

HALF YEARLY REPORT JUNE 2025



ایک عزم، ایک پہچان

National Bank اور Pakistan

CORPORATE INFORMATION

Board of Directors

Chairman	Mr. Ashraf Mahmood Wathra
Directors	Mr. Farid Malik, CFA
	Mr. Amjad Mahmood
	Mr. Ali Syed
	Mr. Nasim Ahmad
	Mr. Muhammad Sohail Tabba
	Ms. Aaiza Khan
President & CEO	Mr. Rehmat Ali Hasnie

Audit Committee

Chairman	Mr. Nasim Ahmad
	Mr. Farid Malik, CFA
	Mr. Amjad Mahmood
	Mr. Ali Syed
	Mr. Muhammad Sohail Tabba

Chief Financial Officer

Mr. Abdul Wahid Sethi

Company Secretary

Syed Muhammad Ali Zamin

Auditors

A.F. Ferguson & Co.
Chartered Accountants

BDO Ebrahim & Co
Chartered Accountants

Legal Advisors

Khalid Anwar & Co.
Advocates & Legal Advisors

Registered & Head Office

NBP Building
I.I. Chundrigar Road, Karachi, Pakistan.
Phone: 92-21-99220100 (30 lines),
92-21-99062000 (60 lines)
NBP Call Center: 111-627-627

Registrar & Share Registration Office

CDC Share Registrar Services Limited
CDC House, 99-B, Block-B,
S.M.C.H.S., Main Shahrah-e-Faisal,
Karachi-74400, Pakistan.
111-111-500

Website

www.nbp.com.pk

Unconsolidated Condensed Interim Financial Statements
For the six months period ended June 30, 2025

Directors' Report to the Shareholders

Standalone Financial Statements

Dear Shareholders,

On behalf of the Board of Directors, "the Board", we have the pleasure of presenting the condensed interim standalone financial statements of the Bank for the half-year ended June 30, 2025. These financial statements have been reviewed by the Bank's external auditors.

Operating Context

The global economy continues to demonstrate resilience amid moderating inflation, persistent geopolitical tensions, and tighter financial conditions. According to the IMF, global growth is projected at 3.2% in 2025, broadly unchanged from the prior year, as advanced economies pivot towards a more neutral monetary stance.

In Pakistan, the economy has shown clear signs of stabilization following a difficult FY'24. GDP growth for FY'25 is estimated at 2.7%, supported by strong agricultural output, a gradual rebound in manufacturing, and steady expansion in services. Inflation has sharply moderated, averaging 4.5% in FY'25, compared to nearly 30% two years earlier, on the back of improved supply conditions, lower global commodity prices, and disciplined monetary management. Reflecting this, the State Bank of Pakistan reduced the policy rate aggressively from 22% to 11% by June 2025, easing financing costs and stimulating credit demand.

The external sector has strengthened, with the current account recording a \$2.1 Bn surplus in FY'25, the first annual surplus in over two decades, supported by resilient remittances of nearly \$38.3 Bn, improving export performance, and restrained imports. Multilateral inflows, including the \$7 Bn IMF program and continued World Bank commitments, have further bolstered foreign exchange reserves, which reached \$13.9 Bn by June 2025. Constant stabilisation in macro indicators and the strengthening

Strengthening economic fundamentals have paved the way for an improvement in Pakistan's sovereign credit standing. S&P has raised the country's rating from CCC+ to B- with a Stable Outlook. Reinforcing this momentum, Fitch and Moody's have also upgraded Pakistan's sovereign rating. These positive actions are expected to enhance investor confidence and support stronger market participation.

Capital markets have emerged as a standout performer. The Pakistan Stock Exchange has shown stellar performance in 2025, with the KSE-100 Index delivering a reported around 60% gain in the fiscal year (FY'25) and an all-time high of over 124,000 points by June 2025. This remarkable rally was driven by macroeconomic stability, falling interest rates, improved market liquidity, and the positive impact of structural reforms under the IMF program.

Financial Performance - H1'2025

Your Bank has delivered strong financial results for the six-month period ended June 30, 2025. These results demonstrate the resilience inherent in the Bank's business model, effectiveness of the strategic efforts by management, and the commitment demonstrated by our field personnel in these demanding circumstances.

Financial Performance:

No.	Key Items	H1'25	H1'24	(PKR 'Bn)	
				Better/ (Worse)	
				Amount	%
1	Net Interest Income	130.6	74.2	56.4	76.0%
2	Non-Fund Income	26.6	25.0	1.6	6.3%
3	Total Income	157.1	99.2	58.0	58.4%
4	Operating Exp.	59.1	51.3	(7.8)	(15.2%)
5	Pre-Prov. Profit	98.0	47.9	50.1	104.8%
6	Provision Charge/(Reversal)	4.8	(1.8)	(6.6)	(367.5%)
7	Profit before Extra-Ordinary Item	93.2	49.6	43.6	87.8%
8	Extra ordinary Cost (Pension)	-	49.0	(49.0)	100.0%
9	Pre-tax Profit	93.2	0.6	92.6	14885%
10	Tax	49.8	0.3	(49.5)	(18767%)
11	After-tax Profit	43.5	0.4	43.1	12029%
12	Earnings Per Share (Rs.)	20.43	0.17	20.26	11918%

Core Income Growth Anchored in Net Interest Performance

For the half-year period under review, your Bank earned Gross Interest Income 'GII' of PKR 410.9 Bn as against PKR 565.9 Bn for the corresponding half-year period of 2024. The PKR 155.1 Bn decrease in GII was because of a decline in policy rate in half year 2025 as compared to same period last year. The Bank's investments averaged PKR 4,490.6 Bn (H1'24: PKR 4,254.2 Bn) and generated a mark-up/interest income of PKR 311.1 Bn being PKR 122.7 Bn or 28.3% down against PKR 433.8 Bn for H1'24. This translates into average yield at 13.97% (H1'24: 20.56%). Similarly, placements averaged PKR 108.1 Bn (H1'24: PKR 103.5 Bn) and generated a mark-up income of PKR 3.9 Bn (H1'24: PKR 6.9 Bn) at yield of 7.37% as compared to 13.5% for H1'24. The Bank's loan book averaged PKR 1,507.9 Bn and generated a mark-up income of PKR 95.8 Bn i.e., PKR 29.4 Bn or 23.5% lower than PKR 125.2 Bn of H1'24.

Likewise, the Bank's cost of funds for H1'25 also closed lower at PKR 280.3 Bn as compared to PKR 491.8 Bn in H1'24. This decrease of PKR 211.5 Bn or 43% was mainly because of a decrease in the cost of deposits by PKR 86.5 Bn and the borrowings/repo/Swap cost by PKR 125.1 Bn. While average cost of deposits stood lower from 14.04% in H1'24 to 7.59% in H1'25, total cost of funds decreased from 17.69% to 9.29%. Consequently, the Net Interest Income 'NII' for the period under review closed at PKR 130.6 Bn, experiencing an increase of 76.0% against PKR 74.1 Bn of H1'24.

Stable Non-Fund Income

Non-Fund Income 'NFI' for the H1'25 recorded a YoY increase to close at PKR 26.6 Bn which is PKR 1.6 Bn or 6.3% higher than PKR 25.0 Bn of H1'24. While fee & commission income recorded a YoY increase of 22.3% to close at PKR 14.7 Bn (H1'24: PKR 12.1 Bn), dividend income increased by PKR 0.1 Bn or 3.6% to close at PKR 3.1 Bn. On the other hand, while FX income decreased by 11.7% to close at PKR 3.5 Bn as against PKR 4.0 Bn for H1'24, capital gains recorded decrease by PKR 0.5 Bn or 9.2% to close at PKR 5.3 Bn (H1'24: PKR 5.8 Bn). Going forward, the NFI is expected to remain strong following recent developments such as high forex reserves, strong stock market indicators and improvement in the overall economic environment.

Disciplined Operating Costs

Total operating expenses for the half-year period under review amounted to PKR 59.1 Bn, which is 15.20% higher YoY as compared to PKR 51.3 Bn for the similar period last year. HR cost that constitutes around 63% of the total operating expenses, amounted to PKR 37.3 Bn depicting a YoY increase of PKR 3.2 Bn or 9.5%. While property

related expenses amounted to PKR 6.7 Bn (H1'24: PKR 6.1 Bn), IT related expenses amounted to PKR 5.4 Bn (H1 '24: PKR 3.8 Bn) as the Bank is diligently upgrading its IT infrastructure. Accordingly, the Bank's cost-to-income ratio (excluding extraordinary item) for the period stood at 37.6% as against 51.7% (excluding the extraordinary items) for the similar period last year.

■ Credit Loss Allowances

The Bank prudently identifies credit loss allowances in its asset portfolio under the expected credit loss model and maintains a robust level of provisions as per the applicable regulatory requirements. During the period under review the Bank's non-performing loans increased by 0.9% to reach PKR 271.7 Bn from PKR 269.3 Bn as of Dec 31, 2024. These translate into loan infection ratio at 17.2% (Dec'24:16.1%). Gross NPL ratio stands high as the Bank carries a significant amount of legacy NPLs.

For the six-months period under review, credit loss allowance amounted to PKR 4.8 Bn, was recorded as compared to a reversal of charge of PKR 1.8 Bn for the corresponding six-month period of 2024. credit loss allowance against loans & advances recorded a charge of PKR 5.6 Bn as against a reversal of PKR 1.8 Bn for the corresponding 6-month period of 2024.

■ Sustained After-tax Profitability

Taxation charge for the period amounted to PKR 49.8 bn. Consequently, profit after-tax for the half- year period ended June 30, 2025, stood at PKR 43.5 Bn. This translates into earnings per share of Rs. 20.43 as compared to Rs. 0.17 for H1'24.

The standalone after-tax profit of the Bank for the half-year ended June 30, 2025, along with the brought forward unappropriated profit is proposed for appropriation as follows:

	(PKR 'Mn)
Unappropriated profit as of 31.12.2024	235,062.0
Adjustment due to adoption of IFRS 9 - net of tax	422.0
Unappropriated profit as of January 01, 2025 - restated	235,484.0
Profit after-tax for the six-months period ended June 30, 2025	43,471.8
Gain on sale of investments classified as FVOCI - net of tax	3,259.2
Remeasurement Loss on defined benefit obligations	(699.0)
Transfer from surplus on revaluation of fixed assets - net of tax	89.8
	46,121.8
Profit available for appropriation	281,605.8
Appropriation:	
Transfer to Statutory Reserve (10% of PAT)	4,347.2
Dividend Pay Out	17,020.1
	(21,367.3)
Unappropriated profit carried forward	260,238.5

Financial Position as of June 30, 2025

As of June 30, 2025, total assets of the Bank amounted to PKR 7,224.9 Bn, depicting a 7.13% increase against PKR 6744.1 Bn level as of December 31, 2024.

▪ Loans & Advances

As of June 30, 2025, gross loans & advances of the Bank amounted to PKR 1,580.9 Bn depicting a decrease of 5.5% against PKR 1,672.8 Bn at end of the year 2024. Net advances stood at PKR 1,307.3 Bn i.e., 6.9% lower than PKR 1,404.9 Bn level at the end of 2024. While growth was achieved in Islamic banking loans, there was some drop in corporate and commodity segments, which is expected to rebound in the easing monetary policy environment.

▪ Investments

Pursuant to an effective risk and liquidity management strategy, the Bank is maintaining a well-diversified portfolio of investment across zero risk weighted instruments, high dividend yielding equities and other interest-bearing financial instruments. As of June 30, 2025, the Bank's investments (at cost) amounted to PKR 4,897.6 Bn (2024: PKR 4,475.4 Bn) with a carrying value of PKR 5027.2 Bn (2024: PKR 4,612.3 Bn). During the half-year period under review, PKR 422.3 Bn or 9.44% growth was recorded in the investments (at cost).

▪ Deposits & Funding

Total deposits amounted to PKR 4,703.8 Bn which is PKR 838.3 Bn or 21.7% higher than the Dec'24 levels of PKR 3,865.6 Bn. A major share of the Bank's funding comes from core customer sticky deposits that contribute PKR 4,128.0 Bn or 87.8% of the Bank's total deposits. With total current account deposits at PKR 2,536.4 Bn or 53.9% of the total deposits on June 30, 2025, the Bank maintains a strong liquidity and funding profile. The Bank's CASA ratio stood high at 82.9%. Liquidity Coverage Ratio and Net Stable Funding Ratio stood at 216% (Dec'24:206%) and 211% (Dec'24:174%), respectively vis- a-vis regulatory requirement of 100% for each.

▪ Capital Strength and Adequacy

The Bank's balance sheet remains robust, liquid, and strategically aligned. Since the Bank has been designated as a Domestic Systemically Important Bank "D-SIB", it maintains strong capital levels to build resilience with adequate buffers over regulatory requirements.

The Bank's Eligible Tier-1 capital stood at PKR 362.0 Bn at the end of June 2025, depicting a 2.3% increase from PKR 353.9 Bn at YE'24. Whereas the eligible Tier-2 capital stood at PKR 128.4 Bn as against PKR 125.9 Bn at YE'24. Accordingly, Total Capital Adequacy Ratio (CAR) stood high at 27.28% with Tier-1 capital adequacy ratio at 20.14% as compared to 27.80% and 20.51%, respectively, at YE'2024. The leverage ratio stood at 3.72%, and other sound financial indicators also depict a strong & resilient capital of the Bank.

▪ Contingency Regarding the Pension Case

As of June 30, 2025, the status of contingencies in respect of employees' benefits including pension and other related matters is same as disclosed in the annual audited unconsolidated financial statements for the year ended December 31, 2024.

▪ Closure of Foreign Operations

As per approved strategy, closure of Azerbaijan (Baku) and Kyrgyzstan (Bishkek) operations was achieved during the period.

■ Credit Ratings

NBP is rated as 'AAA' by both the recognized credit rating agencies in Pakistan. In June 2025, M/s VIS Credit Rating Company re-affirmed the Bank's standalone credit rating as "AAA", the highest credit rating awarded by the company for a bank in Pakistan. Similarly, M/s PACRA Credit Rating Company also assigned the Bank long-term entity rating as 'AAA' (Triple AAA) and short-term credit rating as 'A1+' (A-one Plus).

Outlook

With macroeconomic stability gradually taking hold, your Bank is positioning itself for the next phase of growth by focusing on financial inclusion, SME development, and digital-first customer experience. Strategic investments in technology, data, and cyber resilience will continue to drive efficiency and strengthen risk management, while targeted expansion into microfinance, Agri-finance, renewable energy, and Islamic banking will extend our reach into underserved segments. At the same time, we remain committed to supporting infrastructure, trade, and export-led sectors, aligning our priorities with the country's growth agenda. Backed by strong capital buffers and prudent governance, your Bank is well placed to continue delivering sustainable value for all stakeholders.

Acknowledgement & Appreciation

We extend our sincere appreciation to our employees whose commitment and professionalism continue to drive the Bank's progress and service to the Nation. We also acknowledge the support of the Government of Pakistan, the State Bank of Pakistan, the SECP, and other regulatory authorities, whose guidance and partnership remain vital in enabling the Bank to fulfil its mandate, strengthen financial intermediation, and contribute meaningfully to the country's socio-economic development.

For and on behalf of the Board of Directors

Rehmat Ali Hasnie
President & CEO

Ali Syed
Director

Karachi
Dated: August 28, 2025

A.F. Ferguson & Co.
Chartered Accountants
State Life Building No. 1-C
I.I. Chundrigar Road
P.O. Box 4716
Karachi - 74000

BDO Ebrahim & Co.
Chartered Accountants
2nd Floor, Block-C
Lakson Square Building
No. 1, Sarwar Shaheed
Road, Karachi - 74200

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of National Bank of Pakistan

Report on review of Interim Financial Statements

Introduction

We have reviewed the accompanying unconsolidated condensed interim statement of financial position of National Bank of Pakistan ("the Bank") as at June 30, 2025 and the related unconsolidated condensed interim statement of profit and loss account, the unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim statement of changes in equity, and unconsolidated condensed interim cash flow statement, and notes to the unconsolidated condensed interim financial statements for the half year then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other Matter

Pursuant to the requirement of Section 237 (1) (b) of the Companies Act, 2017, only cumulative figures for the half year, presented in the second quarter accounts are subject to a limited scope review by the statutory auditors of the Bank. Accordingly, the figures of the unconsolidated condensed interim statement of profit and loss account and unconsolidated condensed interim statement of comprehensive income for the quarters ended June 30, 2025 and June 30, 2024 have not been reviewed by us.

The engagement partners on the audit resulting in this independent auditor's report are Shahbaz Akbar and Zulfikar Ali Causer on behalf of A. F. Ferguson & Co., Chartered Accountants and BDO Ebrahim & Co., Chartered Accountants, respectively.

