Profit after taxation for the period ended March 31, 2024

Transfer to statutory reserve

Transfer in respect of incremental depreciation from surplus on revaluation of property and equipment to unappropriated profit - net of tax

Surplus realized on disposal of investments in equity instruments through PIOC - net of tax

Transactions with owners, recorded directly in equity

Final cash dividend at Rs. 9.0 per share - December 31, 2023

[illegible]

Transfer to statutory reserve
Transfer in respect of incremental depreciation from surplus on revaluation of
property and equipment to unappropriated profit - net of tax
Surplus realised on disposal of investments in equity instruments through FOCI - net of tax
Transactions with owners, recorded directly in equity
First cash dividend at Rs. 5.0 per share - December 31, 2024

Share of dividend attributable to Non-controlling interest
Share of dividend at Rs. 3.00 per share - December 31, 2025 (Provisional)

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

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

Consolidated Condensed Interim Cash Flow Statement (Un-audited)
For The Three Months Period Ended March 31, 2025



Note	Three Months Ended	
	January 01	January 01
	to	to
	March 31, 2025	March 31, 2024
-----Rupees in '000-----		
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	31,553,318	35,349,174
Less: Dividend income and share of profit of associates	(2,018,235)	(1,215,123)
	29,535,083	34,134,051
Adjustments:		
Net mark-up / interest income	(39,072,261)	(42,447,738)
Depreciation on property and equipment	32 1,257,958	956,836
Depreciation on right-of-use assets	32 521,944	472,110
Depreciation on non-banking assets acquired in satisfaction of claims	32 4,111	4,669
Amortization	32 178,242	180,896
Credit loss allowance and write offs - net	34 (2,332,565)	(27,955)
Gain on sale of property and equipment - net	31 (94,616)	(48,398)
Finance charges on lease liability against right-of-use assets	28 420,243	372,601
Gain on conversion of Ijarah agreements	2,258	(2,559)
Workers Welfare Fund	631,069	705,030
Charge for defined benefit plans - net	(254,560)	(103,383)
Gain on termination of lease liability against right-of-use assets	31 (20,491)	(15,999)
Unrealized gain on revaluation of investments classified as FVTPL	30 (210,224)	(6,139)
	(38,968,892)	(39,960,029)
	(9,433,809)	(5,825,978)
Decrease / (increase) in operating assets		
Lendings to financial institutions	(13,616,049)	40,488,562
Securities classified as FVTPL	1,310,676	2,222,140
Advances	296,820,509	(43,686,568)
Others assets (excluding advance taxation)	(32,281,722)	65,802,265
	252,233,414	64,826,399
Increase / (decrease) in operating liabilities		
Bills Payable	(40,439,911)	(14,227,358)
Borrowings from financial institutions	321,254,881	(52,294,641)
Deposits	187,648,981	44,286,044
Other liabilities (excluding current taxation)	2,200,568	(4,479,822)
	470,664,519	(26,715,777)
Mark-up / Interest received	62,391,099	92,392,032
Mark-up / Interest paid	(55,009,086)	(41,768,175)
Defined benefits paid	(71,875)	(67,436)
Income tax paid	(20,960,614)	(24,058,343)
Net cash flow from operating activities	699,813,648	58,782,722
CASH FLOW FROM INVESTING ACTIVITIES		
Net investment in securities classified as FVOCI	(662,612,204)	(23,364,161)
Net investment in securities classified as amortized cost	(4,527)	(825,850)
Dividends received	1,168,589	658,840
Investments in property and equipment	(2,804,206)	(2,579,274)
Disposal of property and equipment	114,557	64,416
Investments in Intangible assets	(363,906)	(859,963)
Net investment in associates	(833,118)	(51,264)
Effect of translation of net investment in foreign branches and subsidiary	55,524	187,823
Net cash flow used in investing activities	(665,279,291)	(26,769,433)
CASH FLOW FROM FINANCING ACTIVITIES		
Payment of lease liability against right-of-use-assets	(968,400)	(830,395)
Dividend paid	(10,609,453)	(9,223,809)
Net cash flow used in financing activities	(11,577,853)	(10,054,204)
Effects of credit loss allowance changes on cash and cash equivalents	(91,694)	75,833
Increase in cash and cash equivalents	22,864,810	22,034,918
Cash and cash equivalents at beginning of the period	211,431,923	226,996,354
Effects of exchange rate changes on cash and cash equivalents	438,342	(487,304)
Opening expected credit loss allowance on cash and cash equivalents	(582,389)	-
	211,287,876	226,509,050
Cash and cash equivalents at end of the period	234,152,686	248,543,968

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

Hammad Khalid
Chief Financial Officer

Muhammad Nauman Chughtai
President / CEO

Mian Umer Mansha
Director

Shahzad Hussain
Director

Muhammad Ali Zeb
Director

Notes To The Consolidated Condensed Interim Financial Statements (Un-audited)
For The Three Months Period Ended March 31, 2025



1. STATUS AND NATURE OF BUSINESS

The Group consists of:
- Holding Company - MCB Bank Limited

Subsidiary Companies

- MCB Investment Management Limited
- MCB Non-Bank Credit Organization Closed Joint Stock Company
- MCB Islamic Bank Limited
- MCB Exchange Company (Private) Limited

"Percentage holding of
MCB Bank Limited"

81.42%
99.94%
100%
100%

MCB Bank Limited (the 'Bank') is a banking company incorporated in Pakistan and is engaged in commercial banking and related services. The Bank's ordinary shares are listed on the Pakistan stock exchange. The Bank's Registered Office and Principal Office are situated at MCB - 15 Main Gulberg, Lahore. The Bank operates 1,395 branches (2024: 1,394 branches) within Pakistan and 9 branches (2024: 9 branches) outside Pakistan (including the Karachi Export Processing Zone branch).

2. BASIS OF PREPARATION

2.1 These consolidated financial statements include the financial statements of MCB Bank Limited and its subsidiary companies and share of the profit / reserves of associates (the "Group").

a. Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date when control ceases. The assets and liabilities of subsidiary companies have been consolidated on a line by line basis based on the financial statements for the three months period ended March 31, 2025 and the carrying value of investments held by the parent is eliminated against the subsidiaries' shareholders' equity in these consolidated condensed interim financial statements. Material intra-Group balances and transactions have also been eliminated.

b. Associates are entities over which the Group has significant influence but not control. Investments in associates are accounted for under the equity method of accounting and are initially recognised at cost, thereafter adjusted for the post-acquisition change in the Group's share of net assets of the associates. The cumulative post-acquisition movements are adjusted in the carrying amount of the investment. Accounting policies of the associates have been changed where necessary to ensure consistency with the policies adopted by the Group. The Group's share in associates have been accounted for based on the financial statements for the three months period ended March 31, 2025.

c. Non-controlling interest is that part of the net results of operations and of net assets of subsidiary companies attributable to interests which are not owned by the Group.

2.2 In accordance with the directives of the Federal Government regarding the shifting of the banking system to Islamic modes, the State Bank of Pakistan has issued various circulars from time to time. Permissible forms of trade-related modes of financing include purchase of goods by banks from their customers and immediate resale to them at appropriate profit in price on deferred payment basis. The purchases and sales arising under these arrangements are not reflected in these consolidated condensed interim financial statements as such but are restricted to the amount of facility actually utilized and the appropriate portion of profit thereon.

The financial results of the Group's Islamic Banking business have been consolidated in these financial statements for reporting purposes, after eliminating material inter-group transactions / balances.

2.3 The consolidated condensed interim financial statements are presented in Pak Rupees, which is the Group's functional and presentation currency of its primary economic environment. The amounts are rounded off to the nearest thousand.

2.4 These consolidated condensed interim financial statements have been prepared under the historical cost convention except that certain classes of property and equipment and non-banking assets acquired in satisfaction of claims are stated at revalued amounts; investments classified at fair value through profit and loss and fair value through other comprehensive income; foreign exchange contracts and derivative financial instruments are measured at fair value; defined benefit obligations are carried at present value; right of use of asset and related lease liability are measured at present value on initial recognition; and staff loans and subsidised loans disbursed under Temporary Economic Refinance Facility (TERF) are measured at fair value on initial recognition.

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

Notes To The Consolidated Condensed Interim Financial Statements (Un-audited)
For The Three Months Period Ended March 31, 2025



3. STATEMENT OF COMPLIANCE

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

- International Accounting Standard 34 "Interim Financial Reporting" and 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).

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 IAS 34, IFRS or IFAS, the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 and the said directives, shall prevail.

3.2 The State Bank of Pakistan has deferred the applicability of International Accounting Standards 40, 'Investment Property' for Banking Companies through BSD Circular No. 10 dated August 26, 2002. The Securities and Exchange Commission of Pakistan (SECP) has deferred applicability of IFRS 7 "Financial Instruments: Disclosures" on banks through S.R.O 411(1) /2008 dated April 28, 2008. Accordingly, the requirements of these standards have not been considered in the preparation of these consolidated financial statements.

3.3 IFRS 10 "Consolidated Financial Statements" was made applicable from period beginning on or after January 01, 2015 vide S.R.O 633(I)/2014 dated July 10, 2014 by SECP. However, SECP has directed through S.R.O 56(I) /2016 dated January 28, 2016, that the requirements of consolidation under section 237 of the repealed Companies Ordinance 1984 (Section 228 of Companies Act 2017) and IFRS 10 "Consolidated Financial Statements" is not applicable in case of investment by companies in mutual funds established under Trust structure.

3.4 The disclosures made in these consolidated condensed interim financial statements have been limited based on a format prescribed by the SBP vide BPRD Circular No. 02 of 2023 dated February 09, 2023 and IAS 34, Interim Financial Reporting. These consolidated condensed interim financial statements do not include all the information and disclosures required in the audited annual financial statements, and should be read in conjunction with the audited annual consolidated financial statements for the financial year ended December 31, 2024.