A.F. Ferguson & Co.
Chartered Accountants
Karachi
Dated: August 29, 2025
UDIN: RR202510068Mo59PZdQH

BDO Ebrahim & Co.
Chartered Accountants
Karachi
Dated: August 29, 2025
UDIN: RR202510067COgaUectx

NATIONAL BANK OF PAKISTAN
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2025

	Note	June 30, 2025 (Un-audited) ----- (Rupees in '000) -----	December 31, 2024 (Audited)
ASSETS			
Cash and balances with treasury banks	7	468,591,344	314,234,036
Balances with other banks	8	31,167,871	56,836,483
Lendings to financial institutions	9	41,452,073	30,000,000
Investments	10	5,027,181,136	4,612,334,198
Advances	11	1,307,333,141	1,404,867,872
Property and equipment	12	62,443,597	61,668,070
Right-of-use assets	13	7,110,516	6,317,624
Intangible assets	14	2,443,515	1,939,636
Deferred tax assets	15	-	-
Other assets	16	277,136,519	255,880,334
Total assets		7,224,859,712	6,744,078,253
LIABILITIES			
Bills payable	17	129,708,106	26,060,123
Borrowings	18	1,505,083,364	1,937,756,922
Deposits and other accounts	19	4,703,856,174	3,865,564,883
Lease liability against right-of-use assets	20	8,991,740	8,030,117
Subordinated debt		-	-
Deferred tax liabilities	15	38,381,799	40,944,092
Other liabilities	21	350,886,125	408,770,670
Total liabilities		6,736,907,308	6,287,126,807
NET ASSETS		487,952,404	456,951,446
REPRESENTED BY			
Share capital		21,275,131	21,275,131
Reserves		88,171,599	82,411,898
Surplus on revaluation of assets - net of tax	22	118,267,178	118,202,425
Unappropriated profit		260,238,496	235,061,992
		487,952,404	456,951,446
CONTINGENCIES AND COMMITMENTS	23		

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

Chairman	President / CEO	Chief Financial Officer	Director	Director
----------	-----------------	-------------------------	----------	----------

NATIONAL BANK OF PAKISTAN
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE QUARTER AND HALF YEAR ENDED JUNE 30, 2025

		Quarter ended		Half year ended	
		June 30, 2025	June 30, 2024 (Restated)	June 30, 2025	June 30, 2024 (Restated)
Note		----- (Rupees in '000) -----			
Mark-up / return / interest earned	24	197,786,241	290,996,490	410,900,319	565,979,252
Mark-up / return / interest expensed	25	136,814,170	245,803,487	280,340,526	491,805,910
Net mark-up / return / interest income		60,972,071	45,193,003	130,559,793	74,173,342
NON MARK-UP / INTEREST INCOME					
Fee and commission income	26	7,341,177	6,474,864	14,746,250	12,057,655
Dividend income		1,394,910	1,307,783	3,141,375	3,031,727
Foreign exchange income		1,528,345	2,292,645	3,530,589	3,998,944
Income / (loss) from derivatives		-	-	-	-
Gain on securities - net	27	5,398,375	1,410,937	5,286,113	5,822,843
Net loss on derecognition of financial assets measured at amortised cost	16.3	(327,637)	-	(655,451)	-
Other income	28	142,087	27,177	525,381	90,299
Total non mark-up / interest income		15,477,257	11,513,406	26,574,257	25,001,468
Total income		76,449,328	56,706,409	157,134,050	99,174,810
NON MARK-UP / INTEREST EXPENSES					
Operating expenses	29	30,916,435	29,340,160	59,107,358	51,303,932
Other charges	30	19,896	6,248	31,686	17,139
Total non mark-up / interest expenses		30,936,331	29,346,408	59,139,044	51,321,071
Profit before credit loss allowance / provisions		45,512,997	27,360,001	97,995,006	47,853,739
Credit loss allowance / provisions and write offs / (reversal of provisions / credit loss allowance) - net	31	(1,624,689)	(1,117,630)	4,769,111	(1,782,761)
Extra ordinary / unusual items - Pension expense		-	49,014,365	-	49,014,365
PROFIT / (LOSS) BEFORE TAXATION		47,137,686	(20,536,734)	93,225,895	622,135
Taxation	32	25,115,034	(10,172,620)	49,754,139	263,714
PROFIT / (LOSS) AFTER TAXATION		22,022,652	(10,364,114)	43,471,756	358,421
----- (Rupees) -----					
		(Restated)		(Restated)	
Basic and diluted earnings / (loss) per share	33	10.35	(4.87)	20.43	0.17

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

Chairman	President / CEO	Chief Financial Officer	Director	Director
----------	-----------------	-------------------------	----------	----------

NATIONAL BANK OF PAKISTAN
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER AND HALF YEAR ENDED JUNE 30, 2025

	Quarter ended		Half year ended	
	June 30, 2025	June 30, 2024 (Restated)	June 30, 2025	June 30, 2024 (Restated)
	----- (Rupees in '000) -----			
Profit / (loss) after taxation for the period	22,022,652	(10,364,114)	43,471,756	358,421
Other comprehensive income / (loss)				
Items that may be reclassified to the statement of profit and loss account in subsequent periods:				
Exchange gain / (loss) on translation of net assets of foreign branches	1,041,484	(193,291)	1,412,525	(999,889)
Movement in surplus on revaluation of debt investments through FVOCI - net of tax	16,845,089	7,511,010	7,464,431	9,451,263
Gain on sale of debt securities carried at FVOCI reclassified to the statement of profit and loss account - net of tax	(1,248,938)	(270,847)	(1,609,878)	(729,330)
	16,637,635	7,046,872	7,267,078	7,722,044
Items that will not be reclassified to the statement of profit and loss account in subsequent periods:				
Remeasurement loss on defined benefit obligations - net of tax	(435,055)	(658,137)	(699,034)	(976,659)
Movement in (deficit) / surplus on revaluation of equity investments - net of tax	(1,003,725)	4,367,936	(3,799,453)	802,452
Movement in surplus on revaluation of property and equipment - net of tax	218,547	-	218,547	-
	(1,220,233)	3,709,799	(4,279,940)	(174,207)
Total comprehensive income	37,440,054	392,557	46,458,894	7,906,258

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

Chairman	President / CEO	Chief Financial Officer	Director	Director
-----------------	------------------------	--------------------------------	-----------------	-----------------

NATIONAL BANK OF PAKISTAN
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED JUNE 30, 2025

Share capital	Capital reserves			Revenue reserves		Surplus / (Deficit) on revaluation of assets			Unappropriated profit	Total	
	Exchange translation reserve	Statutory reserve	Merger reserve	General reserve	Total	Investments	Property and equipment / Non banking assets	Total			
----- (Rupees in '000) -----											
Balance as at December 31, 2023 (Audited)	21,275,131	31,032,950	47,153,577	363,606	521,338	79,071,471	16,885,488	46,769,105	63,654,593	218,754,398	382,755,593
Impact of adoption of IFRS 9 - net of tax	-	-	-	-	-	-	(1,714,431)	-	(1,714,431)	(10,288,506)	(12,002,937)
Balance as at January 01, 2024 - restated	21,275,131	31,032,950	47,153,577	363,606	521,338	79,071,471	15,171,057	46,769,105	61,940,162	208,465,892	370,752,656
Profit after taxation for the half year ended June 30, 2024 - restated	-	-	-	-	-	-	-	-	-	358,421	358,421
Effect of translation of net investment in foreign branches	-	(999,889)	-	-	-	(999,889)	-	-	-	-	(999,889)
Movement in surplus on revaluation of investments in debt instruments - net of tax	-	-	-	-	-	-	9,451,263	-	9,451,263	-	9,451,263
Gain on sale of debt securities carried at FVOCI reclassified to the statement of profit and loss account - net of tax	-	-	-	-	-	-	(729,330)	-	(729,330)	-	(729,330)
Movement in surplus on revaluation of investments in equity instruments - net of tax	-	-	-	-	-	-	802,452	-	802,452	-	802,452
Remeasurement loss on defined benefit obligations - net of tax	-	-	-	-	-	-	-	-	-	(976,659)	(976,659)
Movement in surplus on revaluation of property and equipment - net of tax	-	-	-	-	-	-	-	-	-	-	-
Movement in surplus on revaluation of non-banking assets - net of tax	-	-	-	-	-	-	-	-	-	-	-
Total other comprehensive income - net of tax	-	(999,889)	-	-	-	(999,889)	9,524,385	-	9,524,385	(618,238)	7,906,258
Transfer to statutory reserve	-	-	35,842	-	-	35,842	-	-	-	(35,842)	-
Transfer from surplus on revaluation of assets to unappropriated profit - net of tax	-	-	-	-	-	-	-	(86,462)	(86,462)	86,462	-
Transfer of gain on FVOCI equity securities to unappropriated profit - net of tax	-	-	-	-	-	-	(1,266,153)	-	(1,266,153)	1,266,153	-
Balance as at June 30, 2024 (Un-audited) - restated	21,275,131	30,033,061	47,189,419	363,606	521,338	78,107,424	23,429,289	46,682,643	70,111,932	209,164,427	378,658,914
Profit after taxation for the half year ended December 31, 2024	-	-	-	-	-	-	-	-	-	26,507,323	26,507,323
Effect of translation of net investment in foreign branches	-	(587)	-	-	-	(587)	-	-	-	-	(587)
Transfer of exchange loss translation reserves on closure of foreign branches from OCI to the statement of profit and loss account	-	1,654,329	-	-	-	1,654,329	-	-	-	-	1,654,329
Movement in surplus on revaluation of investments in debt instruments - net of tax	-	-	-	-	-	-	33,643,201	-	33,643,201	-	33,643,201
Gain on sale of securities carried at FVOCI reclassified to the statement of profit and loss account - net of tax	-	-	-	-	-	-	(2,224,604)	-	(2,224,604)	-	(2,224,604)
Movement in surplus on revaluation of investments in equity instruments - net of tax	-	-	-	-	-	-	16,296,413	-	16,296,413	-	16,296,413
Remeasurement gain on defined benefit obligations - net of tax	-	-	-	-	-	-	-	-	-	525,160	525,160
Movement in surplus on revaluation of property and equipment - net of tax	-	-	-	-	-	-	-	1,710,846	1,710,846	-	1,710,846
Movement in surplus on revaluation of non-banking assets - net of tax	-	-	-	-	-	-	-	180,451	180,451	-	180,451
Total other comprehensive income - net of tax	-	1,653,742	-	-	-	1,653,742	47,715,010	1,891,297	49,606,307	27,032,483	78,292,532
Transfer to statutory reserve	-	-	2,650,732	-	-	2,650,732	-	-	-	(2,650,732)	-
Transfer from surplus on revaluation of assets to unappropriated profit - net of tax	-	-	-	-	-	-	-	(76,288)	(76,288)	76,288	-
Transfer of gain on FVOCI equity securities to unappropriated profit - net of tax	-	-	-	-	-	-	(1,439,526)	-	(1,439,526)	1,439,526	-
Balance as at December 31, 2024 (Audited)	21,275,131	31,686,803	49,840,151	363,606	521,338	82,411,898	69,704,773	48,497,652	118,202,425	235,061,992	456,951,446
Balance carried forward	21,275,131	31,686,803	49,840,151	363,606	521,338	82,411,898	69,704,773	48,497,652	118,202,425	235,061,992	456,951,446

Share capital	Capital reserves			Revenue reserves		Surplus / (Deficit) on revaluation of assets			Unappropriated profit	Total	
	Exchange translation reserve	Statutory reserve	Merger reserve	General reserve	Total	Investments	Property and equipment / Non banking assets	Total			
(Rupees in '000)											
21,275,131	31,686,803	49,840,151	363,606	521,338	82,411,898	69,704,773	48,497,652	118,202,425	235,061,992	456,951,446	
-	-	-	-	-	-	-	1,140,119	-	1,140,119	422,049	1,562,168
21,275,131	31,686,803	49,840,151	363,606	521,338	82,411,898	70,844,892	48,497,652	119,342,544	235,484,041	458,513,614	
-	-	-	-	-	-	-	-	-	43,471,756	43,471,756	
-	1,412,525	-	-	-	1,412,525	-	-	-	-	1,412,525	
-	-	-	-	-	-	7,464,431	-	7,464,431	-	7,464,431	
-	-	-	-	-	-	(1,609,878)	-	(1,609,878)	-	(1,609,878)	
-	-	-	-	-	-	(3,799,453)	-	(3,799,453)	-	(3,799,453)	
-	-	-	-	-	-	-	-	-	(699,034)	(699,034)	
-	-	-	-	-	-	-	218,547	218,547	-	218,547	
-	1,412,525	-	-	-	1,412,525	2,055,100	218,547	2,273,647	42,772,722	46,458,894	
-	-	4,347,176	-	-	4,347,176	-	-	-	(4,347,176)	-	
-	-	-	-	-	-	-	(89,815)	(89,815)	89,815	-	
-	-	-	-	-	-	(3,259,198)	-	(3,259,198)	3,259,198	-	
-	-	-	-	-	-	-	-	-	(17,020,104)	(17,020,104)	
21,275,131	33,099,328	54,187,327	363,606	521,338	88,171,599	69,640,794	48,626,384	118,267,178	260,238,496	487,952,404	

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

Chairman

President / CEO

Chief Financial Officer

Director

Director

NATIONAL BANK OF PAKISTAN
UNCONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2025

		Half year ended	
	Note	June 30, 2025	June 30, 2024 (Restated)
		----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		93,225,895	622,135
Less: dividend income		(3,141,375)	(3,031,727)
		<u>90,084,520</u>	<u>(2,409,592)</u>
Adjustments:			
Net mark-up / interest income		(130,559,793)	(74,173,342)
Depreciation on property and equipment	29	1,930,706	1,202,902
Depreciation on right-of-use assets	29	955,915	1,003,634
Amortisation	29	268,542	246,762
Credit loss allowance / provisions and write offs / (reversal of provisions / credit loss allowance) - net	31	4,772,121	(1,782,870)
Gain on sale of property and equipment	28	(6,165)	(1,761)
Financial charges on leased assets	29	74,966	119,590
Financial charges on right-of-use-assets	25	556,360	467,624
Modification (gain) / loss	28	(101,735)	59,471
Unrealised gain on revaluation of investments classified as FVTPL	27	(74,339)	(1,965,137)
Charge for defined benefit plans - net		9,166,145	56,436,916
		<u>(113,017,277)</u>	<u>(18,386,211)</u>
		<u>(22,932,757)</u>	<u>(20,795,803)</u>
(Increase) / decrease in operating assets			
Lendings to financial institutions		(11,452,073)	(177,106,874)
Securities classified as FVTPL		(85,229,121)	13,016,513
Advances		91,852,981	80,844,902
Other assets (excluding advance taxation and mark-up receivable)		(15,217,854)	30,169,491
		<u>(20,046,067)</u>	<u>(53,075,968)</u>
Increase / (decrease) in operating liabilities			
Bills payable		103,647,983	(49,513,970)
Borrowings from financial institutions		(428,205,975)	11,894,951
Deposits		838,291,291	429,180,049
Other liabilities (excluding current taxation and mark-up payable)		14,645,400	(1,216,554)
		<u>528,378,699</u>	<u>390,344,476</u>
Mark-up / interest received		405,141,375	554,872,498
Mark-up / interest paid		(348,590,941)	(471,584,958)
Income tax paid / adjusted		(69,035,707)	(43,020,957)
Benefits paid		(5,467,845)	(4,072,609)
Net cash generated from operating activities		<u>467,446,757</u>	<u>352,666,679</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Net investments in securities classified as FVOCI		(350,383,919)	(315,239,650)
Net investments in securities carried at amortised cost		2,200,423	1,443,190
Dividends received		3,141,375	3,031,727
Investments in property and equipment		(3,327,771)	(1,891,802)
Proceeds from sale of property and equipment		42,230	24,268
Effect of translation of net investment in foreign branches		2,318,644	(146,046)
Net cash used in investing activities		<u>(346,009,018)</u>	<u>(312,778,313)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments of lease obligations against right-of-use assets		(1,320,937)	(1,269,196)
Dividend paid		(16,957,513)	(357)
Net cash used in financing activities		<u>(18,278,450)</u>	<u>(1,269,553)</u>
Net increase in cash and cash equivalents		<u>103,159,289</u>	<u>38,618,813</u>
Cash and cash equivalents at beginning of the period		373,774,358	287,786,326
Effects of exchange rate changes on cash and cash equivalents		5,109,506	10,775,900
		378,883,864	298,562,226
Expected credit loss allowance on cash and cash equivalent - net		(3,010)	109
Cash and cash equivalents at end of the period	34	<u>482,040,143</u>	<u>337,181,148</u>

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

Chairman	President / CEO	Chief Financial Officer	Director	Director
----------	-----------------	-------------------------	----------	----------

NATIONAL BANK OF PAKISTAN
NOTES TO AND FORMING PART OF THE UNCONSOLIDATED CONDENSED INTERIM
FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2025

1. STATUS AND NATURE OF BUSINESS

National Bank of Pakistan (the Bank) was incorporated in Pakistan under the National Bank of Pakistan Ordinance, 1949 and is listed on the Pakistan Stock Exchange (PSX). The registered and head office of the Bank is situated at I.I. Chundrigar Road, Karachi. The Bank is engaged in providing commercial banking and related services in Pakistan and overseas. The Bank also handles treasury transactions for the Government of Pakistan (GoP) as an agent to the State Bank of Pakistan (SBP). The Bank operates 1,503 (December 31, 2024: 1,503) branches in Pakistan and including 207 (December 31, 2024: 207) Islamic Banking branches and 14 (December 31 2024: 16) overseas branches (including the Export Processing Zone branch, Karachi). The Bank also provides services in respect of Endowment Fund for students loan scheme and IPS accounts.

2. BASIS OF PRESENTATION

2.1 Statement of compliance

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, 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 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).

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

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

2.1.3 The SECP vide SRO 56 (1) / 2016 dated January 28, 2016, has notified that the requirements of IFRS 10 (Consolidated Financial Statements) and section 228 of the Companies Act, 2017 will not be applicable with respect to the investment in mutual funds established under Trust structure.

2.1.4 The disclosures made in these unconsolidated condensed interim financial statements have been limited based on the format prescribed by the SBP vide BPRD Circular Letter No. 2, dated February 09, 2023 and the requirements of International Accounting Standard 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 annual audited unconsolidated financial statements of the Bank for the year ended December 31, 2024.

2.1.5 These unconsolidated condensed interim financial statements are the separate financial statements of the Bank in which the investments in subsidiaries and associates are stated at cost and have not been accounted for on the basis of reported results and net assets of the investees.

2.1.6 Key financial figures of the Islamic Banking branches are disclosed in note 39 to these unconsolidated condensed interim financial statements.

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

2.2 Standards, interpretations of and amendments to published accounting and reporting 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 01, 2025 but are considered not to be relevant or do not have any material effect on the Bank's operations and are therefore not detailed in these unconsolidated condensed interim financial statements. The impact of IFRS 9 for the current period is disclosed in note 4.1.1 of these unconsolidated condensed interim financial statements. Further, the comparative period has been restated to incorporate the impact of adoption of IFRS 9 as disclosed in note 4.1.2.