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

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Group's accounting periods beginning on or after January 1, 2025 but are considered not to be relevant or do not have any material effect on the Group's operations and therefore are not detailed in these consolidated condensed interim financial statements.

3.6 Standards, interpretations of and amendments to approved accounting standards that are not yet effective

The following new standard and amendments to existing accounting standards will be effective from the dates mentioned below against the respective standard or amendment:

Effective date (annual periods
beginning on or after)

Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments	January 1, 2026
IFRS 18 – Presentation and Disclosure in Financial Statements	January 1, 2027

There are other amendments and interpretations to existing standards that are mandatory for the Group's accounting periods beginning on or after January 1, 2025 but are considered not to be relevant or do not have any significant effect on the Group's operations and are therefore not detailed in these consolidated condensed interim financial statements.

4. MATERIAL ACCOUNTING POLICIES

The material accounting policies and methods of computation adopted in the preparation of these consolidated condensed interim financial statements are consistent with those applied in the preparation of the audited annual consolidated financial statements of the Group for the year ended December 31, 2024 except for change mentioned below.

The Group has measured unquoted equity securities at fair value, in accordance with SBP's BPRD Circular Letter No. 16 dated July 29, 2024. Previously, these securities were measured at the lower of cost or break-up value until December 31, 2024, as permitted by the SBP.

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

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

6. FINANCIAL RISK MANAGEMENT

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

Notes To The Consolidated Condensed Interim Financial Statements (Un-audited)
For The Three Months Period Ended March 31, 2025



Note	Unaudited March 31, 2025	Audited December 31, 2024
-----Rupees in '000-----		
7. CASH AND BALANCES WITH TREASURY BANKS		
In hand		
Local currency	54,792,546	40,924,288
Foreign currencies	9,577,304	6,457,260
	64,369,850	47,381,548
With State Bank of Pakistan in		
Local currency current accounts	88,775,762	100,539,415
Foreign currency current accounts	6,361,031	5,848,604
Foreign currency deposit account	8,176,604	8,178,869
	103,313,397	114,566,888
With other central banks in		
Foreign currency current accounts	13,104,642	20,199,247
With National Bank of Pakistan in		
Local currency current accounts	16,207,141	4,961,153
Prize bonds	121,597	140,118
Less: Credit loss allowance held against cash and balances with treasury banks	(590,565)	(568,909)
Cash and balances with treasury banks - net of credit loss allowance	196,526,062	186,680,045
8. BALANCES WITH OTHER BANKS		
Inside Pakistan		
In current accounts	214,248	41,813
In deposit accounts	55,609	46,376
	269,857	88,189
Outside Pakistan		
In current accounts	21,549,838	5,627,378
In deposit accounts	16,438,789	23,152,131
	37,988,627	28,779,509
Less: Credit loss allowance held against balances with other banks	(83,555)	(13,480)
Balances with other banks - net of credit loss allowance	38,174,929	28,854,218
9. LENDINGS TO FINANCIAL INSTITUTIONS		
Call / clean money lendings	53,345,445	55,655,526
Repurchase agreement lendings (Reverse Repo)	17,926,130	-
Musharaka arrangements	-	2,000,000
	71,271,575	57,655,526
Less: Credit loss allowance held against lending to financial institutions	(1,981)	(22)
Lending to financial institutions - net of credit loss allowance	71,269,594	57,655,504

		Unaudited March 31, 2025		Audited December 31, 2024	
		Lending	Credit loss allowance held	Lending	Credit loss allowance held
-----Rupees in '000-----					
9.1 Particulars of credit loss allowance					
Domestic					
Performing	Stage 1	18,026,430	(1,981)	2,200,000	(22)
Under performing	Stage 2	-	-	-	-
Non-performing	Stage 3				
Substandard		-	-	-	-
Doubtful		-	-	-	-
Loss		-	-	-	-
		-	-	-	-
Total		18,026,430	(1,981)	2,200,000	(22)
Overseas					
Performing	Stage 1	52,783,546	-	55,360,426	-
Under performing	Stage 2	461,599	-	95,100	-
Non-performing	Stage 3				
Substandard		-	-	-	-
Doubtful		-	-	-	-
Loss		-	-	-	-
		-	-	-	-
Total		53,245,145	-	55,455,526	-

Notes To The Consolidated Condensed Interim Financial Statements (Un-audited)
For The Three Months Period Ended March 31, 2025



10. INVESTMENTS

10.1 Investments by type:

Unaudited March 31, 2025			
Cost / Amortised cost	Credit loss allowance	Surplus / (Deficit)	Carrying Value
-----Rupees in '000-----			
FVTPL			
Federal Government Securities	-	-	1,256,482
Non Government Debt Securities	-	(8,324)	10,499,857
Shares and units	-	218,548	2,401,602
	-	210,224	14,157,941
FVOCI			
Federal Government Securities	(436,312)	2,008,696	1,782,019,661
Shares	-	15,065,594	57,953,134
Foreign Securities	-	9,254	61,733,391
	(436,312)	17,083,544	1,901,706,186
Amortised Cost			
Federal Government Securities	(215,771)	-	41,118,439
Provincial Government Securities	(118)	-	-
Non Government Debt Securities	(479,233)	-	840,163
	(695,122)	-	41,958,602
Associates	-	-	11,994,194
Total Investments	(1,131,434)	17,293,768	1,969,816,923

Audited December 31, 2024			
Cost / Amortised cost	Credit loss allowance	Surplus / (Deficit)	Carrying Value
-----Rupees in '000-----			
FVTPL			
Federal Government Securities	-	91	3,070,599
Non Government Debt Securities	-	(39,919)	10,468,262
Shares and units	-	249,509	1,719,532
	-	209,681	15,258,393
FVOCI			
Federal Government Securities	(425,777)	6,029,040	1,131,158,870
Shares	-	11,623,556	49,495,333
Foreign Securities	-	38,551	58,121,060
	(425,777)	17,691,147	1,238,775,263
Amortised Cost			
Federal Government Securities	(215,096)	-	41,073,684
Provincial Government Securities	(118)	-	-
Non Government Debt Securities	(479,969)	-	880,391
	(695,183)	-	41,954,075
Associates	-	-	10,568,425
Total Investments	(1,120,960)	17,900,828	1,306,556,156

10.1.1 Investments given as collateral

- Market Treasury Bills
- Pakistan Investment Bonds
- Ijarah Sukuks

10.2 Credit loss allowance for diminution in value of investments

		Unaudited March 31, 2025	Audited December 31, 2024
		-----Rupees in '000-----	
		17,553,906	18,468,908
		501,853,300	160,686,611
		10,042,000	6,134,850
		529,449,206	185,290,369
Opening balance		1,120,960	11,179,534
Reversal of impairment charged against equity instruments through FVOCI on adoption of IFRS 9		-	(10,026,787)
Impact of ECL on debt securities on adoption of IFRS 9		-	4,304
Exchange adjustments		3,736	(7,972)
Charge / (reversals)			
Charge for the period / year		7,474	305
Reversals for the period / year		(736)	(28,424)
		6,738	(28,119)
Amounts written off		-	-
Closing Balance		1,131,434	1,120,960

Notes To The Consolidated Condensed Interim Financial Statements (Un-audited)
For The Three Months Period Ended March 31, 2025



10.3 Particulars of credit loss allowance against debt securities

Domestic

		Unaudited March 31, 2025		Audited December 31, 2024	
		Outstanding amount	Credit loss allowance held	Outstanding amount	Credit loss allowance held
-----Rupees in '000-----					
Performing	Stage 1	1,668,629,769	4,609	1,165,136,847	4,609
Under performing	Stage 2	862,745	-	1,850,070	-
Non-performing	Stage 3				
Substandard		-	-	-	-
Doubtful		-	-	-	-
Loss		474,742	474,742	475,478	475,478
		474,742	474,742	475,478	475,478
		1,669,967,256	479,351	1,167,462,395	480,087
Overseas					
Performing	Stage 1	68,084,548	-	63,417,054	-
Under performing	Stage 2	9,043,355	652,083	8,986,614	640,873
Non-performing	Stage 3	-	-	-	-
		77,127,903	652,083	72,403,668	640,873
Total		1,747,095,159	1,131,434	1,239,866,063	1,120,960

10.4 Summarized financial information of associates

		Unaudited March 31, 2025						
	Country of incorporation	% of interest held	Revenue	Profit / (loss) after tax	Total comprehensive income / (loss)	Assets	Liabilities	
----- Rupees in '000 -----								
Associates								
	Euronet Pakistan (Private) Limited (unaudited based on March 31, 2025)	Pakistan	30.00%	435,890	(16,146)	(16,146)	2,624,797	2,286,286
	Adamjee Insurance Company Limited (audited based on December 31, 2024)	Pakistan	20.00%	57,231,074	4,952,686	11,918,145	221,286,434	45,602,859
Audited December 31, 2024								
	Country of incorporation	% of interest held	Revenue	Profit / (loss) after tax	Total comprehensive income / (loss)	Assets	Liabilities	
----- Rupees in '000 -----								
Associates								
	Euronet Pakistan (Private) Limited (unaudited based on December 31, 2024)	Pakistan	30.00%	1,910,127	321,344	334,085	2,279,467	1,925,074
	Adamjee Insurance Company Limited (unaudited based on September 30, 2024)	Pakistan	20.00%	38,034,803	3,559,856	7,154,122	207,980,763	170,141,927

Notes To The Consolidated Condensed Interim Financial Statements (Un-audited)
For The Three Months Period Ended March 31, 2025



10.5 Investment in Adamjee Insurance Company Limited under equity method - holding 20.00% (2024: 20.00%)

Investment of the Group in Adamjee Insurance Company Limited has been accounted for under the equity method of accounting in accordance with the treatment specified in International Accounting Standard 28, (IAS 28) 'Accounting for Investments in Associates'. The market value of the investment in Adamjee Insurance Company Limited as at March 31, 2025 amounted to Rs.3,261.300 million. (2024: Rs. 3,469.500 million).