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

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Bank's accounting periods beginning on or after January 01, 2026 but are considered not to be relevant or will not have any material effect on the Bank's financial statements except for:

- the new standard - IFRS 18 'Presentation and Disclosure in Financial Statements' (published in April 2024) with applicability date of January 01, 2027 by IASB. IFRS 18 is yet to be adopted in Pakistan. IFRS 18 when adopted and applicable shall impact the presentation of 'Statement of Profit and Loss Account' with certain additional disclosures in the unconsolidated condensed interim financial statements.
- amendments to IFRS 9 'Financial Instruments' which clarify the date of recognition and derecognition of a financial asset or financial liability including settlement of liabilities through banking instruments and channels including electronic transfers. The amendment when applied may impact the timing of recognition and derecognition of financial liabilities.
- amendment to IAS 21 'The Effects of Changes in Foreign Exchange Rates' which will require Banks to apply a consistent approach in assessing whether a currency can be exchanged into another currency and, when it cannot, in determining the exchange rate to use and the disclosures to provide.

3. BASIS OF MEASUREMENT

3.1 Accounting convention

These unconsolidated condensed interim financial statements have been prepared under the historical cost convention except that certain 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 are measured at fair value on initial recognition.

3.2 Functional and presentation currency

These unconsolidated condensed interim financial statements are presented in Pakistani Rupees, which is the Bank's functional and presentation currency. The amounts are rounded off to the nearest thousand rupees except as stated otherwise.

4. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the preparation of these unconsolidated condensed interim financial statements are consistent with those applied in the preparation of the annual audited unconsolidated financial statements of the Bank for the year ended December 31, 2024. Impacts of adoption of IFRS 9 for the comparative and current period are disclosed in note 4.1.

4.1 IFRS 9 - 'Financial Instruments'

- 4.1.1 During the current period, in accordance with BPRD Circular No. 03 of 2022 dated July 05, 2022 and BPRD Circular Letter No. 16 dated July 29, 2024, effective from January 01, 2025, the Bank has incorporated impact of ECL against overseas branches where IFRS-9 has not been adopted and measurement of unquoted equity securities which was relaxed up to December 31, 2024 by SBP. The impact of above is given in below table:

	2025			
	Provision as per current regulatory framework	Remeasurement (ECL)	Reversal of provisions held	ECLs under IFRS 9
-----Rupees in '000-----				
Credit loss allowance against:				
Balance with other banks	-	2,417	-	2,417
Advances	58,877,121	155,097	-	59,032,218
Investments	573,853	158,085	(573,853)	158,085
Other assets	-	534	-	534
Off-balance sheet obligations	-	125	-	125
Total	59,450,974	316,258	(573,853)	59,193,379

- 4.1.2 The Bank, in compliance with extended timelines prescribed in SBP's BPRD Circular Letter No. 16 dated July 29, 2024 and BPRD Circular Letter No. 01 dated January 22, 2025 had incorporated certain IFRS 9 related impacts in the last quarter of 2024. Therefore the unconsolidated condensed interim statement of profit and loss account (un-audited) for the half year ended June 30, 2024 have been restated to incorporate these impacts. Had the restatement not been incorporated, the profit after tax and total comprehensive income for the half year ended June 30, 2024 would have been lower by Rs. 107.297 million. The details are tabulated below:

Head		(Rupees in '000)	Description
Mark-up / return / interest earned	Increase	1,007,536	Fair value impact of subsidised advances and modification of advances
Mark-up/ return / interest earned	Increase	2,365,967	Fair value impact on staff loans
Non mark-up / interest income	Decrease	(59,471)	Fair value impact of subsidised advances and modification of advances
		3,314,032	
Mark-up / return / interest expensed	Increase	972,266	Fair value impact of subsidised borrowings
Operating expenses	Increase	2,234,469	Fair value impact on staff loans
		3,206,735	
Profit before taxation	Increase	107,297	Tax impact of restatement
		Rupees	
Basic and diluted earnings per share	Increase	0.05	EPS impact on restatement

- 4.1.3 Further SBP in a separate letter SBPHOK-BPRD-RPD-NBP-821909 dated January 22, 2025 has allowed extension for application of Effective Interest Rate up to December 31, 2025.

- 4.1.4 The SBP has directed the Banks through its BPRD Circular Letter No.1 dated January 22, 2025 to disclose the impact of IFRS 9 on revenue recognition from Islamic Operations, including the requirements of IFAS 1 and IFAS 2 until further instructions which is as follows:

Had IFRS 9 been adopted in its entirety for revenue recognition from Islamic operations profit / return earned on Islamic financing and related assets in unconsolidated condensed interim statement of profit and loss account for the period ended June 30, 2025 would have been lower by Rs. 80.0 million and taxation would have been lower by Rs 42.4 million. Further, the unappropriated profit in unconsolidated condensed interim statement of changes in equity would have been lower by Rs 37.6 million.

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these unconsolidated condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and income and expenses as well as in the disclosure of contingent liabilities. It also requires management to exercise judgment in application of its accounting policies. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. These estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised, if the revision affects only that period, or in the period of revision and in future periods if the revision affects both current and future periods.

The significant judgments made by the management in applying the Bank's accounting policies and the key sources of estimation were the same as those applied in the preparation of annual audited unconsolidated financial statements for the year ended December 31, 2024, except for matters related to IFRS 9 which have been disclosed in note 4.1 to these unconsolidated condensed interim financial statements.

6. FINANCIAL RISK MANAGEMENT

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

		(Un-audited) June 30, 2025	(Audited) December 31, 2024
	Note	----- (Rupees in '000) -----	
7. CASH AND BALANCES WITH TREASURY BANKS			
In hand			
- Local currency		85,269,532	64,951,613
- Foreign currencies		719,161	5,781,558
		<u>85,988,693</u>	<u>70,733,171</u>
With the State Bank of Pakistan in			
- Local currency current accounts	7.1	277,121,400	147,167,204
- Foreign currency current accounts	7.2	24,767,417	22,097,814
- Foreign currency deposit accounts	7.2	49,460,152	44,108,393
- Foreign currency collection accounts		102,435	212,443
		<u>351,451,404</u>	<u>213,585,854</u>
With other central banks in			
- Foreign currency current accounts	7.3	24,629,783	24,445,656
- Foreign currency deposit accounts	7.3	6,538,353	4,583,665
		<u>31,168,136</u>	<u>29,029,321</u>
Prize bonds		7,080	904,765
		<u>468,615,313</u>	<u>314,253,111</u>
Less: Credit loss allowance held against cash and bank balances with treasury banks		(23,969)	(19,075)
Cash and Balances with treasury banks - net of credit loss allowance		<u>468,591,344</u>	<u>314,234,036</u>

- 7.1** This includes statutory liquidity reserves maintained with the SBP under Section 22 of the Banking Companies Ordinance, 1962.
- 7.2** These represent mandatory reserves maintained in respect of foreign currency deposits under FE-25 scheme, as prescribed by the SBP.
- 7.3** These balances pertain to the foreign branches and are held with central banks of respective countries. These include balances to meet the statutory and regulatory requirements in respect of liquidity and capital requirements of respective countries. The deposit accounts carry interest at the rate of 0.01% to 4.50% per annum (December 31, 2024: 0% to 4.5% per annum).

		(Un-audited) June 30, 2025	(Audited) December 31, 2024								
		----- (Rupees in '000) -----									
8.	BALANCES WITH OTHER BANKS	Note									
	In Pakistan										
	In deposit accounts	8.1	<table><tr><td>360</td><td>21,964</td></tr><tr><td>360</td><td>21,964</td></tr></table>	360	21,964	360	21,964				
360	21,964										
360	21,964										
	Outside Pakistan										
	In current accounts	8.2	<table><tr><td>24,556,335</td><td>48,856,615</td></tr><tr><td>6,611,727</td><td>7,957,922</td></tr><tr><td>31,168,062</td><td>56,814,537</td></tr><tr><td>31,168,422</td><td>56,836,501</td></tr></table>	24,556,335	48,856,615	6,611,727	7,957,922	31,168,062	56,814,537	31,168,422	56,836,501
24,556,335	48,856,615										
6,611,727	7,957,922										
31,168,062	56,814,537										
31,168,422	56,836,501										
	In deposit accounts										
	Less: Credit loss allowance held against balances with other banks		<table><tr><td>(551)</td><td>(18)</td></tr></table>	(551)	(18)						
(551)	(18)										
	Balances with other banks - net of credit loss allowance		<table><tr><td>31,167,871</td><td>56,836,483</td></tr></table>	31,167,871	56,836,483						
31,167,871	56,836,483										

8.1 These include various deposits with banks and carry interest at the rates ranging from 8.00% to 10.50% per annum (December 31, 2024: 9.00% to 19.60% per annum).

8.2 These include various deposits with correspondent banks outside Pakistan and carry interest at rates ranging from 1.84% to 4.27% per annum (December 31, 2024: 1.00% to 5.44% per annum).

		(Un-audited) June 30, 2025	(Audited) December 31, 2024
		----- (Rupees in '000) -----	
9.	LENDINGS TO FINANCIAL INSTITUTIONS	Note	
	Repurchase agreement lendings (reverse repo) - secured	9.2	35,092,547
	Musharaka lending		-
	Bai Muajjal receivables with State Bank of Pakistan	9.3	6,359,526
	Letters of placement	9.4	172,150
			41,624,223
	Less: Credit loss allowance held against lending to financial institutions		(172,150)
	Lendings to financial institutions - net of credit loss allowance		41,452,073

9.1 Lending to Financial Institutions - particulars of credit loss allowance			(Un-audited)		(Audited)	
			June 30, 2025		December 31, 2024	
			Note	Lendings	Credit loss allowance held	Lendings
Domestic			----- (Rupees in '000) -----			
Performing	Stage 1	9.5	35,092,547	-	30,000,000	-
Under performing	Stage 2		-	-	-	-
Non-performing	Stage 3					
Substandard			-	-	-	-
Doubtful			-	-	-	-
Loss			172,150	172,150	172,150	172,150
Total			35,264,697	172,150	30,172,150	172,150

9.2 These carry mark-up at rates ranging from 11.05% to 11.91% per annum (December 31, 2024: Nil) with maturities ranging from July 2, 2025 to July 25, 2025.

9.3 These carry profit rates ranging from 12.10% to 12.69% per annum (December 31, 2024: Nil) with maturity on April 28, 2028 (December 31, 2024: Nil).

9.4 These are overdue placements and full provision has been made against these placements as at December 31, 2024 and June 30, 2025.

9.5 The repurchase agreement lendings (reverse repo) and musharaka lending are collateralised by government securities amounting to Rs. 35,093 million and Nil (December 31, 2024: Nil and Rs. 30,000 million), respectively. The bai muajjal receivables amounting to Rs. 6,360 million (December 31, 2024: Nil) are government guaranteed which is exempted for the calculation of ECL by the SBP.

10. INVESTMENTS

10.1 Investments by type:

Note

June 30, 2025 (Un-audited)				December 31, 2024 (Audited)			
Cost / amortised cost	Credit loss allowance	Surplus / (deficit)	Carrying value	Cost / amortised cost	Credit loss allowance / provision for diminution	Surplus / (deficit)	Carrying value

(Rupees in '000)

FVTPL

Federal Government Securities

- Market Treasury Bills
- Pakistan Investment Bonds

Units of mutual funds

Non-Government debt securities

- Term finance certificates and sukuk

Preference shares

- Listed
- Unlisted

Real estate investment trust units

Ordinary shares

- Listed companies

95,354,390	-	10,789	95,365,179	35,690,468	-	72,668	35,763,136
31,706,429	-	113,391	31,819,820	20,906,802	-	63,890	20,970,692
4,590,972	-	27,701	4,618,673	2,612,822	-	1,955,944	4,568,765
9,487,300	-	24,795	9,512,095	9,911,967	-	13,901	9,925,868
992,711	-	236,512	1,229,223	1,043,797	-	(51,086)	992,711
558,284	(558,284)	-	-	558,284	(558,284)	-	-
3,377,239	-	(129,556)	3,247,683	2,320,736	-	1,237,039	3,557,776
14,863,069	-	(209,293)	14,653,776	11,612,714	-	5,738,300	17,351,014
160,930,394	(558,284)	74,339	160,446,449	84,657,590	(558,284)	9,030,656	93,129,962

FVOCI

Federal Government Securities

- Pakistan Investment Bonds
- Market Treasury Bills
- GOP Ijarah Sukuk
- GOP Ijarah Sukuk - Traded
- GOP Ijarah Sukuk - Discounted
- Foreign currency debt securities

10.2

Ordinary Shares

- Listed companies
- Unlisted companies

Non-Government debt securities

- Term finance certificates and sukuk

10.2 and

10.4

Foreign securities

- Equity securities - listed
- Government debt securities

10.2

2,951,108,990	-	56,143,466	3,007,252,456	2,739,200,656	-	33,084,223	2,772,284,879
1,248,107,653	-	6,561,468	1,254,669,121	1,152,657,126	-	17,688,599	1,170,345,725
24,907,135	-	545,120	25,452,255	31,090,982	-	587,221	31,678,203
115,909,992	-	1,453,208	117,363,200	29,772,129	-	1,127,871	30,900,000
3,431,128	-	(29,329)	3,401,799	32,874,030	-	951,840	33,825,870
32,284,321	(6,759,532)	(2,206,563)	23,318,226	29,229,000	(6,119,189)	(3,541,998)	19,567,813
39,493,138	-	34,206,510	73,699,648	44,928,949	-	42,792,188	87,721,137
2,107,198	-	2,744,944	4,852,142	2,107,198	(573,855)	-	1,533,343
35,805,201	(6,898,792)	46,519	28,952,928	39,157,588	(6,984,089)	278,820	32,452,319
463,294	-	45,616,647	46,079,941	463,294	-	52,106,188	52,569,482
1,347,107	(59)	3,001	1,350,049	3,100,286	-	143,329	3,243,615
4,454,965,157	(13,658,383)	145,084,991	4,586,391,765	4,104,581,238	(13,677,133)	145,218,281	4,236,122,386

Amortised cost

Federal Government Securities

- Pakistan Investment Bonds
- GOP Ijarah Sukuk
- Foreign currency debt securities

10.3

10.3

10.2 and

10.3

Non-Government debt securities

- Term finance certificates, participation term certificates, bonds, debentures and sukuk

Foreign securities

- Government debt securities
- Non-Government debt securities

10.2 and

10.3

10.3

213,443,784	-	-	213,443,784	222,656,096	-	-	222,656,096
19,041,878	-	-	19,041,878	14,057,627	-	-	14,057,627
9,776,240	(261,142)	-	9,515,098	7,104,331	(817,022)	-	6,287,309
383,471	(383,471)	-	-	383,471	(383,471)	-	-
37,063,181	(76,180)	-	36,987,001	37,707,456	-	-	37,707,456
1,081	-	-	1,081	1,077	-	-	1,077
279,709,635	(720,793)	-	278,988,842	281,910,058	(1,200,493)	-	280,709,565

Associates

10.1.2

Subsidiaries

10.1.3

Total investments

1,260,443	(517,442)	-	743,001	1,260,443	(503,012)	-	757,431
767,323	(156,244)	-	611,079	2,952,967	(1,338,112)	-	1,614,855
4,897,632,952	(15,611,146)	145,159,330	5,027,181,136	4,475,362,295	(17,277,034)	154,248,937	4,612,334,198

10.1.1 Investments given as collateral

The book value of investment given as collateral against borrowings is as follows:

Pakistan Investment Bonds
Market Treasury Bills

Note	(Un-audited) June 30, 2025	(Audited) December 31, 2024
	----- (Rupees in '000) -----	
	1,264,989,627	1,253,027,780
	167,868,600	602,314,423
18.4	<u>1,432,858,227</u>	<u>1,855,342,203</u>

10.1.2 Associates

June 30, 2025 (Un-audited)								
Number of shares	Percentage of holding	Country of incorporation	Based on the financial statements as at	Assets	Liabilities	Revenue	Profit / (loss) after taxation	Total comprehensive income / (loss)
----- (Rupees in '000) -----								
20,000,000	30.77	Pakistan	March 31, 2025 (Un-audited)	3,705,281	2,878,760	488,708	48,107	39,937
17,030,231	20.19	Pakistan	N/A	-	-	-	-	-
3,970,859	32.79	Pakistan	March 31, 2025 (Un-audited)	977,939	82,032	38,033	110,856	110,856
3,754,900	25.03	Pakistan	March 31, 2025 (Un-audited)	1,523,694	329,335	46,136	(5,110)	(5,110)
4,906,000	20.27	Pakistan	N/A	-	-	-	-	-
31,347,444	4.24	Pakistan	March 31, 2025 (Un-audited)	39,294,730	890,891	13,770,003	12,749,517	12,749,517

12,500,000	33.33	Pakistan	June 30, 2022 (Audited)	478	404	56	(385)	(385)
1,300,000	39.50	Pakistan	N/A	-	-	-	-	-
33,333	33.33	Pakistan	N/A	-	-	-	-	-
11,000	20.37	Pakistan	N/A	-	-	-	-	-
37,500	32.05	Pakistan	N/A	-	-	N/A	-	-
2,500,000	21.52	Pakistan	N/A	-	-	-	-	-
644,508	25.00	Pakistan	N/A	-	-	-	-	-
9,900,000	23.11	Pakistan	N/A	-	-	N/A	-	-
5,000	20.00	Pakistan	N/A	-	-	-	-	-
200,000	20.00	Pakistan	N/A	-	-	-	-	-
10,653,860	33.98	Pakistan	March 31, 2025 (Un-audited)	11,244,658	10,343,210	909,067	303,691	303,691
150,000	20.00	Pakistan	N/A	-	-	-	-	-

* Nil figure represent shares which have been acquired under different arrangements without any cost

10.1.3 Subsidiaries

NBP Exchange Company Limited	99,999,999	100	Pakistan	June 30, 2025	2,612,079	192,306	302,753	153,849	153,849
NBP Modaraba Management Company Limited	10,500,000	100	Pakistan	June 30, 2025	146,085	115,974	6,707	(769)	(769)
Taurus Securities Limited	7,875,002	58.32	Pakistan	June 30, 2025	1,184,158	805,197	134,394	18,482	18,482
Cast-N-Link Products Limited	1,245,000	76.51	Pakistan	N/A	-	-	-	-	-
NBP Fund Management Limited	13,499,996	54	Pakistan	June 30, 2025	8,291,793	5,218,624	3,398,730	906,569	906,569

	Note	(Un-audited) June 30, 2025	(Audited) December 31, 2024
----- (Rupees in '000) -----			
10.2 Particulars of credit loss allowance / provision for diminution in value of investments			
10.2.1 Opening balance		17,277,034	23,608,928
Impact of adoption of IFRS 9 - reversal of provision held against unlisted shares		(573,853)	(12,665,194)
Impact of adoption of IFRS 9 - credit loss allowance / provision		158,085	7,038,193
		16,861,266	17,981,927
Charge for the period / year		833,957	1,389,291
Reversal for the period / year		(2,100,924)	(5,058,634)
	31	(1,266,967)	(3,669,343)
Transfers - net		-	155,437
Others movement		-	2,812,053
Exchange adjustment		16,847	(3,040)
Closing balance		15,611,146	17,277,034

10.2.2 Particulars of credit loss allowance against debt securities

Category of classification		(Un-audited) June 30, 2025		(Audited) December 31, 2024	
		Outstanding amount	Credit loss allowance held	Outstanding amount	Credit loss allowance held
----- (Rupees in '000) -----					
Domestic					
Performing	Stage 1	4,554,497	70,229	4,362,670	166,530
Underperforming	Stage 2	1,800,000	124,129	2,864,333	110,692
Non-performing	Stage 3				
Substandard		-	-	-	-
Doubtful		-	-	-	-
Loss		7,089,250	7,089,250	7,090,336	7,090,336
		13,443,747	7,283,608	14,317,339	7,367,558
Overseas					
Performing	Stage 1	38,411,385	74,895	-	-
Underperforming	Stage 2	42,060,561	7,020,673	36,333,331	6,936,211
Non-Performing	Stage 3				
Substandard		-	-	-	-
Doubtful		-	-	-	-
Loss		-	-	-	-
		80,471,946	7,095,568	36,333,331	6,936,211
Total		93,915,693	14,379,176	50,650,670	14,303,769

10.3 The market value of securities classified at amortised cost as at June 30, 2025 amounted to Rs. 275,204 million (December 31, 2024: Rs. 272,292 million).