	Unaudited March 31, 2025	Audited December 31, 2024
-----Rupees in '000-----		
Opening balance	8,551,051	6,578,813
Share of profit for the period / year before tax	418,801	1,712,347
Dividend from associate	-	(210,000)
Share of tax	(228,440)	(708,968)
	190,361	793,379
Share of other comprehensive income	356,783	1,178,859
Closing balance	9,098,195	8,551,051
Share of other comprehensive income / (loss)		
Share of unrealized surplus on assets -net of tax	355,002	1,191,420
Share of exchange translation reserve of associate	1,781	(12,561)
	356,783	1,178,859

10.6 Investment in Euronet Pakistan Private Limited under equity method - holding 30% (2024: 30.00%)

Investment of the Group in Euronet Pakistan Private Limited has been accounted for under the equity method of accounting in accordance with the treatment specified in International Accounting Standard 28, (IAS 28) 'Accounting for Investments in Associates'.

	Unaudited March 31, 2025	Audited December 31, 2024
-----Rupees in '000-----		
Opening balance	106,318	8,361
Share of profit for the period / year before tax	1,693	129,218
Share of tax	(28,643)	(31,261)
	(26,950)	97,957
Closing balance	79,368	106,318

10.7 Investment in units of funds under management of MCB Investment Management Limited

Investment of the Group in units of funds under management of MCB Investment Management Limited has been accounted for under the equity method of accounting in accordance with the treatment specified in International Accounting Standard 28, (IAS 28) 'Accounting for Investments in Associates'.

	Unaudited March 31, 2025	Audited December 31, 2024
-----Rupees in '000-----		
Investment at the beginning of the period / year	1,911,056	1,234,703
Investment / (redemptions) during the period / year	834,890	88,050
Share of profit for the period / year	72,457	599,574
Dividend Income	(1,772)	(11,271)
	905,575	676,353
Closing balance	2,816,631	1,911,056

Notes To The Consolidated Condensed Interim Financial Statements (Un-audited)
For The Three Months Period Ended March 31, 2025



ADVANCES

Note	Performing		Non Performing		Total	
	Unaudited March 31, 2025	Audited December 31, 2024	Unaudited March 31, 2025	Audited December 31, 2024	Unaudited March 31, 2025	Audited December 31, 2024
-----Rupees in '000-----						
Loans, cash credits, running finances, etc. Islamic financing and related assets Bills discounted and purchased Advances - gross	737,038,742	1,017,885,653	52,947,202	52,781,005	789,985,944	1,070,666,658
	107,743,554	120,011,147	2,572,199	2,588,556	110,315,753	122,599,703
	24,682,989	28,327,243	589,419	770,213	25,272,408	29,097,456
	869,465,285	1,166,224,043	56,108,820	56,139,774	925,574,105	1,222,363,817
Credit loss allowance against advances - Stage 1 - Stage 2 - Stage 3 - General	(3,211,780)	(3,003,535)	-	-	(3,211,780)	(3,003,535)
	(855,354)	(1,283,679)	-	-	(855,354)	(1,283,679)
	-	-	(43,777,766)	(43,422,799)	(43,777,766)	(43,422,799)
	(5,987,896)	(8,739,178)	-	-	(5,987,896)	(8,739,178)
Advances - net of credit loss allowance	(10,055,030)	(13,026,392)	(43,777,766)	(43,422,799)	(53,832,796)	(56,449,191)
	859,410,255	1,153,197,651	12,331,054	12,716,975	871,741,309	1,165,914,626
	-----Rupees in '000-----					
-----Rupees in '000-----						
Unaudited			Audited			
March 31, 2025			December 31, 2024			
-----Rupees in '000-----						
11.1 Particulars of advances (gross)						
In local currency						
In foreign currencies						
Advances include Rs. 56,108,820 million (2024: Rs. 56,139,774 million) which have been placed under Stage 3 status as detailed below:						
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Advances include Rs. 56,108,820 million (2024: Rs. 56,139,774 million) which have been placed under Stage 3 status as detailed below:						
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Notes To The Consolidated Condensed Interim Financial Statements (Un-audited)
For The Three Months Period Ended March 31, 2025

11.3 Particulars of credit loss allowance against advances

	Unaudited March 31, 2025					Audited December 31, 2024				
	Expected Credit Loss			General	Total	Expected Credit Loss			General	Total
	Stage 1	Stage 2	Stage 3			Stage 1	Stage 2	Stage 3		
	-----Rupees in '000-----									
Opening balance	3,003,535	1,283,679	43,422,799	8,739,178	56,449,191	2,509	136	42,682,380	3,167,254	45,852,279
Impact of ECL on adoption of IFRS 9	-	-	-	-	-	2,153,817	1,492,490	2,651,225	1,242,987	7,540,519
Exchange adjustments	(1,085)	-	32,185	-	31,100	65,095	-	(8,568)	-	56,527
Charge for the period / year	957,691	163,499	1,530,289	-	2,651,479	1,614,035	662,877	4,948,291	4,328,937	11,554,140
Reversals	(748,361)	(591,824)	(1,151,282)	(2,751,282)	(5,242,749)	(831,921)	(871,824)	(4,538,068)	-	(6,241,813)
	209,330	(428,325)	379,007	(2,751,282)	(2,591,270)	782,114	(208,947)	410,223	4,328,937	5,312,327
Amounts written off	-	-	(56,225)	-	(56,225)	-	-	(1,120,526)	-	(1,120,526)
Amounts charged off	-	-	-	-	-	-	-	(1,191,935)	-	(1,191,935)
Closing balance	3,211,780	855,354	43,777,766	5,987,896	53,832,796	3,003,535	1,283,679	43,422,799	8,739,178	56,449,191

11.3.1 An analysis of changes in credit loss allowance in relation to loans & advances of the Group is as follows:

	Unaudited March 31, 2025					Audited December 31, 2024				
	Expected Credit Loss			General	Total	Expected Credit Loss			General	Total
	Stage 1	Stage 2	Stage 3			Stage 1	Stage 2	Stage 3		
	-----Rupees in '000-----									
Opening balance	3,003,535	1,283,679	43,422,799	8,739,178	56,449,191	2,509	136	42,682,380	3,167,254	45,852,279
Impact of ECL on adoption of IFRS 9	-	-	-	-	-	2,153,817	1,492,490	2,651,225	1,242,987	7,540,519
Opening balance post IFRS 9	3,003,535	1,283,679	43,422,799	8,739,178	56,449,191	2,156,326	1,492,626	45,333,605	4,410,241	53,392,798
Exchange adjustments	(1,085)	-	32,185	-	31,100	65,095	-	(8,568)	-	56,527
New Advances	356,754	44,893	6,894	727,442	1,135,983	759,764	248,312	560,660	1,149,557	2,718,293
Advances derecognized or repaid	(128,234)	(22,434)	(117,850)	(356,491)	(625,009)	(297,467)	(328,231)	(1,253,031)	(789,959)	(2,668,688)
Transfer to stage 1	472,433	(470,942)	(1,491)	(628,011)	(628,011)	340,904	(333,688)	(7,216)	(308,631)	(308,631)
Transfer to stage 2	(32,248)	66,249	(34,001)	37,694	37,694	(35,104)	177,390	(142,286)	291,604	291,604
Transfer to stage 3	(11,466)	(20,052)	12,392	12,392	12,392	(11,693)	(61,849)	73,542	(147,230)	(147,230)
	657,239	(402,286)	(114,930)	(206,974)	(66,951)	756,404	(298,066)	(768,331)	195,341	(114,652)
Amounts written off	-	-	(56,225)	-	(56,225)	-	-	(1,120,526)	-	(1,120,526)
Amounts charged off	-	-	-	-	-	-	-	(1,191,935)	-	(1,191,935)
Changes in risk parameters	(447,909)	(26,039)	493,937	(2,544,308)	(2,524,319)	25,710	89,119	1,178,554	4,133,596	5,426,979
Closing balance	3,211,780	855,354	43,777,766	5,987,896	53,832,796	3,003,535	1,283,679	43,422,799	8,739,178	56,449,191

11.3.2 Category of Classification

Domestic					
Performing	Stage 1	801,914,627	3,035,995	1,092,721,915	2,746,095
Under performing	Stage 2	27,510,711	747,230	27,603,838	878,031
Non-performing	Stage 3				
Other Assets Especially Mentioned		1,367,041	654,390	1,446,068	696,827
Substandard		427,039	248,291	546,684	307,920
Doubtful		1,162,010	690,601	2,758,453	1,435,514
Loss		38,928,102	37,057,147	37,127,232	35,823,957
		41,884,192	38,650,429	41,878,437	38,264,218
General Provision		-	5,617,076	-	8,514,680
		871,309,530	48,050,730	1,162,204,190	50,403,024
Overseas					
Performing	Stage 1	35,086,549	175,785	35,183,207	250,825
Under performing	Stage 2	4,953,398	108,124	10,715,083	412,263
Non-performing	Stage 3				
Substandard		395,305	219,867	461,349	220,855
Doubtful		328,051	164,025	429,388	214,694
Loss		13,501,272	4,743,445	13,370,600	4,723,032
		14,224,628	5,127,337	14,261,337	5,158,581
		-	370,820	-	224,498
General Provision		-	5,782,066	60,159,627	6,046,167
		54,264,575	5,782,066	60,159,627	6,046,167
Total		925,574,105	53,832,796	1,222,363,817	56,449,191

11.3.3 State Bank of Pakistan vide BSD Circular No. 2 dated January 27, 2009, BSD Circular No. 10 dated October 20, 2009, BSD Circular No. 02 of 2010 dated June 03, 2010 and BSD Circular No.1 of 2011 dated October 21, 2011 has allowed benefit of Forced Sale Value (FSV) of Plant & Machinery under charge, pledged stock and mortgaged residential, commercial & industrial properties (land and building only) held as collateral against Non Performing Loans (NPLs) for five years from the date of classification. The Bank (holding company) has not taken the FSV benefit in calculation of specific provision. However, one of the subsidiary of the Bank has availed benefit of forced sale values amounting to Rs. 525.276 million (December 31, 2024: Rs. 531.299 million) in determining the provisioning against non-performing Islamic financing and related assets as at March 31, 2025. The additional benefit arising from availing the FSV benefit - net of tax amounts to Rs. 246.880 million as at March 31, 2025 (December 31, 2024: Rs. 255.02 million) is not available for payment of cash or stock dividends to shareholders.



Notes To The Consolidated Condensed Interim Financial Statements (Un-audited)
For The Three Months Period Ended March 31, 2025

12. PROPERTY AND EQUIPMENT

Capital work-in-progress
Property and equipment

12.1 Capital work-in-progress

Civil works
Equipment
Advances to suppliers
Others

12.2 Additions to property and equipment

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

Capital work-in-progress - net additions

Property and equipment

Building on freehold land
Building on leasehold land
Freehold land
Electrical office and computer equipment
Furniture and fixture
Leasehold Improvements
Vehicles

12.3 Disposal of property and equipment

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

Vehicles
Furniture and fixture
Electrical office and computer equipment
Leasehold Improvements

13. RIGHT-OF-USE ASSETS

Right-of-use assets

13.1 At January 01,

Cost
Accumulated depreciation
Net carrying amount at January 01,

Additions / adjustments during the period / year
Deletions during the period / year
Exchange adjustments
Depreciation charge for the period / year
Closing net carrying amount

Note	Unaudited March 31, 2025	Audited December 31, 2024
-----Rupees in '000-----		
12.1	5,220,791	4,764,665
	84,331,648	83,254,360
	89,552,439	88,019,025
12.1 Capital work-in-progress		
Civil works	3,518,837	2,659,625
Equipment	352,016	282,439
Advances to suppliers	1,347,393	1,821,336
Others	2,545	1,265
	5,220,791	4,764,665
	Unaudited Three Months Period ended March 31, 2025	Unaudited Three Months Period ended March 31, 2024
-----Rupees in '000-----		

Capital work-in-progress - net additions	456,126	1,646,411
Building on freehold land	136,456	24,870
Building on leasehold land	710	2,185
Freehold land	800,598	-
Electrical office and computer equipment	559,865	572,845
Furniture and fixture	68,516	97,453
Leasehold Improvements	308,529	54,283
Vehicles	473,406	181,227
	2,348,080	932,863
	2,804,206	2,579,274

Vehicles	18,107	13,531
Furniture and fixture	538	441
Electrical office and computer equipment	1,296	2,028
Leasehold Improvements	-	19
	19,941	16,018

Note	Unaudited March 31, 2025	Audited December 31, 2024
-----Rupees in '000-----		
13.1	8,299,377	8,452,814

Unaudited March 31, 2025			Audited December 31, 2024		
Buildings	Others	Total	Buildings	Others	Total
-----Rupees in '000-----					
17,814,528	-	17,814,528	15,874,308	-	15,874,308
(9,361,714)	-	(9,361,714)	(7,872,427)	-	(7,872,427)
8,452,814	-	8,452,814	8,001,881	-	8,001,881
390,742	-	390,742	2,916,145	-	2,916,145
(24,567)	-	(24,567)	(113,171)	-	(113,171)
2,332	-	2,332	13,818	-	13,818
(521,944)	-	(521,944)	(2,365,859)	-	(2,365,859)
8,299,377	-	8,299,377	8,452,814	-	8,452,814

Notes To The Consolidated Condensed Interim Financial Statements (Un-audited)
For The Three Months Period Ended March 31, 2025



	Note	Unaudited March 31, 2025	Audited December 31, 2024
-----Rupees in '000-----			
14. INTANGIBLE ASSETS			
Computer software		1,179,813	1,098,995
Goodwill		82,127	82,127
Management rights		192,000	192,000
Capital work-in-progress		1,375,750	1,277,360
		<u>2,829,690</u>	<u>2,650,482</u>
		Unaudited Three Months Period ended March 31, 2025	Unaudited Three Months Period ended March 31, 2024
-----Rupees in '000-----			
		265,516	762,792
		98,390	97,171
		<u>363,906</u>	<u>859,963</u>
		Unaudited March 31, 2025	Audited December 31, 2024
-----Rupees in '000-----			
15. OTHER ASSETS			
Income / mark-up accrued in local currency		75,624,721	60,310,117
Income / mark-up accrued in foreign currencies		1,185,696	904,108
Advances, deposits, advance rent and other prepayments		12,512,952	9,989,441
Non-banking assets acquired in satisfaction of claims		1,376,726	1,380,837
Compensation for delayed income tax refunds		133,809	133,809
Branch adjustment account		486,004	240,545
Mark to market gain on forward foreign exchange contracts		930,816	1,588,049
Mark to market gain on forward contracts of government securities		-	2,096,975
Unrealized gain on derivative financial instruments		259,851	157,610
Acceptances	22	35,782,601	35,955,874
Receivable from the pension fund		13,733,419	13,336,849
Clearing and settlement accounts		57,262,788	26,346,723
Deferred cost on staff loans		7,677,672	7,022,534
Claims receivable against fraud and forgeries		603,710	598,183
Others		8,957,133	8,001,956
		<u>216,527,898</u>	<u>168,063,610</u>
Less: Credit loss allowance held against other assets	15.1	3,746,526	3,685,865
Other Assets net of credit loss allowance		<u>212,781,372</u>	<u>164,377,745</u>
Surplus on revaluation of non-banking assets acquired in satisfaction of claims	24	561,141	561,141
Other Assets - total		<u>213,342,513</u>	<u>164,938,886</u>
-----Rupees in '000-----			
15.1 Credit loss allowance held against other assets			
Non banking assets acquired in satisfaction of claims		40,091	40,091
Claims receivable against fraud and forgeries		603,710	598,183
Mark-up accrued		221,872	174,486
Others		2,880,853	2,873,105
		<u>3,746,526</u>	<u>3,685,865</u>

Notes To The Consolidated Condensed Interim Financial Statements (Un-audited)
For The Three Months Period Ended March 31, 2025



	Unaudited March 31, 2025	Audited December 31, 2024
-----Rupees in '000-----		
15.1.1 Movement in credit loss allowance held against other assets		
Opening balance	3,685,865	3,370,145
Impact of ECL on adoption of IFRS 9	-	210,596
Charge for the period / year	53,662	193,068
Reversals	(1,091)	(70,805)
	<u>52,571</u>	<u>122,263</u>
Amounts written off	-	(521)
Exchange and other adjustments	8,090	(16,618)
Closing balance	<u>3,746,526</u>	<u>3,685,865</u>
16. CONTINGENT ASSETS		
There were no contingent assets of the Group as at March 31, 2025 (2024: Nil).		
17. BILLS PAYABLE		
In Pakistan	12,954,051	53,395,808
Outside Pakistan	27,989	26,143
	<u>12,982,040</u>	<u>53,421,951</u>
18. BORROWINGS		
Secured		
Borrowings from State Bank of Pakistan		
Under export refinance scheme	40,594,663	43,530,025
Under long term financing facility	16,381,018	17,311,266
Under renewable energy performance platform	2,334,426	2,459,272
Under temporary economic refinance facility	27,083,068	27,695,530
Under financing facility for storage of agricultural produce	168,690	176,755
Under Refinance and Credit Guarantee Scheme for Women Entrepreneurs	4,328	4,567
Under Shariah Compliant Open Market Operations	10,020,145	6,072,476
	<u>96,586,338</u>	<u>97,249,891</u>
Repurchase agreement borrowings	519,591,631	179,227,580
Total secured	<u>616,177,969</u>	<u>276,477,471</u>
Unsecured		
Call borrowings	283,770	527,950
Borrowings from other financial institution	3,396,861	3,384,206
Overdrawn nostro accounts	548,305	4,246,387
Musharaka Arrangements	17,224,441	35,438,534
Others	162,286	162,286
	<u>21,615,663</u>	<u>43,759,363</u>
Total unsecured	<u>637,793,632</u>	<u>320,236,834</u>

[illegible]

		Unaudited March 31, 2025	Audited December 31, 2024
		-----Rupees in '000-----	
21. DEFERRED TAX LIABILITIES - NET			
Taxable Temporary Differences on			
- Surplus on revaluation of property and equipment		3,744,650	3,780,562
- Surplus on revaluation of non-banking assets		291,793	291,793
- Accelerated tax depreciation		4,330,783	4,438,675
- Receivable from pension fund		7,141,377	6,935,161
- Surplus / (deficit) on revaluation of investments		8,883,443	9,199,398
- Business combination		705,218	705,218
- Investments in associated undertaking		4,394,163	4,109,648
		29,491,427	29,460,455
Deductible Temporary Differences on			
- Credit loss allowance against financial assets		(6,438,736)	(8,372,659)
- Workers Welfare Fund		(279,293)	(263,420)
		22,773,398	20,824,376
	Note	Unaudited March 31, 2025	Audited December 31, 2024
		-----Rupees in '000-----	
22. OTHER LIABILITIES			
Mark-up / return / interest payable in local currency		24,747,899	40,902,391
Mark-up / return / interest payable in foreign currencies		586,020	525,584
Unearned commission and income on bills discounted		3,081,554	2,801,265
Accrued expenses		8,497,729	11,301,460
Current taxation (provisions less payments)		6,586,492	12,571,095
Workers Welfare Fund	22.1	17,438,799	16,807,730
Acceptances	15	35,782,601	35,955,874
Unclaimed / dividends payable		2,855,389	2,752,474
Mark to market loss on forward foreign exchange contracts		445,322	1,026,820
Unrealised loss on derivative financial instruments		259,851	157,610
Provision for employees' compensated absences		1,269,773	1,249,500
Provision for post retirement medical benefits		2,221,101	2,169,019
Provision for employees' contributory benevolent scheme		140,328	142,549
Insurance payable against consumer assets		29,789	30,428
Unclaimed balances		418,659	395,575
Duties and taxes payable		3,692,782	3,301,622
Charity fund balance		24,341	26,310
Credit loss allowance against off-balance sheet obligations	22.2	1,704,832	1,543,367
Security deposits against lease		4,439,907	3,942,199
Clearing and settlement accounts		41,841,410	38,081,228
Others		9,652,000	9,118,059
		165,716,578	184,802,159

22.1 Supreme Court of Pakistan vide its order dated November 10, 2016 has held that the amendments made in the law introduced by the Federal Government for the levy of Workers Welfare Fund 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 judgment may not currently be treated as conclusive. Accordingly, the Group maintained its provision in respect of WWF.