10.4 The non-government debt securities carried at FVOCI amounting to Rs. 22,745 million (December 31, 2024: Rs. 25,224 million) pertains to government guaranteed exposure. The exposure is exempted for the calculation of ECL by the SBP.

11. ADVANCES

ADVANCES		Performing		Non Performing		Total	
		(Un-audited) June 30, 2025	(Audited) December 31, 2024	(Un-audited) June 30, 2025	(Audited) December 31, 2024	(Un-audited) June 30, 2025	(Audited) December 31, 2024
Note		(Rupees in '000)					
Loans, cash credits, running finances, etc.		1,113,052,689	1,237,262,018	256,541,333	254,074,848	1,369,594,022	1,491,336,866
Islamic financing and related assets		180,248,088	144,913,723	1,986,120	1,985,434	182,234,208	146,899,157
Net investment in finance lease	11.1	-	1,288	-	-	-	1,288
Bills discounted and purchased		15,865,471	21,296,996	13,223,946	13,228,689	29,089,417	34,525,685
Advances - gross	11.2	1,309,166,248	1,403,474,025	271,751,399	269,288,971	1,580,917,647	1,672,762,996
Credit loss allowance against advances							
-Stage 1		18,189,853	19,751,831	-	-	18,189,853	19,751,831
-Stage 2		13,948,351	10,808,620	-	-	13,948,351	10,808,620
-Stage 3*		8,570,694	16,716,120	210,703,300	209,117,142	219,273,994	225,833,262
-General		22,172,308	11,501,411	-	-	22,172,308	11,501,411
	11.4	62,881,206	58,777,982	210,703,300	209,117,142	273,584,506	267,895,124
Advances - net of credit loss allowance / provision		1,246,285,042	1,344,696,043	61,048,099	60,171,829	1,307,333,141	1,404,867,872

*This represents credit loss allowance against loans that have been classified as stage 3 according to IFRS 9.

11.1 Net investment in finance lease

	June 30, 2025 (Un-audited)				December 31, 2024 (Audited)			
	Not later than one year	Later than one and up to five years	Over five years	Total	Not later than one year	Later than one and up to five years	Over five years	Total
----- (Rupees in '000) -----								
Lease rentals receivable	-	-	-	-	-	-	-	-
Residual value	-	-	-	-	1,288	-	-	1,288
Minimum lease payments	-	-	-	-	1,288	-	-	1,288
Less: Financial charges for future periods	-	-	-	-	-	-	-	-
Present value of minimum lease payments	-	-	-	-	1,288	-	-	1,288

11.1.1 The leases executed are for a term of 1 to 5 years. Security deposit is generally obtained upto 10% of the cost of leased assets at the time disbursement. The Bank requires the lessees to insure the leased assets in favour of the Bank. Additional surcharge is charged on delayed rentals. The average return implicit ranges from Nil (December 31, 2024: 10.15% to 11.42%) per annum.

11.2 Particulars of advances (gross)

	(Un-audited) June 30, 2025	(Audited) December 31, 2024
----- (Rupees in '000) -----		
In local currency	1,192,877,179	1,385,703,091
In foreign currencies	388,040,468	287,059,905
	1,580,917,647	1,672,762,996

11.3 Advances includes Rs. 271,751 million (December 31, 2024: Rs. 269,289 million) which have been placed under non-performing / stage 3 status as detailed below:

Category of Classification	(Un-audited) June 30, 2025		(Audited) December 31, 2024	
	Non performing loans	Credit loss allowance / provision	Non performing loans	Credit loss allowance / provision
----- (Rupees in '000) -----				
Domestic				
Other assets especially mentioned	3,196,460	1,806,241	2,441,119	1,257,676
Substandard	55,135,819	2,638,396	55,792,771	3,596,871
Doubtful	9,150,806	6,635,565	9,732,418	7,655,002
Loss	142,335,727	140,031,615	140,024,609	137,730,472
	<u>209,818,812</u>	<u>151,111,817</u>	<u>207,990,917</u>	<u>150,240,021</u>
Overseas				
Substandard	-	-	-	-
Doubtful	392,251	321,120	385,067	192,534
Loss	61,540,336	59,270,364	60,912,987	58,684,587
	<u>61,932,587</u>	<u>59,591,484</u>	<u>61,298,054</u>	<u>58,877,121</u>
Total	<u>271,751,399</u>	<u>210,703,301</u>	<u>269,288,971</u>	<u>209,117,142</u>
Stage 3 as per IFRS 9	-	8,570,694	-	16,716,120
Total	<u>271,751,399</u>	<u>219,273,994</u>	<u>269,288,971</u>	<u>225,833,262</u>

11.4 Particulars of credit loss allowance / provision against advances

		June 30, 2025 (Un-audited)					December 31, 2024 (Audited)						
		Stage 1	Stage 2	Stage 3	Specific provision	General provision	Total	Stage 1	Stage 2	Stage 3	Specific provision	General provision	Total
Note		(Rupees in '000)					(Rupees in '000)						
Opening balance		19,751,831	10,808,620	225,833,262	-	11,501,411	267,895,124	-	-	-	203,570,752	30,038,121	233,608,873
IFRS-9 adoption	4.1	30,103	-	124,994	-	-	155,097	15,875,937	11,637,716	226,150,506	(203,570,752)	(18,378,308)	31,715,099
		19,781,934	10,808,620	225,958,256	-	11,501,411	268,050,221	15,875,937	11,637,716	226,150,506	-	11,659,813	265,323,972
Exchange adjustments		-	-	740,789	-	(50,560)	690,229	-	-	(3,795,696)	-	155,491	(3,640,205)
Charge for the period / year		2,637,634	4,675,925	3,436,680	-	2,741,657	13,491,896	7,431,728	2,809,002	9,781,273	-	21,370	20,043,373
Reversals		(3,942,265)	(1,701,338)	(2,189,801)	-	-	(7,833,404)	(3,064,006)	(5,900,820)	(4,785,589)	-	(179,826)	(13,930,241)
		(1,304,631)	2,974,587	1,246,879	-	2,741,657	5,658,492	4,367,722	(3,091,818)	4,995,684	-	(158,456)	6,113,132
Amounts written off		-	-	(28,497)	-	-	(28,497)	-	-	(161,905)	-	-	(161,905)
Amounts charged off - agriculture financing	11.5.5	-	-	(167,125)	-	-	(167,125)	-	-	(138,990)	-	-	(138,990)
Transfer to stage 1		-	-	-	-	-	-	-	-	-	-	-	-
Transfer to stage 2		(287,450)	287,450	-	-	-	-	(453,966)	2,568,844	(2,114,878)	-	-	-
Transfer to stage 3		-	(122,306)	122,306	-	-	-	(37,862)	(306,122)	343,984	-	-	-
Other movement		-	-	(8,598,614)	-	7,979,800	(618,814)	-	-	554,557	-	(155,437)	399,120
Closing balance		18,189,853	13,948,351	219,273,994	-	22,172,308	273,584,506	19,751,831	10,808,620	225,833,262	-	11,501,411	267,895,124

11.5 Advances - particulars of credit loss allowance / provision against advances

June 30, 2025 (Un-audited)							December 31, 2024 (Audited)					
Stage 1	Stage 2	Stage 3	Specific provision	General provision	Total		Stage 1	Stage 2	Stage 3	Specific provision	General provision	Total
(Rupees in '000)							(Rupees in '000)					
11.5.1 Opening balance	19,751,831	10,808,620	225,833,262	-	11,501,411	267,895,124	-	-	-	203,570,752	30,038,121	233,608,873
IFRS-9 adoption	30,103	-	124,994	-	-	155,097	15,875,937	11,637,716	226,150,506	(203,570,752)	(18,378,308)	31,715,099
	19,781,934	10,808,620	225,958,256	-	11,501,411	268,050,221	15,875,937	11,637,716	226,150,506	-	11,659,813	265,323,972
New Advances	2,637,634	4,675,925	3,436,680	-	2,741,657	13,491,896	7,431,728	2,809,002	9,781,273	-	21,370	20,043,373
Exchange adjustment	-	-	740,789	-	(50,560)	690,229	-	-	(3,795,696)	-	155,491	(3,640,205)
Advances derecognised or repaid	(3,942,265)	(1,701,338)	(2,189,801)	-	-	(7,833,404)	(3,064,006)	(5,900,820)	(4,785,589)	-	(179,826)	(13,930,241)
Transfer to stage 1	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to stage 2	(287,450)	287,450	-	-	-	-	(453,966)	2,568,844	(2,114,878)	-	-	-
Transfer to stage 3	-	(122,306)	122,306	-	-	-	(37,862)	(306,122)	343,984	-	-	-
Other movement	-	-	(8,598,614)	-	7,979,800	(618,814)	-	-	554,557	-	(155,437)	399,120
	(1,592,081)	3,139,731	(6,488,640)	-	10,670,897	5,729,907	3,875,894	(829,096)	(16,349)	-	(158,402)	2,872,047
Amounts written off	-	-	(28,497)	-	-	(28,497)	-	-	(161,905)	-	-	(161,905)
Amounts charged off - agriculture financing	-	-	(167,125)	-	-	(167,125)	-	-	(138,990)	-	-	(138,990)
Closing balance	18,189,853	13,948,351	219,273,994	-	22,172,308	273,584,506	19,751,831	10,808,620	225,833,262	-	11,501,411	267,895,124

11.5.2 Advances - Category of classification

			June 30, 2025 (Un-audited)			December 31, 2024 (Audited)		
			Outstanding amount	Credit loss allowance held	Net of Advances	Outstanding amount	Credit loss allowance held	Net of Advances
------(Rupees in '000)-----								
Domestic								
Performing	Stage 1		1,074,885,165	18,186,506	1,056,698,660	1,260,030,211	19,661,405	1,240,368,806
Underperforming	Stage 2		162,867,759	13,852,156	149,015,603	57,581,172	10,660,785	46,920,387
Non-Performing	Stage 3							
Other assets especially mentioned			3,196,460	1,806,241	1,390,219	2,441,119	1,257,677	1,183,442
Substandard			55,135,819	2,638,396	52,497,423	55,792,771	3,596,871	52,195,900
Doubtful			9,150,806	6,635,565	2,515,241	9,732,418	7,655,002	2,077,416
Loss			142,335,727	140,031,615	2,304,112	140,024,609	137,730,472	2,294,137
Stage 3 as per IFRS 9			11,716,999	8,570,694	3,146,305	20,271,768	16,716,120	3,555,648
General Provision			-	22,172,308	(22,172,308)	-	11,501,411	(11,501,411)
			221,535,811	181,854,819	39,680,992	228,262,685	178,457,553	49,805,132
Sub total			1,459,288,735	213,893,481	1,245,395,255	1,545,874,068	208,779,743	1,337,094,325
Overseas								
Performing	Stage 1		55,739,209	3,347	55,735,862	18,723,265	32,732	18,690,533
Underperforming	Stage 2		3,957,114	96,195	3,860,919	40,060,847	147,835	39,913,012
IFRS 9 not applicable			-	-	-	6,806,762	57,694	6,749,068
Non-Performing	Stage 3							
Substandard			-	-	-	-	-	-
Doubtful			392,251	321,120	71,131	385,067	192,534	192,533
Loss			61,540,336	59,270,364	2,269,972	60,912,987	58,684,587	2,228,400
			61,932,587	59,591,484	2,341,103	61,298,054	58,877,121	2,420,933
Sub total			121,628,911	59,691,026	61,937,885	126,888,928	59,115,382	67,773,546
Total			1,580,917,647	273,584,507	1,307,333,140	1,672,762,996	267,895,125	1,404,867,871

11.5.3 General provision includes provision amounting to Rs.136 million (December 31, 2024: Rs. 90 million) pertaining to overseas advances to meet the requirements of regulatory authorities of the respective countries in which the Bank operates where IFRS 9 has not been implemented. The general provision can be maintained till December 31, 2026 under BPRD circular No. 1 of 2025 dated January 22, 2025.

11.5.4 The SBP had allowed specific relaxation to the Bank for non-classification of overdue loans of certain Public Sector Entities (PSEs) which are guaranteed by Government of Pakistan as non-performing loans up till December 31, 2025. No provision is required against these loans; however, mark-up is being suspended as required by the Prudential Regulations. Further SBP has allowed specific relaxation on the requirement for ECL against overdue foreign currency loans of certain Public Sector Entities permanently.

11.5.5 These represent non-performing advances for agriculture finance which have been classified as loss and fully provided for more than 3 years. These non-performing advances have been charged off by extinguishing them against the provision held in accordance with Prudential Regulations for Agriculture Financing issued by the SBP. This charge off does not, in any way, prejudice the Bank's right of recovery from these customers.

		Note	(Un-audited) June 30, 2025	(Audited) December 31, 2024
			----- (Rupees in '000) -----	
12. PROPERTY AND EQUIPMENT				
Capital work-in-progress	12.1		1,615,415	1,569,889
Property and equipment			60,828,182	60,098,181
			62,443,597	61,668,070
12.1 Capital work-in-progress				
Civil works			1,545,955	1,500,429
Equipment			10,727	10,727
Advances to suppliers and contractors			58,733	58,733
			1,615,415	1,569,889

	(Un-audited) June 30, 2025	(Un-audited) June 30, 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	276,179	372,457
Property and equipment		
Building on freehold land	185,199	316,045
Building on leasehold land	7,986	101,835
Furniture and fixtures	391,958	512,368
Computer and peripheral equipment	983,649	300,586
Electrical and office equipment	422,850	204,342
Vehicles	553,012	93,794
	2,544,654	1,528,970
Total additions to property and equipment	2,820,833	1,901,427

12.3 Disposal of property and equipment

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

Furniture and fixtures	792	369
Electrical and office equipment	165	307
Vehicles	35,020	21,832
Computer equipment	88	-
Total disposals of property and equipment	36,065	22,508

13. RIGHT-OF-USE ASSETS

	June 30, 2025 (Un-audited)			December 31, 2024 (Audited)		
	Buildings	Others	Total	Buildings	Others	Total
	----- (Rupees in '000) -----					
At January 1						
Cost	17,996,306	92,500	18,088,806	16,747,954	-	16,747,954
Accumulated depreciation	(11,746,918)	(24,264)	(11,771,182)	(9,813,483)	-	(9,813,483)
Net carrying amount at January 1	6,249,388	68,236	6,317,624	6,934,471	-	6,934,471
Additions during the period / year	1,748,807	-	1,748,807	1,248,352	92,500	1,340,852
Depreciation charge for the period / year	936,498	19,417	955,915	1,933,435	24,264	1,957,699
Net carrying amount	7,061,697	48,819	7,110,516	6,249,388	68,236	6,317,624

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

14. INTANGIBLE ASSETS

Capital work-in-progress - Software Implementation	1,243,431	929,882
Computer software	1,200,084	1,009,754
	2,443,515	1,939,636

	(Un-audited) June 30, 2025	(Un-audited) June 30, 2024
	----- (Rupees in '000) -----	

14.1 Additions to intangible assets

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

Capital work-in-progress	745,170	585,400
Directly purchased	424,042	40,528
Total additions to intangible assets	1,169,212	625,928