Notes To The Consolidated Condensed Interim Financial Statements (Un-audited)
For The Three Months Period Ended March 31, 2025



22.2 An analysis of changes in credit loss allowance against off-balance sheet obligations as at March 31, 2025 is as follows:

	Unaudited March 31, 2025	Audited December 31, 2024
	-----Rupees in '000-----	
Opening balance	1,543,367	78,807
Impact of ECL on adoption of IFRS 9	-	1,673,186
Exchange adjustment	(200)	1,606
Charge for the period / year	416,385	293,373
Reversals	(254,720)	(503,605)
	161,665	(210,232)
Amount written off	-	-
Closing balance	1,704,832	1,543,367

23. RESERVES

	Note	Unaudited March 31, 2025	Audited December 31, 2024
		-----Rupees in '000-----	
Share premium		23,973,024	23,973,024
Non - distributable capital reserve - gain on bargain purchase option	23.1	908,317	908,317
Exchange translation reserve		9,815,553	9,760,029
Statutory reserve	23.2	56,420,288	54,916,400
General reserve		18,600,000	18,600,000
		109,717,182	108,157,770

23.1 Under IFRS 3 a bargain purchase represents an economic gain which should be immediately recognized by the acquirer as income. However, the amount of bargain purchase gain has not been taken to the profit and loss account as the SBP, through its letter BPRD(R&PD)/2017/14330 dated June 13, 2017 recommended that the amount of gain may be routed directly into equity as a Non-distributable Capital Reserve (NCR). The NCR may become available for distribution through a stock dividend only with prior approval of the SBP. The Holding Company, before distribution of the gain as a stock dividend, may adjust any subsequent provisions / deficit, assessed by the Bank or recommended by the Banking Inspection Department of SBP, in the acquired assets and liabilities of NIB Bank Limited against the NCR.

23.2 Statutory reserve represents amount set aside as per the requirements of section 21 of the Banking Companies Ordinance, 1962.

24. SURPLUS ON REVALUATION OF ASSETS

	Note	Unaudited March 31, 2025	Audited December 31, 2024
		-----Rupees in '000-----	
Surplus / (deficit) on revaluation of			
- Securities measured at FVOCI - Debt securities	10.1	2,017,950	6,067,591
- Securities measured at FVOCI - Equity securities	10.1	15,065,594	11,623,556
- Property and equipment		39,810,950	39,880,011
- Non-banking assets acquired in satisfaction of claims		561,141	561,141
- Associated undertaking		2,796,489	2,441,488
		60,252,124	60,573,787
Deferred tax on (surplus) / deficit on revaluation of:			
- Securities measured at FVOCI - Debt securities	21	(1,049,334)	(3,155,148)
- Securities measured at FVOCI - Equity securities	21	(7,834,109)	(6,044,250)
- Property and equipment	21	(3,744,650)	(3,780,562)
- Non-banking assets acquired in satisfaction of claims		(291,793)	(291,793)
- Associated undertaking		(1,676,492)	(1,490,965)
		(14,596,378)	(14,762,718)
		45,655,746	45,811,069

Notes To The Consolidated Condensed Interim Financial Statements (Un-audited)
For The Three Months Period Ended March 31, 2025



25. CONTINGENCIES AND COMMITMENTS

	Note	Unaudited March 31, 2025	Audited December 31, 2024
		-----Rupees in '000-----	
-Guarantees	25.1	291,630,609	272,138,880
-Commitments	25.2	650,589,737	768,027,533
-Other contingent liabilities	25.3	27,684,500	29,546,944
		969,904,846	1,069,713,357

25.1 Guarantees:

Financial guarantees	174,440,525	151,606,073
Performance guarantees	100,235,817	103,399,996
Other guarantees	16,954,267	17,132,811
	291,630,609	272,138,880

25.2 Commitments:

Documentary credits and short-term trade-related transactions		298,482,598	275,549,395
- letters of credit			
Commitments in respect of:			
- forward foreign exchange contracts	25.2.1	162,530,508	172,408,517
- forward government securities transactions	25.2.2	169,180,050	301,115,690
- derivatives	25.2.3	16,319,774	12,927,274
- commitments to extend credit		1,448,305	2,799,434
Commitments for acquisition of:			
- property and equipment		1,817,574	2,320,206
- intangible assets		810,928	907,017
		650,589,737	768,027,533

25.2.1 Commitments in respect of forward foreign exchange contracts

Purchase	69,861,054	80,842,372
Sale	92,669,454	91,566,145
	162,530,508	172,408,517

25.2.2 Commitments in respect of forward government securities transactions

Purchase	134,818,525	301,115,690
Sale	34,361,525	-
	169,180,050	301,115,690

25.2.3 Commitments in respect of derivatives

FX options		
Purchase	8,159,887	6,463,637
Sale	8,159,887	6,463,637
	16,319,774	12,927,274
	16,319,774	12,927,274

25.2.4 The Group makes commitments to extend credit in the normal course of its business but these being revocable commitments do not attract any significant penalty or expense if the facility is unilaterally withdrawn.

Notes To The Consolidated Condensed Interim Financial Statements (Un-audited)
For The Three Months Period Ended March 31, 2025



	Note	Unaudited March 31, 2025	Audited December 31, 2024
-----Rupees in '000-----			
25.3 Other contingent liabilities			
Claims against the Group not acknowledged as debts	25.3.1	27,684,500	29,546,944
25.3.1	These mainly represent counter claims by borrowers for damages and other claims relating to banking transactions. Based on legal advice and / or internal assessments, management is confident that the matters will be decided in the Group's favour and the possibility of any adverse outcome is remote. Accordingly, no provision has been made in these consolidated condensed interim financial statements.		
25.4 Taxation			
For assessment year 1999-2000 through tax year 2024, the tax department disputed Group's treatment on certain issues, where the Group's appeals are pending at various appellate forums, entailing an additional tax liability of Rs. 2,632.390 million (2024: 2,632.390 million). Such issues inter alia principally include disallowance of expenses for non deduction of withholding tax and non availability of underlying records, provision for non performing loans, attribution of expenses to heads of income other than income from business and disallowance of credit for taxes paid in advance / deducted at source.			
The Group has filed appeals which are pending at various appellate forums. In addition, certain decisions made in favour of the Group are being contested by the department at higher forums. No provision has been made in these consolidated condensed interim financial statements regarding the aforesaid additional tax demand and already issued favourable decisions where the department is in appeal, as the management is of the view that the issues will be decided in the Bank's favour as and when these are taken up by the Appellate Authorities.			
25.5 Amortization of goodwill and other intangibles amounting to Rs 28.08 billion of Ex. NIB			
Issue of goodwill and other related assets amortization for few years has been assessed in Holding Company favour at appellate forums, however, the tax department has filed appeal against these decisions. The management has not recorded any tax benefit because the issue has not attained finality.			

26. DERIVATIVE INSTRUMENTS

Unaudited March 31, 2025					
Cross Currency Swaps		Interest Rate Swaps		FX Options	
Notional Principal	Mark to market gain / loss	Notional Principal	Mark to market gain / loss	Notional Principal	Mark to market gain / loss
-----Rupees in '000-----					
Total					
Hedging	-	-	-	8,159,887	259,851
Market Making	-	-	-	8,159,887	(259,851)
Audited December 31, 2024					
-----Rupees in '000-----					
Total					
Hedging	-	-	-	6,463,637	157,610
Market Making	-	-	-	6,463,637	(157,610)

Notes To The Consolidated Condensed Interim Financial Statements (Un-audited)
For The Three Months Period Ended March 31, 2025



	Note	Unaudited Three Months Period ended March 31, 2025	Unaudited Three Months Period ended March 31, 2024
-----Rupees in '000-----			
27. MARK-UP / RETURN / INTEREST EARNED			
Loans and advances		27,026,131	31,334,927
Investments		49,653,367	66,713,304
Lendings to financial institutions		970,357	2,048,100
Balances with banks		337,436	545,226
		77,987,291	100,641,557
27.1	Interest income recognised on:		
	Financial assets measured at amortised cost	29,566,488	36,623,901
	Financial assets measured at FVOCI	47,116,493	63,974,388
	Financial assets measured at FVTPL	1,304,310	43,268
		77,987,291	100,641,557
28. MARK-UP / RETURN / INTEREST EXPENSED			
Deposits		28,424,651	50,689,174
Borrowings		10,034,862	6,334,471
Cost of foreign currency swaps against foreign currency deposits / borrowings		35,274	797,573
Finance charges on lease liability against right-of-use assets		420,243	372,601
		38,915,030	58,193,819
29. FEE & COMMISSION INCOME			
Branch banking customer fees		1,146,744	991,907
Consumer finance related fees		189,281	174,461
Card related fees (debit and credit cards)		2,282,637	1,938,647
Credit related fees		265,160	353,178
Investment banking fee		24,687	3,450
Commission on trade		801,685	1,030,081
Commission on guarantees		254,822	566,067
Commission on cash management		291,025	251,225
Commission on remittances including home remittances		(321,449)	538,551
Commission on bancassurance		216,250	183,268
Rent on lockers		77,727	67,284
Commission on utility bills		23,963	24,445
Commission on investments services		1,210,440	578,495
Others		150,970	94,873
		6,613,942	6,795,932
30. GAIN / (LOSS) ON SECURITIES			
Realised	30.1	(349,879)	(11)
Unrealised - Measured at FVTPL	10.1	210,224	6,139
		(139,655)	6,128
30.1	Realised gain / (loss) on:		
	Federal Government Securities	(231,947)	18,832
	Non Government Debt Securities	31,053	58
	Shares	(148,985)	(18,901)
		(349,879)	(11)
30.2	Realised gain / (loss) on:		
	Financial assets measured at FVTPL		
	Designated upon initial recognition	(392,046)	3,441
	Mandatorily measured at FVPL	-	-
		(392,046)	3,441
	Financial assets measured at FVOCI	42,167	(1,152)
	Financial assets measured at amortised cost	-	(2,300)
		42,167	(3,452)
		(349,879)	(11)