		(Un-audited) June 30, 2025	(Audited) December 31, 2024
	Note	----- (Rupees in '000) -----	
15. DEFERRED TAX LIABILITIES			
Deductible temporary differences on:			
- Tax losses carried forward		10,705	10,705
- Post retirement employee benefits		8,180,303	7,392,031
- Net credit loss allowance against investments		3,571,595	4,148,213
- Net credit loss allowance against loans and advances		25,063,727	22,864,227
- Net credit loss allowance against off-balance sheet obligations		1,932,805	1,751,226
- Excess of accounting book values over tax written down values of property and equipment		1,461,542	1,603,618
- Other credit loss allowance		527,977	709,106
- Provision against contingencies		254,377	221,741
- Net credit loss allowance against balances with other banks		285	8
- Net credit loss allowance against lendings to financial institutions		(292)	(292)
- Net credit loss allowance against balances with other central banks		11,903	9,358
- Right-of-use assets		978,236	890,496
		41,993,163	39,600,437
Taxable temporary differences on:			
- Surplus on revaluation of property and equipment		(3,676,480)	(3,773,781)
- Exchange translation reserve		(906,119)	(906,119)
- Surplus on revaluation of investments		(75,444,196)	(75,513,507)
- Surplus on revaluation of non-banking assets		(115,260)	(118,215)
- Opening impact IFRS-9		(232,907)	(232,907)
		(80,374,962)	(80,544,529)
		(38,381,799)	(40,944,092)
16. OTHER ASSETS			
Income / return / mark-up accrued in local currency		155,967,679	149,023,416
Income / return / mark-up accrued in foreign currencies		9,889,438	11,074,757
Advances, deposits, advance rent and other prepayments		46,744,240	42,497,343
Compensation for delayed tax refunds		22,129,925	22,129,925
Non-banking assets acquired in satisfaction of claims		1,149,983	1,153,069
Assets acquired from Corporate and Industrial Restructuring Corporation (CIRC)		208,423	208,423
Branch adjustment account		347,263	-
Mark to market gain on forward foreign exchange contracts		763,983	-
Commission receivable on Government treasury transactions		12,201,443	5,290,234
Stationery and stamps on hand		498,367	452,880
Barter trade balances		195,399	195,399
Receivable on account of Government transactions		323,172	323,172
Receivable from Government under VHS scheme		418,834	418,834
Receivable against sale of shares		1,447,705	64,990
Acceptances		10,662,935	9,580,543
Deferred fair value loss	16.3	11,931,791	12,587,242
Dividend receivable		3,431,157	3,255,225
Others		13,053,597	11,748,252
		291,365,334	270,003,704
Less: Provision held against other assets	16.1	16,193,770	15,892,557
Less: Credit loss allowance held against other assets	16.2	1,024,407	1,225,858
Other assets (net of credit loss allowance / provision)		274,147,157	252,885,288
Surplus on revaluation of non-banking assets acquired in satisfaction of claims - net		2,989,362	2,995,046
Other assets		277,136,519	255,880,334

	(Un-audited) June 30, 2025	(Audited) December 31, 2024
	----- (Rupees in '000) -----	
16.1 Provision held against other assets		
Income / mark-up accrued in local currency	152,607	152,607
Advances, deposits, advance rent and other prepayments	800,000	800,000
Stationery and stamps on hand	96,542	96,542
Barter trade balances	195,399	195,399
Receivable on account of Government transactions	323,172	323,172
Receivable from Government under VHS scheme	418,834	418,834
Protested bills	4,547,246	4,566,759
Ex-MBL / NDFC - other assets	760,941	760,941
Assets acquired from Corporate and Industrial Restructuring Corporation asset (CIRC)	208,423	208,423
Dividend receivable	3,237,161	3,237,161
Others	5,453,445	5,132,719
	16,193,770	15,892,557
16.1.1 Movement in provision held against other assets		
Opening balance	15,892,557	12,495,413
Charge / (reversal) for the period / year	311,608	(33,596)
Adjustment against provision	(25,513)	(17,939)
Other movement	15,118	3,448,679
Closing balance	16,193,770	15,892,557
16.2 Movement in credit loss allowance held against other assets		
Opening balance	1,225,858	-
Impact of ECL recognition on adoption of IFRS-9	534	1,125,218
(Reversal) / charge for the period / year	(348,858)	100,640
Transfer in	146,873	-
Closing balance	1,024,407	1,225,858
16.3	This represents fair value loss arising from the restructuring of Pakistan International Airlines Corporation Limited (PIACL). The SBP through its Circular Letter No. BPRD / BRD / PIAHCL / 733688 – 2024 dated August 01, 2024 has allowed staggering of such fair value impact over a period of 6 years at rates 5%, 10%, 15%, 20%, 25% and 25% from year 1 to year 6. Accordingly, the Bank has recognised proportionate amount of 2nd year's 10% of loss in these unconsolidated condensed interim financial statements.	
	(Un-audited) June 30, 2025	(Audited) December 31, 2024
	----- (Rupees in '000) -----	
17. BILLS PAYABLE		
In Pakistan	129,588,742	25,878,780
Outside Pakistan	119,364	181,343
	129,708,106	26,060,123
18. BORROWINGS		
Secured		
Borrowings from the State Bank of Pakistan		
Under Export Refinance Scheme	22,369,386	25,676,900
Financing Scheme for Renewable Energy	1,262,928	1,393,611
Refinance Facility for Modernization of Small and Medium Enterprises (SMEs)	237,267	135,466
Financing Facility for Storage of Agriculture Produce (FFSAP)	297,656	365,850
Under Long-Term Financing Facility (LTFF)	12,048,041	13,716,223
Temporary Economic Refinance Facility	12,834,079	13,612,139
Refinance and Credit Guarantee Scheme for Women Entrepreneurs (RCWE)	90,100	99,514
Export Refinance scheme for bill discounting	2,355,880	2,207,230
Refinance Facility for Combating COVID-19	10,728	21,131
	51,506,065	57,228,064
Repurchase agreement borrowings	1,432,858,227	1,855,342,203
Total secured	1,484,364,292	1,912,570,267

10.1.1

	(Un-audited) June 30, 2025	(Audited) December 31, 2024
	----- (Rupees in '000) -----	
Unsecured		
Call borrowings	15,323,096	21,989,167
Overdrawn nostro accounts	2,395,976	197,488
Borrowing from Pakistan Mortgage Refinance Company	3,000,000	3,000,000
Total unsecured	20,719,072	25,186,655
	1,505,083,364	1,937,756,922

18.1 Particulars of borrowings with respect to currencies

In local currency	1,489,760,268	1,918,267,755
In foreign currencies	15,323,096	19,489,167
	1,505,083,364	1,937,756,922

18.2 Mark-up / interest rates and other terms are as follows:

- The Bank has entered into agreements with the SBP for extending export refinance to customers. As per the terms of the agreement, the Bank has granted SBP the right to recover the outstanding amount from the Bank at the date of maturity of finances by directly debiting the current account maintained by the Bank with the SBP. These borrowings carry mark-up of 1.00% to 9.00% per annum (December 31, 2024: 8.00% to 15.50% per annum).
- Repurchase agreement borrowings carry mark-up ranging from 10.80% to 12.00% per annum (December 31, 2024: 12.00% to 14.00% per annum) having maturities ranging from July 2, 2025 to July 25, 2025.
- Call borrowings carry interest ranging from 4.77% to 6.55% per annum (December 31, 2024: 4.44% to 14.10% per annum).

18.3 Borrowings from the SBP under export oriented projects refinance schemes of the SBP are secured by the Bank's cash and security balances held by the SBP.

18.4 Pakistan Investment Bonds and Market Treasury Bills having maturity of 2 - 5 Years and 1 Year respectively, are pledged as security under borrowing having carrying amount of Rs. 1,432,858 million (December 31, 2024: Rs. 1,855,342 million).

19. DEPOSITS AND OTHER ACCOUNTS

	June 30, 2025 (Un-audited)			December 31, 2024 (Audited)		
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
	----- (Rupees in '000) -----					
Customers						
Current deposits - remunerative	1,171,879,376	-	1,171,879,376	933,886,863	-	933,886,863
Current deposits - non-remunerative	691,872,395	159,957,323	851,829,718	530,873,365	150,386,822	681,260,187
Savings deposits	1,115,761,941	200,739,333	1,316,501,274	1,055,298,802	166,971,456	1,222,270,258
Term deposits	479,349,423	264,847,970	744,197,393	532,415,136	259,883,774	792,298,910
Others	43,581,718	7,793	43,589,511	11,713,858	6,711	11,720,569
	3,502,444,853	625,552,419	4,127,997,272	3,064,188,024	577,248,763	3,641,436,787
Financial Institutions						
Current deposits - remunerative	12,736,028	-	12,736,028	4,215,100	-	4,215,100
Current deposits - non-remunerative	497,567,097	2,401,860	499,968,957	169,952,266	836,653	170,788,919
Savings deposits	44,218,219	2,766,144	46,984,363	32,225,617	4,214,835	36,440,452
Term deposits	4,284,787	11,884,767	16,169,554	8,683,690	3,999,936	12,683,626
	558,806,131	17,052,771	575,858,902	215,076,673	9,051,424	224,128,097
	4,061,250,984	642,605,190	4,703,856,174	3,279,264,697	586,300,187	3,865,564,883

19.1 Foreign currencies deposits includes deposit of foreign branches amounting to Rs. 119,896 million (December 31, 2024: Rs. 104,461 million).

		(Un-audited) June 30, 2025	(Audited) December 31, 2024
	Note	----- (Rupees in '000) -----	
20. LEASE LIABILITY AGAINST RIGHT-OF-USE ASSETS			
Outstanding amount at the start of the period / year		8,030,117	8,264,782
Additions during the period / year		1,683,786	1,604,213
Lease payments during the period / year		(1,320,937)	(2,746,757)
Interest expense	25	556,360	994,407
Exchange difference		42,414	(86,528)
Outstanding amount at the end of the period / year		<u>8,991,740</u>	<u>8,030,117</u>
Liabilities outstanding			
Less than one year		1,721,232	1,608,757
One to five years		4,840,291	4,262,238
Five to ten years		1,683,485	1,479,550
More than ten years		746,732	679,572
Total lease liabilities		<u>8,991,740</u>	<u>8,030,117</u>
21. OTHER LIABILITIES			
Mark-up / return / interest payable in local currency		126,182,902	198,302,520
Mark-up / return / interest payable in foreign currencies		5,944,376	2,126,296
Unearned commission and income on bills discounted		3,005,245	316,175
Accrued expenses		16,299,051	15,235,759
Advance payments		315,710	335,630
Current taxation (provisions less payments)		17,854,688	14,337,001
Unclaimed dividends		236,223	173,632
Mark to market loss on forward foreign exchange contracts		-	379,658
Branch adjustment account		-	3,772,016
Payable to defined benefit plan:			
Pension fund		77,655,517	75,638,568
Post retirement medical benefits		42,064,928	39,745,198
Benevolent fund		1,955,823	1,882,384
Gratuity scheme		5,028,279	4,852,558
Compensated absences		10,130,337	10,227,411
Staff welfare fund		371,257	371,257
Liabilities relating to Barter trade agreements		4,345,311	4,280,203
Credit loss allowance against off-balance sheet obligations	21.1	2,547,294	1,726,164
Provision against contingencies	21.2	5,791,250	5,343,606
Payable to brokers		13,011	30,288
Acceptances		10,662,935	9,580,543
Others		20,481,988	20,113,803
		<u>350,886,125</u>	<u>408,770,670</u>
21.1 Credit loss allowance against off-balance sheet obligations			
Opening balance		1,726,164	627,494
Impact of adoption of IFRS-9		125	4,049,283
Charge / (reversal) for the period / year		349,064	(669,509)
Transfer in / (out)		471,941	(2,281,104)
Closing balance		<u>2,547,294</u>	<u>1,726,164</u>
21.2 Provision against contingencies			
Opening balance		5,343,606	4,698,118
Charge for the period / year		62,762	426,424
Other movement		384,882	219,064
Closing balance		<u>5,791,250</u>	<u>5,343,606</u>

			(Un-audited) June 30, 2025	(Audited) December 31, 2024
			----- Rupees in '000 -----	
22. SURPLUS ON REVALUATION OF ASSETS - NET OF TAX	Note			
Surplus on revaluation of:				
- Securities measured at FVOCI - Debt	10.1		62,516,890	50,319,905
- Securities measured at FVOCI - Equity	10.1		82,568,101	94,898,376
- Property and equipment			49,428,761	49,394,599
- Non-banking assets acquired in satisfaction of claims			2,989,362	2,995,046
			197,503,114	197,607,926
Less: Deferred tax liability on surplus on revaluation of:				
- Securities measured at FVOCI - Debt			(32,508,783)	(26,166,351)
- Securities measured at FVOCI - Equity			(42,935,413)	(49,347,156)
- Property and equipment			(3,676,480)	(3,773,779)
- Non-banking assets acquired in satisfaction of claims			(115,260)	(118,215)
			(79,235,936)	(79,405,501)
			118,267,178	118,202,425
23. CONTINGENCIES AND COMMITMENTS				
Guarantees	23.1		505,221,527	513,080,260
Commitments	23.2		2,793,565,355	2,319,154,517
Other contingent liabilities	23.3		23,187,792	26,536,608
			3,321,974,674	2,858,771,385
23.1 Guarantees				
Financial guarantees			454,086,848	461,985,681
Performance guarantees			51,134,679	51,094,580
			505,221,527	513,080,260
23.2 Commitments				
Documentary credits and short-term trade-related transactions				
- letters of credit			1,929,772,659	1,585,818,397
Commitments in respect of:				
- forward foreign exchange contracts	23.2.1		802,829,697	637,181,340
- forward government securities transactions	23.2.2		47,152,726	79,587,535
- forward lending	23.2.3		12,678,021	15,467,596
Commitments for acquisition of:				
- property and equipment			1,115,244	1,082,641
Other commitments	23.2.4		17,008	17,008
			2,793,565,355	2,319,154,517
23.2.1 Commitments in respect of forward foreign exchange contracts				
Purchase			544,039,717	419,040,101
Sale			258,789,980	218,141,239
			802,829,697	637,181,340
Commitments for outstanding forward foreign exchange contracts are disclosed in these unconsolidated condensed interim financial statements at contracted rates. Commitments denominated in foreign currencies are expressed in Rupee terms at the rates of exchange prevailing at the statement of financial position date.				
			(Un-audited) June 30, 2025	(Audited) December 31, 2024
23.2.2 Commitments in respect of forward government securities transactions			----- (Rupees in '000) -----	
Purchase			21,069,012	74,167,535
Sale			26,083,714	5,420,000
			47,152,726	79,587,535
Commitments for outstanding forward government securities transactions are disclosed in these unconsolidated condensed interim financial statements at contracted rates.				

	(Un-audited) June 30, 2025	(Audited) December 31, 2024
23.2.3 Commitments in respect of forward lending	----- (Rupees in '000) -----	
Undrawn formal standby facilities, credit lines and other commitment to lend	<u>12,678,021</u>	<u>15,467,596</u>

These represent commitments that are irrevocable because they cannot be withdrawn at the discretion of the bank without the risk of incurring significant penalty or expense.

	(Un-audited) June 30, 2025	(Audited) December 31, 2024
23.2.4 Other commitments	----- (Rupees in '000) -----	
Professional services to be received	<u>17,008</u>	<u>17,008</u>

23.3 Other contingent liabilities

23.3.1	Claims against the Bank not acknowledged as debt	<u>23,187,792</u>	<u>26,536,608</u>
---------------	--	--------------------------	-------------------

Claims against the Bank not acknowledged as debts includes claims relating to former Mehran Bank Limited amounting to Rs. 1,597 million (December 31, 2024: Rs. 1,597 million).

Moreover, these claims also represent counter claims by the borrowers for damages, claims filed by former employees of the Bank and other claims relating to banking transactions. Based on legal advice and / or internal assessments, the management is confident that the matters will be decided in the Bank's favour and the possibility of any adverse outcome against the Bank is remote and accordingly no provision has been made in these unconsolidated condensed interim financial statements.

23.3.2 Taxation

As at June 30, 2025, the status of tax contingencies is same as disclosed in the annual audited unconsolidated financial statements for the year ended December 31, 2024, except for the following;

The return of income for tax year 2024 has been amended under section 122(5A) of the Ordinance. Certain additions are being agitated before the appellate forum.

- An assessment order was issued by the ACIR for the tax year 2023. In this assessment, the tax authorities have made certain additions. The Bank is contesting these additions before the Appellate Tribunal.
- The aggregate effect of contingencies as on June 30, 2025 including amount of Rs. 180 million (December 31, 2024: 716 million) in respect of indirect tax issues, and in respect of direct tax amounts to Rs. 35,918 million (December 31, 2024: 35,160 million). No provision has been made against these contingencies, based on the opinion of tax consultant of the Bank, who expect favorable outcome upon decisions of pending appeals.

23.3.3 Contingencies in respect of employees benefits and other matters

23.3.3.1 As at June 30, 2025, the status of contingencies in respect of employees benefits including pension and other related matters is same as disclosed in the annual audited unconsolidated financial statements for the year ended December 31, 2024.

23.3.3.2 SBP has imposed penalties on the Bank amounting to Rs 200 million and Rs 1,276 million on account of detection of certain counterfeit bank notes. The Bank maintains chest operations as custodian of SBP and is confident that the ultimate exposure with respect to the above-mentioned penalties will be borne by the relevant depositing bank for which lien has been marked on their deposit accounts. Accordingly, the matter is also being taken up with SBP.

	(Un-audited) For the half year ended June 30, 2025	June 30, 2024 (Restated)
24. MARK-UP / RETURN / INTEREST EARNED	----- (Rupees in '000) -----	
On:		
- Loans and advances	95,833,748	125,241,865
- Investments	311,112,691	433,808,190
- Lendings to financial institutions	2,660,201	5,158,852
- Balances with banks	<u>1,293,679</u>	<u>1,770,345</u>
	<u>410,900,319</u>	<u>565,979,252</u>

		(Un-audited)	
		For the half year ended	
		Jun 30, 2025	Jun 30, 2024
			(Restated)
		----- (Rupees in '000) -----	
25.	MARK-UP / RETURN / INTEREST EXPENSED	Note	
	On:		
	- Deposits	144,399,831	230,850,978
	- Borrowings	2,270,692	4,839,502
	- Cost of foreign currency swaps against foreign currency deposits	5,342,057	8,023,122
	- Finance charges - lease liability against right-of-use assets	556,360	467,624
	- Securities sold under repurchase agreements	127,771,586	247,624,684
		<u>280,340,526</u>	<u>491,805,910</u>
26.	FEE AND COMMISSION INCOME		
	Branch banking customer fees	859,810	957,703
	Consumer finance related fees	465,543	336,357
	Card related fees	2,364,972	2,166,681
	Credit related fees	162,668	232,261
	Investment banking fees	207,892	98,404
	Commission on trade	1,121,461	1,398,480
	Commission on guarantees	1,530,357	849,241
	Commission on cash management	30,684	26,665
	Commission on remittances including home remittances	246,014	916,576
	Commission on bancassurance	115,289	96,965
	Commission on Government transactions	7,588,402	4,954,864
	Others	53,158	23,458
		<u>14,746,250</u>	<u>12,057,655</u>
27.	GAIN ON SECURITIES - NET		
	Realised	27.1 5,211,774	3,857,706
	Unrealised - measured at FVTPL	10.1 74,339	1,965,137
		<u>5,286,113</u>	<u>5,822,843</u>
27.1	Realised gain on		
	Federal Government Securities	3,908,204	2,352,810
	Shares	1,153,521	1,497,711
	Ijarah sukuks	-	7,185
	Foreign securities	79	-
	Non-Government debt securities	149,970	-
		<u>5,211,774</u>	<u>3,857,706</u>
27.2	Net gain / (loss) on financial assets measured at FVTPL:		
	Designated upon initial recognition	(85,113)	640,047
	Mandatorily measured at FVTPL	159,452	1,325,090
		<u>74,339</u>	<u>1,965,137</u>
28.	OTHER INCOME		
	Rent on properties	52,848	44,154
	Gain on sale of property and equipment - net	6,165	1,761
	Gain from lease modification	-	41,212
	Reversal of expenses	269,158	58,073
	Rebate on TT claim	-	3,755
	Insurance claim	68,491	-
	Swift share allocation	22,256	-
	Gain / (loss) on modification on financial assets	101,735	(59,471)
	Others	4,728	815
		<u>525,381</u>	<u>90,299</u>

29. OPERATING EXPENSES**Total compensation expenses**

(Un-audited)	
For the half year ended	
June 30,	June 30,
2025	2024
	(Restated)
----- (Rupees in '000) -----	

37,255,823 **34,038,529**

Property expenses

Rent and taxes
Insurance
Utilities
Security (including guards)
Repair and maintenance (including janitorial charges)
Depreciation
Depreciation on non-banking assets
Depreciation on right-of-use assets

714,790	701,301
19,063	19,200
1,326,687	1,338,814
2,329,829	2,068,017
1,126,980	757,585
256,643	241,716
8,769	8,958
955,915	1,003,634
6,738,676	6,139,225

Information technology expenses

Software maintenance
Hardware maintenance
Depreciation
Amortisation
Network charges
IT manage services

2,526,098	2,283,055
97,913	65,512
755,044	241,358
268,542	246,762
836,859	434,309
960,641	502,887
5,445,097	3,773,883

Other operating expenses

Directors' fees and allowances
Fees and allowances to Shariah Board
Legal and professional charges
Outsourced services costs
Travelling and conveyance
NIFT clearing charges
Depreciation
Training and development
Postage and courier charges
Communication
Stationery and printing
Marketing, advertisement and publicity
Donations
Auditors' remuneration
Entertainment
Clearing, verification, license fee charges
Brokerage
Financial charges on leased assets
Insurance
Vehicle expenses
Repairs and maintenance
Deposit premium expense
Others

52,848	44,929
10,531	9,284
551,023	341,710
920,598	666,213
691,658	638,516
164,653	123,233
910,250	710,870
87,672	53,439
127,522	112,074
758,169	375,551
806,760	758,145
985,672	519,054
80,981	38,440
127,537	149,676
235,411	187,845
227,482	189,534
99,424	77,735
74,966	119,590
525,690	566,974
145,832	127,075
686,530	425,553
961,231	811,021
435,322	305,834
9,667,762	7,352,295
59,107,358	51,303,932

30. OTHER CHARGES

Penalties imposed by State Bank of Pakistan
Penalties imposed by other regulatory bodies of overseas branches

(Un-audited)	
For the half year ended	
June 30,	June 30,
2025	2024
----- (Rupees in '000) -----	
31,686	11,565
-	5,574
31,686	17,139

	Note	(Un-audited)	
		For the half year ended	
		June 30, 2025	June 30, 2024
31. CREDIT LOSS ALLOWANCE / PROVISIONS AND WRITE OFFS / (REVERSAL OF PROVISIONS / CREDIT LOSS ALLOWANCE) - NET		----- (Rupees in '000) -----	
Net reversal of credit loss allowance against investments	10.2	(1,266,967)	(257,722)
Net credit loss allowance / provision / (reversal) against loans and advances	11.4	5,658,492	(1,819,353)
Net provision held / (reversal) against other assets	16.1.1	311,608	(53,459)
Net provision against contingencies	21.2	62,762	151,228
Net reversal of credit loss allowance against lendings to financial institutions		-	(59)
Net reversal of credit loss allowance against balances with other banks		(1,884)	(109)
Net credit loss allowance against balances with other central banks		4,894	-
Net reversal of credit loss allowance against other assets	16.2	(348,858)	(2,245)
Net credit loss allowance against off-balance sheet obligations	21.1	349,064	198,958
		<u>4,769,111</u>	<u>(1,782,761)</u>
32. TAXATION			
Current			
For the period		51,291,438	-
		51,291,438	-
Deferred			
For the period		(1,537,299)	263,714
		(1,537,299)	263,714
		<u>49,754,139</u>	<u>263,714</u>
		(Un-audited)	
		For the half year ended	
		June 30, 2025	June 30, 2024
			(Restated)
		----- (Rupees in '000) -----	
33. EARNINGS PER SHARE - BASIC AND DILUTED			
Profit for the period		43,471,756	358,421
		---- (Number of shares in '000) ----	
Weighted average number of ordinary shares		2,127,513	2,127,513
		----- (Rupees) -----	
Earnings per share - basic and diluted		20.43	0.17
33.1			
Diluted earnings per share has not been presented separately as the Bank does not have any convertible instruments in issue.			
		(Un-audited)	
		For the half year ended	
		June 30, 2025	June 30, 2024
		----- (Rupees in '000) -----	
34. CASH AND CASH EQUIVALENTS	Note		
Cash and balances with treasury banks	7	468,591,344	337,184,092
Balances with other banks	8	31,167,871	37,210,418
Call money lendings		-	9,723
Call money borrowings	18	(15,323,096)	(22,592,686)
Overdrawn nostro accounts	18	(2,395,976)	(14,630,399)
		<u>482,040,143</u>	<u>337,181,148</u>

35. FAIR VALUE MEASUREMENTS

Fair value measurement defines fair value as the price that would be received from the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. 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. The fair value of unquoted equity securities, other than investments in associates and subsidiaries, is determined on the basis of valuation methodologies. The fair value of fixed term financings, other assets, other liabilities, fixed term deposits and due to financial institutions cannot be calculated with sufficient reliability due to the absence of a current and active market for these assets and liabilities and reliable data regarding market rates for similar instruments.

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

35.1 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).

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

June 30, 2025 (Un-audited)					
Carrying 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					
- Market Treasury Bills	1,350,034,300	-	1,350,034,300	-	1,350,034,300
- Pakistan Investment Bonds	3,039,072,276	-	3,039,072,276	-	3,039,072,276
- GOP Ijarah Sukuks	146,217,254	120,764,999	25,452,255	-	146,217,254
- Foreign currency debt securities	23,318,226	-	23,318,226	-	23,318,226
Ordinary Shares					
- Listed companies	88,353,424	88,353,424	-	-	88,353,424
- Unlisted companies	4,852,142	-	-	4,852,142	4,852,142
Preference shares					
- Listed companies	1,229,223	1,229,223	-	-	1,229,223
Non-Government debt securities					
- Term finance certificates and sukuks	38,465,023	14,963,755	23,501,268	-	38,465,023
Mutual Fund units	4,618,673	-	4,618,673	-	4,618,673
Real estate investment trust units	3,247,683	-	3,247,683	-	3,247,683
Foreign securities					
- Government debt securities	1,350,049	-	1,350,049	-	1,350,049
- Equity securities - listed	46,079,941	46,079,941	-	-	46,079,941
	4,746,838,214	271,391,342	4,470,594,730	4,852,142	4,746,838,214

June 30, 2025 (Un-audited)					
Carrying value	Level 1	Level 2	Level 3	Total	
(Rupees in '000)					
Financial assets - disclosed but not measured at fair value					
Investments					
Federal Government Securities					
- Pakistan Investment Bonds	213,443,784	-	266,917,186	-	266,917,186
- Ijarah Sukuks	19,041,878	-	13,820,100	-	13,820,100
- Foreign Currency Debt securities	9,515,098	-	7,013,350	-	7,013,350
Foreign Securities					
- Government debt securities	36,987,001	-	37,243,083	-	37,243,083
- Non-Government debt securities	1,081	-	1,081	-	1,081
	278,988,842	-	324,994,800	-	324,994,800
	5,025,827,056	271,391,342	4,795,589,530	4,852,142	5,071,833,014
Off-balance sheet financial instruments - measured at fair value					
Commitments					
Forward purchase of foreign exchange	544,039,717	-	517,715	-	517,715
Forward sale of foreign exchange	258,789,980	-	246,268	-	246,268
Forward government securities transactions	47,152,726	-	(100,656)	-	(100,656)
December 31, 2024 (Audited)					
Carrying 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					
- Market Treasury Bills	1,206,108,861	-	1,206,108,861	-	1,206,108,861
- Pakistan Investment Bonds	2,793,255,571	-	2,793,255,571	-	2,793,255,571
- Ijarah Sukuks	96,404,073	64,725,870	31,678,203	-	96,404,073
- Foreign Currency Debt securities	19,567,813	-	19,567,813	-	19,567,813
Ordinary Shares					
- Listed Companies	105,072,151	105,072,151	-	-	105,072,151
Preference shares					
- Listed	992,711	992,711	-	-	992,711
Mutual Fund units	4,568,765	2,994,767	1,573,999	-	4,568,765
Real estate investment trust units	3,557,776	-	3,557,776	-	3,557,776
Non-Government debt securities					
- Term Finance Certificates and Sukuk Bonds	42,378,187	18,111,177	24,267,010	-	42,378,187
Foreign Securities					
- Government debt securities	3,243,613	-	3,243,613	-	3,243,613
- Equity Securities - Listed	52,569,483	52,569,483	-	-	52,569,483
	4,327,719,004	244,466,159	4,083,252,845	-	4,327,719,004

December 31, 2024 (Audited)				
Carrying value	Level 1	Level 2	Level 3	Total
(Rupees in '000)				
Financial assets - disclosed but not measured at fair value				
Investments				
Federal Government Securities				
- Market Treasury Bills	-	-	-	-
- Pakistan Investment Bonds	222,656,096	-	213,847,692	213,847,692
- Ijarah Sukuks	14,057,627	-	14,190,800	14,190,800
- Foreign Currency Debt securities	6,287,309	-	7,104,331	7,104,331
Foreign Securities				
- Government debt securities	37,707,456	-	37,147,761	37,147,761
- Non-Government debt securities	1,077	-	1,076	1,076
	280,709,565	-	272,291,660	272,291,660
	4,608,428,569	244,466,159	4,355,544,505	4,600,010,664
Off-balance sheet financial instruments - measured at fair value				
Forward purchase of foreign exchange	419,040,101	-	(249,681)	(249,681)
Forward sale of foreign exchange	218,141,239	-	(129,977)	(129,977)
Forward government securities transactions	79,587,535	-	(774,179)	(774,179)

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

Item	Valuation approach and input used
Market Treasury Bills (MTB) / Pakistan Investment Bonds (PIB), and GoP Sukuks (GIS) including their forward contracts	The fair value of MTBs and PIBs are derived using PKRV rates. Floating rate PIBs are revalued using PKFRV rates. The fair value of GoP sukuks listed on the Pakistan Stock Exchange has been determined through closing rates of the Pakistan Stock Exchange. The fair value of other GIS are revalued using PKISRV rates.
Debt Securities (TFCs and Sukuk other than Government)	Investment in sukuks, debt securities (comprising term finance certificates, bonds and any other security issued by a company or a body corporate for the purpose of raising funds in the form of redeemable capital) are valued on the basis of the rates announced by the Mutual Funds Association of Pakistan in accordance with the methodology prescribed by the Securities and Exchange Commission of Pakistan.
Overseas Sukuks, Overseas and GoP Euro Bonds	The fair value of overseas government sukuks, and overseas bonds are determined on the basis of price available on Bloomberg.
Mutual funds	The valuation has been determined based on net asset values declared by respective funds.
Ordinary shares - listed	The fair value of investments in listed equity securities are valued on the basis of closing quoted market price available at the Pakistan Stock Exchange.
Ordinary shares - unlisted	The fair value of investments in unlisted equity securities are valued on the basis of income and market approach.
Foreign Securities	The fair value of foreign securities is determined using the prices from Reuter page.
Forward foreign exchange contracts and Forward Government securities transactions	The valuation has been determined by interpolating the FX revaluation rates announced by the SBP.
Property and equipment and 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 effect of changes in the unobservable inputs used in the valuations cannot be determined with certainty. Accordingly, a qualitative disclosure of sensitivity has not been presented in these unconsolidated condensed interim financial statements.

35.2 Fair value of non-financial assets

Information about the fair value hierarchy of Bank's non-financial assets as at the end of the reporting period are as follows:

June 30, 2025 (Un-audited)				
Carrying value	Level 1	Level 2	Level 3	Total
(Rupees in '000)				
Land and building (property)	54,554,289	-	54,554,289	54,554,289
Non-banking assets acquired in satisfaction of claims	4,139,345	-	4,139,345	4,139,345
	58,693,634	-	58,693,634	58,693,634
December 31, 2024 (Audited)				
Carrying value	Level 1	Level 2	Level 3	Total
(Rupees in '000)				
Land and building (property)	54,402,463	-	54,402,463	54,402,463
Non-banking assets acquired in satisfaction of claims	4,148,115	-	4,148,115	4,148,115
	58,550,578	-	58,550,578	58,550,578

36. SEGMENT DETAILS WITH RESPECT TO BUSINESS ACTIVITIES

Half year ended June 30, 2025 (Un-audited)									
Retail Banking Group	Inclusive Development Group	Corporate and Investment Banking Group	Treasury	International, Financial Institution and Remittance Group	Aitemaad and Islamic Banking Group	Head Office / Others	Sub total	Eliminations	Total

(Rupees in '000)

Profit and loss account

Net mark-up / return / interest (expense) / income	(103,809,717)	18,553,390	4,737,246	189,154,441	2,676,327	15,455,571	3,792,535	130,559,793	-	130,559,793
Inter segment revenue - net	145,382,200	(14,898,781)	6,640,696	(139,137,460)	-	(7,431,325)	9,444,670	-	-	-
Non mark-up / return / interest income / (loss)	11,313,205	304,161	3,927,721	10,572,645	761,446	100,270	(405,191)	26,574,257	-	26,574,257
Total income	52,885,688	3,958,770	15,305,663	60,589,626	3,437,773	8,124,516	12,832,014	157,134,050	-	157,134,050
Segment direct expenses	23,609,924	266,065	671,918	306,165	3,681,755	2,174,276	224,361	30,934,464	-	30,934,464
Inter segment expense allocation	-	-	-	-	-	-	28,204,580	28,204,580	-	28,204,580
Total expenses	23,609,924	266,065	671,918	306,165	3,681,755	2,174,276	28,428,941	59,139,044	-	59,139,044
Credit loss allowance / provisions and write offs / (reversal of provisions / credit loss allowance) - net	815,302	3,169,622	(247,685)	(1,884)	(147,582)	450,663	730,675	4,769,111	-	4,769,111
Profit / (loss) before taxation	28,460,462	523,083	14,881,430	60,285,345	(96,400)	5,499,578	(16,327,602)	93,225,895	-	93,225,895

As at Jun 30, 2025 (Un-audited)									
Retail Banking Group	Inclusive Development Group	Corporate and Investment Banking Group	Treasury	International, Financial Institution and Remittance Group	Aitemaad and Islamic Banking Group	Head Office / Others	Sub total	Eliminations	Total

(Rupees in '000)

Statement of financial position

Cash and balances with treasury and other banks	301,032,944	18,938,621	5,346,880	110,226,650	44,760,860	19,453,260	-	499,759,215	-	499,759,215
Investments	-	-	17,147,344	4,765,538,193	71,172,815	171,968,971	1,353,813	5,027,181,136	-	5,027,181,136
Net inter segment lending	3,215,211,812	-	-	-	-	35,665,110	433,938,344	3,684,815,266	(3,684,815,266)	-
Lendings to financial institutions	-	-	-	35,092,547	-	6,359,526	-	41,452,073	-	41,452,073
Advances - performing	267,849,820	165,552,605	642,206,778	-	59,696,323	180,248,089	(6,387,366)	1,309,166,249	-	1,309,166,249
Advances - non-performing	4,697,659	79,650,903	24,492,097	-	61,932,587	1,986,120	90,887,239	263,646,605	-	263,646,605
Credit allowance against Advances	(6,095,460)	(38,042,287)	(57,701,538)	-	(59,698,338)	(3,170,054)	(100,772,036)	(265,479,713)	-	(265,479,713)
Advances - Net	266,452,019	207,161,221	608,997,337	-	61,930,572	179,064,155	(16,272,163)	1,307,333,141	-	1,307,333,141
Others	51,209,199	3,236,057	24,555,956	106,594,801	3,860,129	14,792,792	144,885,213	349,134,147	-	349,134,147
Total assets	3,833,905,974	229,335,899	656,047,517	5,017,452,191	181,724,376	427,303,814	563,905,207	10,909,674,978	(3,684,815,266)	7,224,859,712
Borrowings	-	6,574,386	47,931,679	1,435,254,203	15,323,096	-	-	1,505,083,364	-	1,505,083,364
Deposits and other accounts	3,624,998,405	-	535,519,149	-	119,896,063	419,935,313	3,507,244	4,703,856,174	-	4,703,856,174
Net inter segment borrowing	-	209,622,368	29,441,419	3,400,265,695	45,485,784	-	-	3,684,815,266	(3,684,815,266)	-
Others	208,907,569	13,139,145	43,154,008	16,272,727	3,222,995	5,695,748	237,575,578	527,967,770	-	527,967,770
Total liabilities	3,833,905,974	229,335,899	656,046,255	4,851,792,625	183,927,938	425,631,061	241,082,822	10,421,722,574	(3,684,815,266)	6,736,907,308
Equity	-	-	1,262	165,659,566	(2,203,562)	1,672,753	322,822,385	487,952,404	-	487,952,404
Total equity and liabilities	3,833,905,974	229,335,899	656,047,517	5,017,452,191	181,724,376	427,303,814	563,905,207	10,909,674,978	(3,684,815,266)	7,224,859,712
Contingencies and commitments	-	88,268,572	2,327,808,729	862,660,444	20,580,512	-	22,656,417	3,321,974,674	-	3,321,974,674