MCB Bank Limited & Subsidiary Companies

Notes To The Consolidated Condensed Interim Financial Statements (Un-audited) For The Three Months Period Ended March 31, 2025



	Unaudited Three Months Period ended March 31, 2025	Unaudited Three Months Period ended March 31, 2024
	-----Rupees in '000-----	
31. OTHER INCOME		
Rent on property	29,520	33,889
Gain on termination of lease liability against right of use assets	20,491	15,999
Gain on sale of property and equipment - net	94,616	48,398
Gain on conversion of Ijarah agreements	2,258	2,559
	<u>146,885</u>	<u>100,845</u>
32. OPERATING EXPENSES		
Total compensation expense	9,097,533	7,676,761
Property expense		
Rent and taxes	172,512	83,833
Insurance	20,184	17,615
Utilities cost	690,977	650,826
Fuel expense generators	209,166	252,655
Security (including guards)	713,006	632,207
Repair and maintenance (including janitorial charges)	405,994	306,675
Depreciation on right-of-use assets	521,944	472,110
Depreciation	427,946	337,913
	<u>3,161,729</u>	<u>2,753,834</u>
Information technology expenses		
Software maintenance	631,533	478,241
Hardware maintenance	109,457	89,093
Depreciation	440,848	293,862
Amortization	178,242	180,896
Network charges	206,739	214,917
Insurance	4,617	2,397
	<u>1,571,436</u>	<u>1,259,406</u>
Other operating expenses		
Directors' fees and allowances	14,560	8,460
Fees and allowances to Sharia Board members	6,119	5,062
Legal and professional charges	162,984	144,827
Outsourced services costs	359,478	293,592
Travelling and conveyance	182,236	188,132
NIFT clearing charges	81,414	60,023
Depreciation	389,164	325,061
Depreciation on non-banking assets acquired in satisfaction of claims	4,111	4,669
Training and development	21,653	22,215
Postage and courier charges	97,198	79,880
Communication	693,422	433,704
Stationery and printing	340,797	343,174
Marketing, advertisement & publicity	1,062,417	340,772
Donations	-	10,000
Auditors' remuneration	31,667	27,379
Cash transportation charges	372,462	308,283
Repair and maintenance	221,291	170,545
Subscription	37,309	21,573
Entertainment	160,972	131,738
Remittance charges	72,296	52,943
Brokerage expenses	26,596	21,932
Card related expenses	947,397	750,184
CNIC verification charges	77,043	97,567
Insurance	701,558	618,426
Others	248,513	164,738
	<u>6,312,657</u>	<u>4,624,879</u>
	<u>20,143,355</u>	<u>16,314,880</u>

MCB Bank Limited & Subsidiary Companies

Notes To The Consolidated Condensed Interim Financial Statements (Un-audited) For The Three Months Period Ended March 31, 2025



Note	Unaudited Three Months Period ended March 31, 2025	Unaudited Three Months Period ended March 31, 2024
	-----Rupees in '000-----	
33. OTHER CHARGES		
Penalties of State Bank of Pakistan	7,232	60,032
VAT & National Building tax & Crop Insurance Levy	39,978	67,279
Education cess	27,200	23,800
	<u>74,410</u>	<u>151,111</u>
34. CREDIT LOSS ALLOWANCE AND WRITE OFFS - NET		
Credit loss allowance against balance with other banks	63,524	(75,833)
Credit loss allowance against cash and balances with treasury banks	28,170	-
Credit loss allowance for diminution in value of investments	10.2 6,738	10,187
(Reversal) / credit loss allowance against loans and advances	11.3 (2,591,270)	811,656
Credit loss allowance / (reversal) against lendings to financial institutions	1,959	(136,223)
Credit loss allowance / (reversal) against off balance sheet items	161,665	(570,195)
Credit loss allowance / (reversal) against other assets	15.1.1 52,571	(22,267)
Recovery of written off / charged off bad debts	(55,922)	(45,280)
	<u>(2,332,565)</u>	<u>(27,955)</u>
35. TAXATION		
Current	14,481,489	17,402,287
Prior years	-	20,000
Deferred	2,079,524	(122,256)
Share of tax of associates	257,083	194,990
	<u>16,818,096</u>	<u>17,495,021</u>
36. BASIC AND DILUTED EARNINGS PER SHARE		
	-----Rupees in '000-----	
Profit after tax attributable to Equity Shareholders of the Bank	<u>14,651,519</u>	<u>17,819,689</u>
	-----Number-----	
Weighted average number of ordinary shares	<u>1,185,060,006</u>	<u>1,185,060,006</u>
	-----Rupees-----	
Basic and diluted earnings per share	<u>12.36</u>	<u>15.04</u>



Notes To The Consolidated Condensed Interim Financial Statements (Un-audited)
For The Three Months Period Ended March 31, 2025

37. FAIR VALUE MEASUREMENTS

The fair value of quoted securities other than those classified as amortised cost, is based on quoted market price. Quoted debt securities classified as amortised cost are carried at cost. Fair value of unquoted equity investments, other than investments in associates is determined on the basis of discounted cashflow method.

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 absence of current and active market for such assets and liabilities and reliable data regarding market rates for similar instruments.

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

37.1 Fair value of financial assets

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

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

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurements using input for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

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

Item	Valuation approach and input used
Federal Government securities	The fair values of Treasury Bills and fixed rate Pakistan Investments Bonds are determined using the PKRV rates while floating rate Pakistan Investments Bonds are revalued using PKFRV rates. The fair values of foreign currency denominated GoP Eurobonds are determined on the basis of rates taken from Bloomberg.
Term Finance and Bonds	Investments in debt securities (comprising term finance certificates, sukuks, bonds and any other security issued by a company or a body corporate for the purpose of raising funds in the form of redeemable capital) are valued on the basis of the rates announced by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by the Securities and Exchange Commission of Pakistan.
Foreign Government Debt Securities	The fair values of Foreign Government debt securities are determined on the basis of rates taken from Bloomberg.
Foreign exchange contracts	The valuation has been determined by interpolating the mark-to-market currency rates announced by the State Bank of Pakistan.
Derivatives	The fair values of derivatives which are not quoted in active markets are determined by using valuation techniques. The valuation techniques take into account the relevant underlying parameters including foreign currency involved, interest rates, yield curves, volatilities, contracts duration etc.
Unquoted equity investments	The value of unquoted equity investments are determined on the basis of discounted cashflow method by using certain key assumptions regarding future business projection of these entities considering economic and market conditions.
Mutual Funds	Units of mutual funds are valued using the Net Asset Value (NAV) announced by the Mutual Funds Association of Pakistan (MUFAP).
Property and equipment (land and building) & Non-banking assets acquired in satisfaction of claims	Land, buildings and non-banking assets acquired in satisfaction of claims are revalued on a periodic basis using professional valuers. The valuation is based on their assessment of the market value of the assets.

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

(a) Financial instruments in level 1

Financial instruments included in level 1 comprise of investments in listed ordinary shares.

(b) Financial instruments in level 2

Financial instruments included in level 2 comprise of Sukuk Bonds, Pakistan Investment Bonds, Market Treasury Bills, Mutual Fund units, Term Finance certificates, FX options, Cross Currency Swaps, Interest Rate Swaps and Forward Exchange Contracts.

(c) Financial instruments in level 3

Financial instruments included in level 3 comprise of investments in unquoted equity investments.



Notes To The Consolidated Condensed Interim Financial Statements (Un-audited)
For The Three Months Period Ended March 31, 2025

The table below analyses the financial and non-financial assets carried at fair values, by valuation methods. For financial assets, the Group essentially carries its investments in debt and equity securities at fair values. Valuation of investments is carried out as per guidelines specified by the SBP. In case of non-financial assets, the Group has adopted revaluation model (as per IAS 16) in respect of land and building & non-banking assets acquired in satisfaction of claims.