Half year ended June 30, 2024 (Un-audited) - Restated										
Retail Banking Group	Inclusive Development Group	Corporate and Investment Banking Group	Treasury	International, Financial Institution and Remittance Group	Aitemaad and Islamic Banking Group	Head Office / Others	Sub total	Eliminations	Total	
(Rupees in '000)										
Profit and loss account										
Net mark-up / return / interest (expense) / income	(184,939,826)	19,831,984	8,478,051	214,891,201	7,299,289	6,647,361	1,965,282	74,173,342	-	74,173,342
Inter segment revenue - net	252,342,092	(21,986,538)	3,479,424	(243,610,483)	-	(3,127,265)	12,902,770	-	-	-
Non mark-up / return / interest income	9,075,468	320,064	3,639,275	11,276,442	419,001	226,339	44,879	25,001,468	-	25,001,468
Total income	76,477,734	(1,834,490)	15,596,750	(17,442,840)	7,718,290	3,746,435	14,912,931	99,174,810	-	99,174,810
								-	-	-
Segment direct expenses	22,001,172	297,403	741,639	321,242	4,911,936	1,867,251	228,188	30,368,831	-	30,368,831
Inter segment expense allocation	-	-	-	-	-	-	69,966,605	69,966,605	-	69,966,605
Total expenses	22,001,172	297,403	741,639	321,242	4,911,936	1,867,251	70,194,793	100,335,436	-	100,335,436
Credit loss allowance / provisions and write offs - net	544,479	55,353	(2,263,806)	(168)	560,833	329,642	(1,009,094)	(1,782,761)	-	(1,782,761)
Profit / (loss) before taxation	53,932,083	(2,187,246)	17,118,917	(17,763,914)	2,245,521	1,549,542	(54,272,768)	622,135	-	622,135
As at December 31, 2024 (Audited)										
Retail Banking Group	Inclusive Development Group	Corporate and Investment Banking Group	Treasury	International, Financial Institution and Remittance Group	Aitemaad and Islamic Banking Group	Head Office / Others	Sub total	Eliminations	Total	
(Rupees in '000)										
Statement of financial position										
Cash and balances with treasury and other banks	104,896,522	12,700,078	323,160	180,215,699	44,644,915	28,290,145	-	371,070,519	-	371,070,519
Investments	-	-	17,474,258	4,401,774,189	66,807,281	123,905,109	2,373,361	4,612,334,198	-	4,612,334,198
Net inter segment lending	2,654,121,574	-	15,212,340	-	-	-	385,852,374	3,055,186,288	(3,055,186,288)	-
Lendings to financial institutions	-	-	-	-	-	30,000,000	-	30,000,000	-	30,000,000
Advances - performing	255,462,856	302,527,511	635,160,249	-	68,891,051	144,913,723	(3,481,365)	1,403,474,025	-	1,403,474,025
Advances - non-performing	4,049,155	77,623,629	25,911,005	-	61,298,054	1,985,434	98,421,694	269,288,971	-	269,288,971
Credit loss against advances	(5,322,616)	(30,305,806)	(71,341,462)	-	(59,115,382)	(2,677,968)	(99,131,890)	(267,895,124)	-	(267,895,124)
Advances - net	254,189,395	349,845,335	589,729,792	-	71,073,723	144,221,189	(4,191,561)	1,404,867,872	-	1,404,867,872
Others	35,950,181	4,380,238	32,592,996	95,122,683	9,494,765	6,998,746	141,266,055	325,805,664	-	325,805,664
Total assets	3,049,157,672	366,925,651	655,332,546	4,677,112,571	192,020,684	333,415,189	525,300,229	9,799,264,542	(3,055,186,288)	6,744,078,253
Borrowings	-	6,146,012	54,082,053	1,858,039,691	19,489,167	-	-	1,937,756,922	-	1,937,756,922
Deposits and other accounts	2,880,350,380	-	567,480,954	-	104,461,295	309,438,082	3,834,172	3,865,564,883	-	3,865,564,883
Net inter segment borrowing	-	340,348,843	-	2,631,278,091	67,253,026	16,306,328	-	3,055,186,288	(3,055,186,288)	-
Others	168,807,292	20,430,796	33,766,775	21,551,859	4,215,864	5,057,921	229,974,495	483,805,003	-	483,805,003
Total liabilities	3,049,157,672	366,925,651	655,329,782	4,510,869,641	195,419,352	330,802,331	233,808,667	9,342,313,096	(3,055,186,288)	6,287,126,808
Equity	-	-	2,764	166,242,930	(3,398,668)	2,612,858	291,491,562	456,951,446	-	456,951,446
Total equity and liabilities	3,049,157,672	366,925,651	655,332,546	4,677,112,571	192,020,684	333,415,189	525,300,229	9,799,264,542	(3,055,186,288)	6,744,078,253
Contingencies and commitments	-	69,715,086	2,006,678,247	732,236,471	22,505,325	-	27,636,257	2,858,771,385	-	2,858,771,385

37. RELATED PARTY TRANSACTIONS

The Bank has related party transactions with its parent, subsidiaries, associates, employee benefit plans and its directors and key management personnel. The details of investment in subsidiary companies and associated undertaking and their provisions are stated in note 10 of the unconsolidated condensed interim financial statements of the Bank.

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:

	As at June 30, 2025 (Un-audited)							As at December 31, 2024 (Audited)								
	Directors	Key management personnel	Subsidiaries	Associates	Pension Fund (Current)	Pension Fund (N.I.D.A A/c)	Provident Fund	Other related parties	Directors	Key management personnel	Subsidiaries	Associates	Pension Fund (Current)	Pension Fund (N.I.D.A A/c)	Provident Fund	Other related parties
(Rupees in '000)																
Balances with other banks																
In current accounts	-	-	-	-	-	-	-	74,548	-	-	-	-	-	-	-	279,616
	-	-	-	-	-	-	-	74,548	-	-	-	-	-	-	-	279,616
Investments																
Opening balance	-	-	-	-	-	-	-	100	-	-	-	-	-	-	-	4,921,177
Investment made during the period / year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment redeemed / disposed off during the period / year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer in / (out) - net	-	-	-	-	-	-	-	1,077,011	-	-	-	-	-	-	-	(4,921,077)
Closing balance	-	-	-	-	-	-	-	1,077,111	-	-	-	-	-	-	-	100
Credit loss allowance for diminution in value of investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100
Advances																
Opening balance	-	258,612	452,063	183,172	-	-	-	-	-	265,788	317,063	2,540,453	-	-	-	-
Addition during the period / year	-	42,435	5,000	-	-	-	-	-	-	75,194	135,000	-	-	-	-	-
Repaid during the period / year	-	(49,483)	-	-	-	-	-	-	-	(99,509)	-	(2,357,281)	-	-	-	-
Transfer in / (out) - net	-	-	-	-	-	-	-	18,335,050	-	17,139	-	-	-	-	-	-
Closing balance	-	251,564	457,063	183,172	-	-	-	18,335,050	-	258,612	452,063	183,172	-	-	-	-
Credit loss allowance held against advances	-	-	217,063	183,172	-	-	-	-	-	-	217,063	183,172	-	-	-	-

As at June 30, 2025 (Un-audited)								As at December 31, 2024 (Audited)							
Directors	Key management personnel	Subsidiaries	Associates	Pension Fund (Current)	Pension Fund (N.I.D.A A/c)	Provident Fund	Other related parties	Directors	Key management personnel	Subsidiaries	Associates	Pension Fund (Current)	Pension Fund (N.I.D.A A/c)	Provident Fund	Other related parties
(Rupees in '000)															
Other Assets															
-	-	1,442	-	-	-	-	-	-	-	3,155	-	-	-	-	-
-	-	620	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,582
-	-	103,862	1,711	-	-	-	-	-	-	103,862	8,370	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	105,924	1,711	-	-	-	-	-	-	107,017	8,370	-	-	-	4,582
Credit loss allowance against other assets															
-	-	103,862	-	-	-	-	-	-	-	103,862	-	-	-	-	-
Borrowings															
-	-	-	-	-	-	-	575,442	-	-	-	-	-	-	-	546,209
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	29,232
-	-	-	-	-	-	-	(256,665)	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	318,777	-	-	-	-	-	-	-	575,441
Deposits and other accounts															
21,088	96,414	352,585	77,968	87,283	268,614	14,199,204	4,528,343	3,630	72,801	1,249,465	145,790	100	378,978	13,563,087	9,245,132
41,659	771,494	442,533	226,370	29,764,553	15,318,521	1,378,660	55,193,613	37,179	1,270,799	26,937	-	36,502,461	6,363,285	3,417,472	120,594,671
(30,571)	(748,701)	(70,371)	-	(29,846,746)	(10,848,203)	(754,371)	(52,266,635)	(19,721)	(1,244,645)	(923,817)	(67,822)	(36,415,278)	(6,473,650)	(2,781,356)	(124,055,441)
-	1,372	-	-	-	-	-	76,025	-	(2,542)	-	-	-	-	-	(1,256,020)
32,176	120,579	724,747	304,338	5,090	4,738,932	14,823,493	7,531,346	21,088	96,413	352,585	77,968	87,283	268,613	14,199,203	4,528,342
Provident Fund Subsidiary															
-	-	35,506	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Liabilities															
260	1,654	21,598	4,043	-	72,313	-	-	418	2,491	42,643	8,759	-	73,809	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	4,631	-	-	-	-	-	-	-	9,738	-	-	-	-	-
260	1,654	26,229	4,043	-	72,313	-	-	418	2,491	52,381	8,759	-	73,809	-	-
Contingencies and commitments															
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

* Transfer in / (out) - net due to retirement / appointment of directors and changes in key management executives.

For the Half year ended June 30, 2025 (Un-audited)							For the Half year ended June 30, 2024 (Un-audited)							
Directors	Key management personnel	Subsidiaries	Associates	Pension Fund	Provident Fund	Others	Directors	Key management personnel	Subsidiaries	Associates	Joint venture	Pension Fund	Provident Fund	Others
							(Rupees in '000)							

Income

Mark-up / return / interest earned	-	3,588	3,691	-	-	-	830,692	-	4,012	3,065	-	-	-	-	99,426
Commission	-	-	25,886	-	-	-	-	-	-	-	-	-	-	-	-
Dividend income	-	-	-	2,219	-	-	68,657	-	-	-	-	-	-	-	29,700
Rent income / lighting and power and bank charges	-	-	2,938	3,701	-	-	10,513	-	-	11,120	3,632	-	-	-	10,513

Expense

Mark-up / return / interest paid	1,707	3,990	66,223	13,228	146,006	933,399	525,262	1,532	6,958	107,980	23,070	15,088	38,382	996,369	471,042
Provident Fund Deposit Markup	-	-	922	-	-	-	-	-	-	-	-	-	-	-	-
Expenses paid to company in which Directors of the bank is interested as director	-	-	-	-	-	-	237,648	-	-	-	-	-	-	-	581,912
Remuneration to key management executives including charge for defined benefit plan	-	413,987	-	-	-	-	-	-	461,896	-	-	-	-	-	-
Commission paid to subsidiaries	-	-	36,913	-	-	-	-	-	-	9,066	-	-	-	-	-
Directors fee & other allowances	52,848	-	-	-	-	-	-	44,929	-	-	-	-	-	-	-

37.1 Transactions with Government-related entities

The entities which are owned and / or controlled by the Federal Government, or where the Federal Government may exercise significant influence, are related parties of the Bank.

The Bank in the ordinary course of business enters into transaction with Government-related entities. Such transactions include lending to, deposits from and provision of other banking services to Government-related entities.

The Bank also earned commission on handling treasury transactions on behalf of the Government of Pakistan amounting to Rs. 7,588 million (June 30, 2024: Rs. 4,955 million) for the half year ended June 30, 2025. As at the statement of financial position date, the loans and advances, deposits and contingencies relating to Government-related entities amounted to Rs. 661,032 million (December 31, 2024: Rs. 620,914 million), Rs. 1,941,321 million (December 31, 2024: Rs. 1,864,349 million) and Rs. 2,122,208 million (December 31, 2024: Rs. 1,798,996 million) respectively and income earned on advances and investment and profit paid on deposits amounted to Rs. 23,023 million (June 30, 2024: Rs. 26,756 million) and Rs. 149,435 million (June 30, 2024: Rs. 73,010 million) respectively.

38. CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

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

Minimum Capital Requirement (MCR)

Paid-up capital (net of losses)	<u>21,275,131</u>	<u>21,275,131</u>
---------------------------------	-------------------	-------------------

Capital Adequacy Ratio (CAR)

Eligible Common Equity Tier 1 (CET 1) Capital	<u>362,009,253</u>	353,929,600
Eligible Additional Tier 1 (ADT 1) Capital	<u>-</u>	-
Total Eligible Tier 1 Capital	<u>362,009,253</u>	353,929,600
Eligible Tier 2 Capital	<u>128,366,737</u>	125,894,908
Total Eligible Capital (Tier 1 + Tier 2)	<u>490,375,990</u>	<u>479,824,508</u>

Risk Weighted Assets (RWAs):

Credit Risk	<u>1,051,620,632</u>	1,218,349,551
Market Risk	<u>386,110,459</u>	147,806,086
Operational Risk	<u>359,905,031</u>	359,905,031
Total	<u>1,797,636,122</u>	<u>1,726,060,668</u>

Common Equity Tier 1 Capital Adequacy ratio	<u>20.14%</u>	20.51%
Tier 1 Capital Adequacy Ratio	<u>20.14%</u>	20.51%
Total Capital Adequacy Ratio	<u>27.28%</u>	<u>27.80%</u>

Leverage Ratio (LR):

Eligible Tier-1 Capital	<u>362,009,253</u>	353,929,600
Total Exposures	<u>9,737,399,454</u>	9,126,550,345
Leverage Ratio	<u>3.72%</u>	<u>3.88%</u>

Liquidity Coverage Ratio (LCR):

Total High Quality Liquid Assets	<u>2,794,635,094</u>	2,474,264,138
Total Net Cash Outflow	<u>1,296,385,005</u>	1,200,642,088
Liquidity Coverage Ratio	<u>216%</u>	<u>206%</u>

Net Stable Funding Ratio (NSFR):

Total Available Stable Funding	<u>4,287,541,811</u>	3,776,992,766
Total Required Stable Funding	<u>2,035,138,462</u>	2,176,376,949
Net Stable Funding Ratio	<u>211%</u>	<u>174%</u>

Impact on Regulatory Capital:

The introduction of IFRS 9 has resulted in reduction in regulatory capital of the Banks, which has reduced their lending capacity and ability to support their clients. In order to mitigate the impact of ECL models on capital, SBP has permitted Banks to opt for transitional arrangement for the ECL impact on regulatory capital from the application of ECL accounting. Annexure B of the 'Application Instructions' issued by SBP has detailed the transitional arrangement.

Accordingly, the Bank has opted for transition arrangement to phase in ECL impact and below tabulated is the impact on key ratios, had the transitional arrangement not applied.

Key Ratios	With Transitional arrangement	Without Transitional arrangement
Total Capital to total RWA (CAR)	27.28%	26.02%
Leverage Ratio	3.72%	3.55%

39. ISLAMIC BANKING BUSINESS

The bank is operating with 207 (December 31, 2024: 207) Islamic banking branches and 286 (December 31, 2024: 251) Islamic banking windows as at June 30, 2025.