Unaudited March 31, 2025					
	Carrying / Notional Value	Level 1	Level 2	Level 3	Total
-----Rupees in '000-----					
On balance sheet financial instruments					
Financial assets - measured at fair value					
Investments					
Federal Government Securities	1,783,276,143	-	1,783,276,143	-	1,783,276,143
Shares and units	60,354,736	54,418,987	200,473	5,735,276	60,354,736
Non-Government Debt Securities	10,499,857	-	10,499,857	-	10,499,857
Foreign Securities	61,733,391	-	61,733,391	-	61,733,391
Financial assets - disclosed but not measured at fair value					
Investments (amortized cost and associates)	53,952,796	-	-	-	-
Non - Financial Assets measured at fair value					
Property and equipment (land and buildings)	65,621,520	-	65,621,520	-	65,621,520
Non-banking assets	1,897,776	-	1,897,776	-	1,897,776
Off-balance sheet financial instruments - measured at fair value					
Forward purchase of foreign exchange	69,861,054	-	187,902	-	187,902
Forward sale of foreign exchange	92,669,454	-	673,396	-	673,396
Derivatives purchase	8,159,887	-	259,851	-	259,851
Derivatives sale	8,159,887	-	259,851	-	259,851
Audited December 31, 2024					
	Carrying / Notional Value	Level 1	Level 2	Level 3	Total
-----Rupees in '000-----					
On balance sheet financial instruments					
Financial assets - measured at fair value					
Investments					
Federal Government Securities	1,134,229,469	-	1,134,229,469	-	1,134,229,469
Shares and units	49,810,331	49,708,717	101,614	-	49,810,331
Non-Government Debt Securities	10,468,262	-	10,468,262	-	10,468,262
Foreign Securities	58,121,060	-	58,121,060	-	58,121,060
Financial assets - disclosed but not measured at fair value					
Investments (HTM, unlisted ordinary shares and associates)	53,927,034	-	-	-	-
Non - Financial Assets measured at fair value					
Property and equipment (land and buildings)	66,246,073	-	66,246,073	-	66,246,073
Non-banking assets	1,901,887	-	1,901,887	-	1,901,887
Off-balance sheet financial instruments - measured at fair value					
Forward purchase of foreign exchange	80,842,372	-	726,974	-	726,974
Forward sale of foreign exchange	91,566,145	-	1,402,562	-	1,402,562
Forward purchase of government securities	301,115,690	-	2,096,975	-	2,096,975
Derivatives purchase	6,463,637	-	157,610	-	157,610
Derivatives sale	6,463,637	-	157,610	-	157,610

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

Notes To The Consolidated Condensed Interim Financial Statements (Un-audited)
For The Three Months Period Ended March 31, 2025



Profit & Loss

	Retail Banking	Consumer banking	Corporate Banking	Treasury	International Banking	Islamic Banking	Asset Management	Others	Sub-total	Eliminations	Total
Net mark-up/return/profit	(21,100,827)	1,649,423	16,089,153	36,640,082	1,898,268	3,718,164	5,400	164,578	39,072,261	-	39,072,261
Inter segment revenue - net	44,632,663	(935,307)	(13,736,574)	(32,643,910)	(88,652)	-	-	2,771,780	-	-	-
Non mark-up / return / interest income	3,888,010	814,504	1,749,478	2,046,554	649,697	431,330	1,133,197	283,556	10,997,326	-	10,997,326
Total income	27,420,846	1,528,620	4,102,057	6,050,726	2,459,313	4,149,514	1,138,597	3,219,914	50,069,587	-	50,069,587
Segment direct expenses	11,084,870	683,859	1,136,881	266,543	834,783	2,685,008	430,075	3,716,815	20,848,834	-	20,848,834
Inter segment expense allocation	-	-	-	-	-	-	-	-	-	-	-
Total expenses	11,084,870	683,859	1,136,881	266,543	834,783	2,685,008	430,075	3,716,815	20,848,834	-	20,848,834
Credit loss allowance and write offs - net	1,144,146	51,180	(119,532)	(192,027)	(84,396)	149,983	-	(3,281,919)	(2,332,565)	-	(2,332,565)
Profit before tax	15,191,830	783,881	3,084,708	5,976,210	1,708,926	1,314,523	708,522	2,785,018	31,553,318	-	31,553,318

Statement of Financial Position

	Unaudited March 31, 2025										
Cash & Bank balances	73,092,018	219,587	432,848	109,035,908	30,395,303	21,363,852	54,067	107,708	234,700,991	-	234,700,991
Investments	-	-	10,631,082	1,720,172,076	76,245,159	150,982,891	2,816,886	8,988,819	1,969,816,923	-	1,969,816,923
Net inter segment lending	1,623,825,109	-	-	-	-	-	-	309,405,341	1,932,230,450	(1,932,230,450)	-
Lendings to financial institutions	-	-	-	18,024,449	53,245,145	-	-	-	71,269,594	-	71,269,594
Advances - performing / underperforming	56,901,991	38,784,659	617,775,783	-	39,812,232	106,286,789	21,040	(172,239)	859,410,255	-	859,410,255
- non performing	246,474	107,111	1,303,413	-	9,097,291	645,966	-	930,809	12,331,054	-	12,331,054
Others	60,703,847	3,712,840	55,232,654	53,423,730	2,831,467	27,514,249	1,498,412	109,106,820	314,024,019	-	314,024,019
Total Assets	1,814,769,439	42,824,197	685,375,480	1,900,656,163	211,626,597	306,793,737	4,390,415	427,347,258	5,393,783,286	(1,932,230,450)	3,461,552,836
Borrowings	4,350,589	40,567	75,916,356	508,790,608	2,146,392	42,591,930	-	3,957,190	637,793,632	-	637,793,632
Deposits & other accounts	1,790,503,229	-	125,535,844	-	175,620,668	226,503,690	-	11,128	2,318,174,359	-	2,318,174,359
Net inter segment borrowing	-	35,993,928	447,947,136	1,390,411,066	29,466,118	25,561,767	2,949,835	-	1,932,230,450	(1,932,230,450)	-
Others	19,915,621	6,789,702	35,975,144	1,454,489	4,393,419	12,136,350	1,540,580	131,736,949	213,942,854	-	213,942,854
Total liabilities	1,814,769,439	42,824,197	685,375,480	1,900,656,163	211,626,597	306,793,737	4,390,415	135,705,267	5,102,141,295	(1,932,230,450)	3,169,910,845
Equity	-	-	-	-	-	-	-	291,641,991	291,641,991	-	291,641,991
Total Equity & liabilities	1,814,769,439	42,824,197	685,375,480	1,900,656,163	211,626,597	306,793,737	4,390,415	427,347,258	5,393,783,286	(1,932,230,450)	3,461,552,836
Contingencies & Commitments	78,038,951	-	456,871,081	323,996,724	14,641,354	67,578,712	-	28,777,424	969,904,846	-	969,904,846

Notes To The Consolidated Condensed Interim Financial Statements (Un-audited)
For The Three Months Period Ended March 31, 2025



Profit & Loss

	Retail Banking	Consumer banking	Corporate Banking	Treasury	International Banking	Islamic Banking	Asset Management	Others	Sub-total	Eliminations	Total
Net mark-up/return/profit	(36,248,148)	923,407	14,792,226	56,516,929	2,087,083	4,240,281	(2,540)	138,500	42,447,738	-	42,447,738
Inter segment revenue - net	69,270,481	(236,494)	(12,142,884)	(62,453,377)	(102,964)	-	-	5,665,238	-	-	-
Non mark-up / return / interest income	3,572,373	667,940	2,563,667	1,909,919	503,141	223,782	537,487	69,183	10,044,502	-	10,044,502
Total income	36,594,706	1,354,853	5,213,009	(4,029,529)	2,487,260	4,464,063	534,967	5,972,921	52,492,240	-	52,492,240
Segment direct expenses	9,675,920	657,051	539,983	228,618	719,210	2,148,095	239,988	2,982,156	17,171,021	-	17,171,021
Inter segment expense allocation	-	-	-	-	-	-	-	-	-	-	-
Total expenses	9,675,920	657,051	539,983	228,618	719,210	2,148,095	239,988	2,982,156	17,171,021	-	17,171,021
Credit loss allowance and write offs - net	804,040	18,573	331,655	(142,496)	(798)	49,000	-	(1,088,129)	(27,955)	-	(27,955)
Profit before tax	26,114,746	679,229	4,341,171	(4,115,651)	1,768,848	2,266,968	294,969	3,988,894	35,349,174	-	35,349,174

Statement of Financial Position

	Audited December 31, 2024										
Cash & Bank balances	46,364,878	112,551	201,339	104,117,273	45,563,659	19,076,604	63,967	34,002	215,534,263	-	215,534,263
Investments	-	-	10,671,310	1,066,820,725	71,479,168	146,596,201	2,360,126	8,828,626	1,306,556,156	-	1,306,556,156
Net inter segment lending	1,540,925,947	-	-	-	-	-	-	317,728,339	1,858,654,286	(1,858,654,286)	-
Lendings to financial institutions	-	-	-	199,978	55,455,526	2,000,000	-	-	57,655,504	-	57,655,504
Advances - performing / underperforming	61,051,389	36,075,897	895,102,516	-	45,235,202	118,695,366	27,363	(2,990,082)	1,153,197,651	-	1,153,197,651
- non performing	221,802	129,398	936,180	-	9,102,756	657,777	-	1,669,062	12,716,975	-	12,716,975
Others	61,229,836	3,648,516	56,988,097	36,583,876	4,169,533	20,261,748	1,701,268	79,479,333	264,061,207	-	264,061,207
Total Assets	1,709,792,852	39,966,362	963,889,442	1,207,721,852	231,005,844	307,287,696	4,152,714	404,549,280	4,866,376,042	(1,858,654,286)	3,009,721,756
Borrowings	4,811,563	42,145	79,574,711	182,422,525	1,022,291	48,422,293	-	3,941,306	320,236,834	-	320,236,834
Deposits & other accounts	1,626,526,469	-	109,698,501	-	185,184,270	219,108,581	-	7,557	2,130,525,378	-	2,130,525,378
Net inter segment borrowing	-	33,742,698	739,961,150	1,025,012,385	31,277,259	25,946,006	2,694,408	-	1,858,654,286	(1,858,654,286)	-
Others	78,454,800	6,181,519	34,644,700	286,942	13,522,024	23,810,816	1,458,306	113,553,193	271,712,300	-	271,712,300
Total liabilities	1,709,792,852	39,966,362	963,889,442	1,207,721,852	231,005,844	307,287,696	4,152,714	117,302,036	4,581,128,798	(1,858,654,286)	2,722,474,512
Equity	-	-	-	-	-	-	-	287,247,244	287,247,244	-	287,247,244
Total Equity & liabilities	1,709,792,852	39,966,362	963,889,442	1,207,721,852	231,005,844	307,287,696	4,152,714	404,549,280	4,866,376,042	(1,858,654,286)	3,009,721,756
Contingencies & Commitments	77,434,778	-	416,240,574	471,223,497	13,340,003	60,170,677	-	31,303,828	1,069,713,357	-	1,069,713,357

38.2 Transactions between reportable segments are based on an appropriate transfer pricing mechanism using agreed rates. Furthermore, segment assets and liabilities include inter segment balances. Costs which are not allocated to segments are included in the Head office. Income taxes are managed at bank level and are not allocated to operating segments.

Notes To The Consolidated Condensed Interim Financial Statements (Un-audited)
For The Three Months Period Ended March 31, 2025



The Group has related party relationship with its associates, employee benefit plans, its directors and key management personnel and their close family members.

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

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

	Unaudited March 31, 2025				Audited December 31, 2024			
	Directors	Key Management Personnel	Associates	Other Related Parties	Directors	Key Management Personnel	Associates	Other Related Parties
Investments								
Opening balance	-	-	10,568,425	249,253	-	-	7,821,877	249,253
Equity method adjustments	-	-	590,879	-	-	-	3,576,674	-
Investment / (redemptions) during the period / year	-	-	834,890	-	-	-	(830,126)	-
Closing balance	-	-	11,994,194	249,253	-	-	10,568,425	249,253
Advances								
Credit loss allowance for diminution in value of investments*	-	-	-	-	-	-	-	-
Property and equipment								
Opening balance	20,707	368,057	-	5,288,804	1,436	339,386	-	1,509,280
Addition / exchange adjustment during the period / year	2,518	10,670	-	749,883	33,104	111,052	-	4,911,914
Repaid / exchange adjustment during the period / year	(3,397)	(16,860)	-	(4,641,408)	(13,833)	(108,796)	-	(1,132,390)
Transfer in / (out)	-	(132,695)	-	-	-	26,415	-	-
Closing balance	19,828	229,172	-	1,397,279	20,707	368,057	-	5,288,804
Credit loss allowance against advances*	(720)	(8,589)	-	(8,828)	(747)	(12,374)	-	(9,864)
Other Assets								
Purchase of property and equipment	-	-	1,545	-	-	-	25,666	541,045
Other Liabilities								
Income / markup accrued	645	3,365	-	13,020	-	3,924	-	64,558
Advances, deposits, advance rent and other prepayments	-	-	809,300	26,068	-	-	470,036	26,329
Receivable from pension fund	-	-	-	13,733,419	-	-	-	13,336,850
	645	3,365	809,300	13,772,507	-	3,924	470,036	13,427,737

Credit loss allowance held against other assets*

Deposits and other accounts

Opening balance

Received during the period / year

Withdrawn during the period / year

Transfer in / (out) - net

Closing balance

Other Liabilities

Markup / return / interest payable

Accrued expenses and other payable

Credit loss allowance against off-balance sheet obligations*

Contingencies and Commitments

Letter of Credit

Bank guarantee

Notes To The Consolidated Condensed Interim Financial Statements (Un-audited)
For The Three Months Period Ended March 31, 2025



	Unaudited March 31, 2025				Audited December 31, 2024			
	Directors	Key Management Personnel	Associates	Other Related Parties	Directors	Key Management Personnel	Associates	Other Related Parties
Deposits and other accounts								
Opening balance	(28)	(135)	-	(104)	-	(104)	-	(98)
Received during the period / year	147,783	204,135	9,178,670	8,319,616	3,034,686	200,484	8,321,464	10,033,148
Withdrawn during the period / year	932,631	619,343	18,433,886	37,273,939	6,929,977	2,661,377	75,020,811	225,529,950
Transfer in / (out) - net	(733,820)	(559,101)	(19,435,664)	(27,209,851)	(9,815,845)	(2,658,593)	(74,163,605)	(227,616,705)
Closing balance	346,594	247,938	8,176,892	18,335,296	147,783	204,135	9,178,670	8,319,616
Other Liabilities								
Markup / return / interest payable	1,401	1,146	145,533	141,721	1,342	2,403	171,862	114,516
Accrued expenses and other payable	-	-	68,921	150	-	-	92,360	32,760
	1,401	1,146	214,454	141,871	1,342	2,403	264,222	147,276
Contingencies and Commitments								
Letter of Credit	-	-	149	10,140	-	-	476	10,086
Bank guarantee	-	-	-	4,360,752	-	-	-	4,111,927
	-	-	8,784,896	2,026,648	-	-	8,734,277	1,846,504
	-	-	8,784,896	6,387,400	-	-	8,734,277	5,958,431

Notes To The Consolidated Condensed Interim Financial Statements (Un-audited)
For The Three Months Period Ended March 31, 2025



	Unaudited March 31, 2025			Unaudited March 31, 2024		
	Directors	Key Management Personnel	Associates	Other Related Parties	Directors	Key Management Personnel
(Rupees in '000)						
Income						
Markup / return / interest earned	175	6,095	-	45,261	-	8,667
Fee and commission income	-	-	901,741	6,081	1	-
Dividend income	-	-	-	85,358	-	-
Net gain / (loss) on forward foreign exchange contracts matured during the period	-	-	-	(7)	-	-
Net gain / (loss) on sale of securities	-	11	648	30	-	(5)
Gain on sale of property and equipment	-	30	-	-	-	69
Rent income	-	-	2,921	1,047	-	-
Expense						
Markup / return / interest expensed	2,865	1,148	94,240	140,033	24,694	3,878
Other Operating expenses						
Clearing expenses paid to NIFT	-	-	-	68,110	-	-
Contribution to provident fund	-	-	-	174,084	-	-
Rent expenses	-	-	26,999	15,756	-	-
Cash sorting expenses	-	-	-	35,172	-	-
Stationery expenses	-	-	-	143,251	-	-
Security guards expenses	-	-	-	1,457	-	-
Remuneration to key executives and non-executive directors fee	61,767	459,698	-	-	107,003	521,716
Outsourcing service expenses	-	-	36,412	-	-	-
E-dividend processing fee and CDC charges	-	-	-	3,795	-	-
Travelling Expenses	-	-	-	31,622	-	-
Hotel stay expenses	-	-	-	1,112	-	-
Repair & Maintenance Charges	-	-	-	1,637	-	-
Utility expenses	-	-	-	261	-	-
Miscellaneous expenses and payments	-	-	-	1,495	-	-
Insurance premium-net of refund	-	-	576,896	-	-	-
Insurance claim settled	-	-	7,761	-	-	-
Other Transactions						
Proceeds from sale of property and equipment	-	30	-	-	-	69
Sale of government securities	-	32,543	4,964,407	770,132	30,935	24,888
Purchase of government securities	-	25,991	98,783	20,192	-	18,312
Forward exchange contracts matured during the period	-	-	-	237,000	-	-

*Represents credit loss allowance recognized against performing exposures on adoption of IFRS 9.
The Chairman has been provided with free use of the Bank's maintained car. The Chief Executive and certain executives are provided with free use of the Bank's maintained cars and household equipment in accordance with the terms of their employment.

Notes To The Consolidated Condensed Interim Financial Statements (Un-audited)
For The Three Months Period Ended March 31, 2025



		Unaudited March 31, 2025	Audited December 31, 2024
		-----Rupees in '000-----	
40 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS			
40.1 Capital Adequacy			
Minimum Capital Requirement (MCR):			
Paid-up capital (net of losses)		11,850,600	11,850,600
Capital Adequacy Ratio (CAR):			
Eligible Common Equity Tier 1 (CET 1) Capital		224,980,647	221,355,610
Eligible Additional Tier 1 (ADT 1) Capital		-	-
Total Eligible Tier 1 Capital		224,980,647	221,355,610
Eligible Tier 2 Capital		57,190,911	57,262,104
Total Eligible Capital (Tier 1 + Tier 2)		282,171,558	278,617,714
Risk Weighted Assets (RWAs):			
Credit Risk		974,127,981	937,630,609
Market Risk		240,398,799	217,684,208
Operational Risk		331,256,057	331,256,057
Total		1,545,782,837	1,486,570,874
Common Equity Tier 1 Capital Adequacy ratio		14.55%	14.89%
Tier 1 Capital Adequacy Ratio		14.55%	14.89%
Total Capital Adequacy Ratio		18.25%	18.74%
The Group has not taken benefit allowed to banks to absorb the impact of IFRS 9 on regulatory capital.			
		Unaudited March 31, 2025	Audited December 31, 2024
		-----Rupees in '000-----	
40.2 Leverage Ratio (LR):			
Eligible Tier-1 Capital		224,980,647	221,355,610
Total Exposures		3,898,257,002	3,753,643,548
Leverage Ratio		5.77%	5.90%
40.3 Liquidity Requirements			
Liquidity Coverage Ratio (LCR):			
Total High Quality Liquid Assets		1,462,142,666	1,478,648,150
Total Net Cash Outflow		626,160,529	647,316,425
Liquidity Coverage Ratio		233.51%	228.43%
Net Stable Funding Ratio (NSFR):			
Total Available Stable Funding		1,971,017,519	1,887,441,253
Total Required Stable Funding		1,412,399,109	1,462,807,887
Net Stable Funding Ratio		139.55%	129.03%



41 EVENTS AFTER THE REPORTING DATE

The Board of Directors in its meeting held on April 23, 2025 has announced an interim cash dividend in respect of three months period ended March 31, 2025 of Rs. 9.00 per share (March 31, 2024: Rs. 9.00 per share). These consolidated condensed interim financial statements for the period ended March 31, 2025 do not include the effect of these appropriations which will be accounted for subsequent to the period end.

42 GENERAL

Comparative information has been reclassified, rearranged or additionally incorporated in these consolidated condensed interim financial statements for the purposes of better presentation.

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

43 DATE OF AUTHORIZATION FOR ISSUE

These consolidated condensed interim financial statements were authorized for issue by the Board of Directors of the Bank in their meeting held April 23, 2025.

Hammad Khalid
Chief Financial Officer

Muhammad Nauman Chughtai
President / CEO

Mian Umer Mansha
Director

Shahzad Hussain
Director

Muhammad Ali Zeb
Director