The statement of financial position of the Bank's Islamic banking branches as at June 30, 2025 is as follows:

		(Un-audited) June 30, 2025	(Audited) December 31, 2024
	Note	----- (Rupees in '000) -----	
ASSETS			
Cash and balances with treasury banks		19,424,516	28,240,319
Balances with other banks		28,744	49,826
Due from financial institutions	39.1	6,359,526	30,000,000
Investments	39.2	171,968,971	123,905,109
Islamic financing and related assets - net	39.3	179,064,315	144,221,215
Property and equipment		133,793	125,580
Right of use assets		630,312	582,812
Intangible assets		-	-
Due from Head Office	39.4	56,028,524	-
Other assets		14,028,687	6,290,354
Total Assets		447,667,388	333,415,215
LIABILITIES			
Bills payable		292,736	1,397,301
Due to financial Institutions		-	-
Deposits and other accounts	39.5	419,935,312	309,438,083
Due to Head Office		-	2,883,224
Lease liabilities		872,305	814,024
Subordinated debts		-	-
Other liabilities		4,530,706	2,846,597
		425,631,059	317,379,229
NET ASSETS		22,036,329	16,035,986
REPRESENTED BY			
Islamic Banking Fund		14,864,000	8,531,000
Reserves		-	-
Surplus on revaluation of assets		1,672,753	2,612,858
Unremitted profit	39.6	5,499,576	4,892,128
		22,036,329	16,035,986
CONTINGENCIES AND COMMITMENTS	39.7		

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

		(Un-audited) For the half year ended June 30, 2025	June 30, 2024
	Note	----- (Rupees in '000) -----	
Profit / return earned	39.8	22,082,380	12,990,244
Profit / return expensed	39.9	14,058,135	9,470,149
Net profit / return		8,024,245	3,520,095
Other income			
Fee and commission income		104,959	167,485
Dividend Income		127	-
Foreign exchange (loss) / income		(1,192)	43,977
(Loss) / gain on securities		(9,570)	6,960
Other income		5,946	7,918
Total other income		100,270	226,340
Total income		8,124,515	3,746,435
Other expenses			
Operating expenses		2,174,176	1,867,241
Worker welfare Fund		-	-
Other charges		100	10
		2,174,276	1,867,251
Profit before credit loss allowance		5,950,239	1,879,184
Credit loss allowance and write offs - net		450,663	329,642
Profit before taxation		5,499,576	1,549,542
Taxation		-	-
Profit after taxation		5,499,576	1,549,542

June 30, 2025 (Un-audited)			December 31, 2024 (Audited)		
In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total

39.1 Due from Financial Institutions

Bai Muajjal receivable from State Bank of Pakistan	6,359,526	-	6,359,526	-	-	-
Call money placement	-	-	-	30,000,000	-	30,000,000
Due from financial Institutions - net of credit loss allowance	6,359,526	-	6,359,526	30,000,000	-	30,000,000

39.2 Investments by segments:

June 30, 2025 (Un-audited)				December 31, 2024 (Audited)			
Cost / amortised cost	Credit loss allowance for diminution	Surplus / (deficit)	Carrying value	Cost / amortised cost	Credit loss allowance for diminution	Surplus / (deficit)	Carrying value

Debt Instruments**Classified / Measured at amortised cost**

Federal Government securities

- GOP Ijarah Sukuks

Non Government debt securities

- Sukuks

19,041,878	-	-	19,041,878	14,057,627	-	-	14,057,627
130,807	(130,807)	-	-	130,807	(130,807)	-	-
19,172,685	(130,807)	-	19,041,878	14,188,434	(130,807)	-	14,057,627

Classified / Measured at FVOCI

Federal Government securities

-GOP Ijarah Sukuks

Non Government debt securities

- Sukuks

130,416,952	-	1,627,498	132,044,450	83,155,034	-	2,334,037	85,489,071
19,882,332	(476,391)	45,255	19,451,196	22,784,066	(550,572)	278,821	22,512,315
150,299,284	(476,391)	1,672,753	151,495,646	105,939,100	(550,572)	2,612,858	108,001,386

Classified / Measured at FVTPL

Non Government debt securities

-Sukuks

1,394,666	-	1,532	1,396,198	1,832,366	-	868	1,833,234
-----------	---	-------	-----------	-----------	---	-----	-----------

Mutual Funds Units (for the purpose of personal finance)

35,069	-	180	35,249	12,536	-	326	12,862
--------	---	-----	--------	--------	---	-----	--------

Total Investments

170,901,704	(607,198)	1,674,465	171,968,971	121,972,436	(681,379)	2,614,052	123,905,109
-------------	-----------	-----------	-------------	-------------	-----------	-----------	-------------

39.2.1 Particulars of credit loss allowance

June 30, 2025 (Un-audited)				December 31, 2024 (Audited)			
Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total

Non Government debt securities

12,262	124,129	470,807	607,198	99,880	110,692	470,807	681,379
--------	---------	---------	---------	--------	---------	---------	---------

(Un-audited)

June 30, 2025

(Audited)

December 31, 2024

Note

(Rupees in '000)

39.3 Islamic financing and related assets

Ijarah

Murabaha

Musawama

Running Musharaka

Diminishing Musharaka

Other Islamic Modes (Wakala tul Istismar)

Advance for Murabaha

Advance for Diminishing Musharaka

Advance for Istisna

Inventories against Istisna

Gross Islamic financing and related assets

39.3.1

7,736	8,436
1,427,966	1,050,778
20,215,468	7,443
116,868,000	104,490,555
15,691,149	14,530,164
7,791,667	8,500,000
-	378,000
1,677,929	1,320,707
16,870,832	12,797,450
1,683,461	3,815,624
182,234,208	146,899,157

Less: Credit loss allowance against Islamic financings

Stage 1

Stage 2

Stage 3

(1,029,675)	(664,490)
(154,544)	(28,044)
(1,985,674)	(1,985,408)
(3,169,893)	(2,677,942)
179,064,315	144,221,215

Islamic financing and related assets - net of credit loss allowance

39.3.1 Ijarah

June 30, 2025 (Un-audited)							
Cost			Accumulated Depreciation			Book value as at Jun 30, 2025	
As at Jan 01, 2025	Additions / (deletions) / (adjustment)	As at Jun 30, 2025	As at Jan 01, 2025	Charge/ adjustment for the period	As at Jun 30, 2025		
-----Rupees in 000 -----'							
Plant & Machinery	55,484	- (700)	54,784	47,048	-	47,048	7,736
Vehicles	2,645	-	2,645	2,645	-	2,645	-
Total	58,129	- (700)	57,429	49,693	-	49,693	7,736

December 31, 2024 (Audited)							
Cost			Accumulated Depreciation			Book value as at Dec 31, 2024	
As at Jan 01, 2024	Additions / (deletions) / (adjustment)	As at Dec 31, 2024	As at Jan 01, 2024	Charge/ adjustment for the year	As at Dec 31, 2024		
-----Rupees in 000 -----'							
Plant & Machinery	59,828	-	55,484	47,449	-	47,048	8,436
		(4,344)			(401)		
Vehicles	6,000	-	2,645	4,630	1,371	2,645	-
		(3,355)			(3,356)		
Total	65,828	-	58,129	52,079	1,371	49,693	8,436
		(7,699)			(3,757)		

Future Ijarah payments receivable

June 30, 2025 (Un-audited)				December 31, 2024 (Audited)			
Not later than 1 year	Later than 1 year and less than 5 years	Over five years	Total	Not later than 1 year	Later than 1 year and less than 5 years	Over five years	Total
-----Rupees in 000 -----'							
Ijarah rental receivables	475 -	-	475	475 -	-	-	475

39.4 Due from head office

Due from head office Rs. 56,028 million (2024: Nil)

39.5 Deposits and other accounts

	June 30, 2025 (Un-audited)			December 31, 2024 (Audited)		
	In local currency	In foreign currency	Total	In local currency	In foreign currency	Total
-----Rupees in 000 -----'						
Customers						
Current deposits - remunerative	1,812,479	-	1,812,479	1,497,103	-	1,497,103
Current deposits - non remunerative	73,377,798	254,826	73,632,624	40,619,109	215,067	40,834,176
Savings deposits	116,782,716	-	116,782,716	78,701,894	-	78,701,894
Term deposits	17,930,550	-	17,930,550	17,145,145	-	17,145,145
Others	6,381,664	-	6,381,664	4,800,439	-	4,800,439
	216,285,207	254,826	216,540,033	142,763,690	215,067	142,978,757
Financial Institutions						
Current deposits - remunerative	417,502	-	417,502	406,892	-	406,892
Current deposits - non remunerative	160,893,328	-	160,893,328	136,864,262	-	136,864,262
Savings deposits	41,443,449	-	41,443,449	28,572,672	-	28,572,672
Term deposits	641,000	-	641,000	615,500	-	615,500
	203,395,279	-	203,395,279	166,459,326	-	166,459,326
	419,680,486	254,826	419,935,312	309,223,016	215,067	309,438,083

Opening Balance
Less: Impact of adoption of IFRS 9
Add: Islamic Banking profit for the period
Less: Transferred / Remitted to Head Office
Closing balance

4,892,128	3,529,477
-	(1,440,726)
5,499,576	6,332,854
(4,892,128)	(3,529,477)
<u>5,499,576</u>	<u>4,892,128</u>

- Guarantees
- Commitments
- Other contingent liabilities

$$\frac{1}{2} \times \frac{1}{2} = \frac{1}{4}$$

$$\frac{1}{2} \times \frac{1}{2} = \frac{1}{4}$$

(Un-audited)

For the half year ended

Profit earned on:
Financing
Investments
Placements
Others (bai muajjal)

10,385,464	7,450,765
11,649,292	5,538,673
10,546	806
37,078	-
<u>22,082,380</u>	<u>12,990,244</u>

Deposits and other accounts
Others (general account)
Amortisation of lease liability against right-of-use assets

6,552,747	6,275,715
7,431,325	3,127,265
74,063	67,169
<u>14,058,135</u>	<u>9,470,149</u>

NBP-AIBG has managed following pools for profit and loss distribution.

The General pool consists of all other remunerative deposits. NBP Aitemaad (the Mudarib) accept deposits on the basis of Mudaraba from depositors (Rabbulmaal). The net return on the pool is arrived at after deduction of direct costs from the gross return earned on the pool. The entire net return after paying equity share to Mudarib is considered as distributable profit of the pool.

Special pool(s) are created where the customers desire to invest in high yield assets. These pool(s) rates is(are) higher than the general pool depending on the assets. In case of loss in special pool, the loss will be borne by the special pool members. The net return on the pool is arrived at after deduction of direct costs from the gross return earned on the pool. From the net return, and after allocation of share of profit to commingled equity, profit is paid to the Mudarib in the ratio of the mudarib's equity in the pool to the total pool. The balance represents the distributable profit.

Equity pools include AIBG's fund and current account deposits. The equity pool may have constructive liquidation every month and risk associated with assets of pool includes operational, market, equity, return and shariah.

Key features and risk & reward characteristics

Deposits are accepted from customers on the basis of Qard (current accounts) and Mudarabah (Saving and term deposits). No profit or loss is passed on to current account depositors.

For deposits accepted on Mudarabah basis from depositors (Rab ul Maal) the Bank acts as Manager (Mudarib) and invests the funds in the Shariah Compliant modes of financings. Rab ul Maal share is distributed among depositors according to weightages declared for a month before start of the period.

In case of loss in a pool during the profit calculation period, the loss is distributed among the depositors (remunerative) according to their ratio of investment.

For all pools, the Mudarib's share is deducted from the distributable profit to calculate the profit to be allocated to depositors. The allocation of the profit to various deposit categories is determined by the amount invested in that category relative to the total pool, as well as by the weightage assigned to the various deposit categories.

The assets, liabilities, equities, income and expenses are segregated for each of the pool. No pool investment is intermingled with each other. The risk associated with each pool is thus equally distributed among the pools.

Avenues/sectors of economy/business where Mudaraba based deposits have been deployed.

	(Un-audited) June 30, 2025	(Audited) December 31, 2024
Sector	Percentage	
Fertilizer	0.42%	0.00%
Textile	1.47%	1.56%
Fuel & energy	8.31%	11.14%
Leasing / Mudarbas	0.03%	0.01%
Sugar	2.32%	2.48%
Cement	1.27%	1.64%
Gas	0.15%	0.19%
Financial	2.18%	10.67%
Federal Government	41.57%	32.52%
Real Estate	0.90%	1.08%
Agriculture	0.51%	0.46%
Commodity Operations	37.24%	34.54%
Others	3.63%	3.71%
Total	100.00%	100.00%

Parameters for profit allocation and charging expenses

Profit of the pools has been distributed between Mudarib and Rab-ul-Mall by using preagreed profit sharing ratios. The share of Rab-ul-Mall's profit has been distributed among different customers using the various weightages assigned to the different categories of the pool.

Administrative expense are borne by mudarib and not charged to Mudaraba pool.

	June 30, 2025 Rupees in '000
Mudarib Share	
Gross Distributable Income	16,092,554
Mudarib (Bank) share of profit before Hiba	6,873,161
Mudarib Share in %age	42.71%
Hiba from Mudarib Share	
Mudarib (Bank) share of profit before Hiba	6,873,161
Hiba from bank's share to depositors	3,999,698
Hiba from bank's share to depositors in %age	58.19%

Profit rates

During the half year ended June 30, 2025, the average profit rate earned by NBP Aitemaad Islamic Banking Group is 12.81% and the profit distributed to the depositors is 10.35%.

40 GENERAL

Figures have been rounded off to the nearest thousand rupees, unless otherwise specified.

41 CORRESPONDING FIGURES

- 41.1** Comparative information has been re-classified, re-arranged, restated or additionally incorporated in these unconsolidated condensed interim financial statements, wherever necessary to facilitate comparison.
- 41.2** The effects of restatement due to adoption of IFRS 9 are mentioned in note 4.1.2 of these unconsolidated condensed interim financial statements.

42. DATE OF AUTHORISATION FOR ISSUE

These unconsolidated condensed interim financial statements were authorised for issue on 28 August, 2025 by the Board of Directors of the Bank.

 Chairman

 President / CEO

 Chief Financial Officer

 Director

 Director

Consolidated Condensed Interim Financial Statements
For the six months period ended June 30, 2025

Directors' Report to the Shareholders

Consolidated Financial Statements

Dear Shareholders,

On behalf of the Board of Directors, we are pleased to present the Directors' Review together with consolidated financial statements of National Bank of Pakistan "the Bank" and its group companies for the half year ended June 30, 2025.

Consolidated after-tax profit for the half year ended June 30, 2025, amounted to PKR 43.078 Bn, being 4482.8% higher than PKR 0.940 Bn for the same period last year. During the half year period under review, the subsidiary companies contributed PKR 1.062 Bn (June 30, 2024: PKR 0.702 Bn) in Group profitability, whereas the associates contributed a share of profit amounting to PKR 0.055 Bn (June 30, 2024: PKR 0.118 Bn). Accordingly, consolidated after-tax profit translates into EPS of PKR 20.05, as compared to EPS of PKR 0.33 for the same period last year.

As of June 30, 2025, consolidated assets of the Group amounted to PKR 7,236.8 Bn being PKR 482.8 Bn or 7.15% higher than PKR 6,754.0 Bn as of December 31, 2024.

Profit for the half year ended June 30, 2025, after carrying forward of accumulated profit of 2024 is proposed for appropriation as follows:

	(PKR 'Mn)
Unappropriated profit brought forward	241,120.4
Impact due to adoption of IFRS 9 - net of tax	422.0
Unappropriated profit as of January 01, 2025 - restated	241,542.4
After-tax consolidated profit for the half year ended June 30, 2025	43,078.1
Realised gain on sale of investment classified as FVOCI - net of tax	3,259.2
Remeasurement loss on defined benefit obligation - net of tax	(699.0)
Non-controlling interest	(414.8)
Transfer from surplus on revaluation of fixed assets – net of tax	89.8
	45,313.3
Profit available for appropriations	286,855.7
Appropriation:	
Transfer to statutory reserve	4,347.2
Dividend Payout	17,020.1
	21,367.3
Unappropriated profit carried forward	265,488.4

For and on behalf of the Board of Directors

Rehmat Ali Hasnie
President & CEO

Ali Syed
Director

Karachi
Date: August 28, 2025

NATIONAL BANK OF PAKISTAN
CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2025

	Note	June 30, 2025 (Un-audited) ----- (Rupees in '000) -----	December 31, 2024 (Audited)
ASSETS			
Cash and balances with treasury banks	7	469,599,486	314,787,387
Balances with other banks	8	31,916,452	58,644,846
Lendings to financial institutions	9	41,452,073	30,000,000
Investments	10	5,030,029,125	4,614,849,276
Advances	11	1,306,971,009	1,404,627,126
Property and equipment	12	63,025,515	62,231,233
Right-of-use assets	13	7,684,118	6,596,343
Intangible assets	14	3,064,567	2,577,003
Deferred tax assets	15	-	-
Other assets	16	283,090,814	259,683,639
Total assets		7,236,833,159	6,753,996,853
LIABILITIES			
Bills payable	17	129,708,106	26,060,123
Borrowings	18	1,505,083,364	1,937,756,922
Deposits and other accounts	19	4,703,131,427	3,865,212,297
Lease liability against right-of-use assets	20	9,882,277	8,585,682
Subordinated debt		-	-
Deferred tax liabilities	15	38,181,770	40,995,264
Other liabilities	21	356,190,155	411,337,824
Total liabilities		6,742,177,099	6,289,948,112
NET ASSETS		494,656,060	464,048,741
REPRESENTED BY			
Share capital		21,275,131	21,275,131
Reserves		87,905,038	82,145,337
Surplus on revaluation of assets - net of tax	22	118,173,797	118,109,044
Unappropriated profit		265,488,446	241,120,418
Total equity attributable to the equity holders of the Bank		492,842,412	462,649,930
Non-controlling interest		1,813,648	1,398,811
		494,656,060	464,048,741
CONTINGENCIES AND COMMITMENTS	23		

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

Chairman

President / CEO

Chief Financial Officer

Director

Director

NATIONAL BANK OF PAKISTAN
CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE QUARTER AND HALF YEAR ENDED JUNE 30, 2025

		Quarter ended		Half year ended	
		June 30, 2025	June 30, 2024 (Restated)	June 30, 2025	June 30, 2024 (Restated)
Note		----- (Rupees in '000) -----			
Mark-up / return / interest earned	24	197,686,146	291,110,117	410,941,321	566,192,188
Mark-up / return / interest expensed	25	136,809,057	245,773,352	280,311,315	491,727,901
Net mark-up / return / interest income		60,877,089	45,336,765	130,630,006	74,464,287
NON MARK-UP / INTEREST INCOME					
Fee and commission income	26	9,032,034	7,305,796	18,241,725	13,585,831
Dividend income		1,459,511	1,362,581	3,205,976	3,128,058
Foreign exchange income		1,528,606	2,413,224	3,530,867	4,184,438
Income / (loss) from derivatives		-	-	-	-
Gain on securities - net	27	4,730,235	1,419,445	4,629,815	5,843,663
Net loss on derecognition of financial assets measured at amortised cost	16.3	(327,637)	-	(655,451)	-
Share of profit from joint venture - net of tax		-	446,632	-	604,843
Share of profit from associates - net of tax		32,212	80,856	54,861	118,360
Other income	28	373,001	27,438	767,455	98,070
Total non mark-up / interest income		16,827,962	13,055,972	29,775,248	27,563,263
Total income		77,705,051	58,392,737	160,405,254	102,027,550
NON MARK-UP / INTEREST EXPENSES					
Operating expenses	29	31,944,427	29,929,376	61,151,420	52,399,236
Other charges	30	19,896	10,749	31,686	21,640
Total non mark-up / interest expenses		31,964,323	29,940,125	61,183,106	52,420,876
Profit before credit loss allowance / provisions		45,740,728	28,452,612	99,222,148	49,606,674
Credit loss allowance / provisions and write offs / (reversal of provisions / credit loss allowance) - net	31	(442,821)	(1,757,339)	5,950,978	(1,029,849)
Extra ordinary / unusual items - Pension expense		-	49,014,365	-	49,014,365
PROFIT / (LOSS) BEFORE TAXATION		46,183,549	(18,804,414)	93,271,170	1,622,158
Taxation	32	25,210,474	(9,926,562)	50,193,053	681,719
PROFIT / (LOSS) AFTER TAXATION		20,973,075	(8,877,852)	43,078,117	940,439
Attributable to:					
Equity holders of the Bank		20,779,677	(9,008,854)	42,663,280	699,486
Non-controlling interest		193,398	131,002	414,837	240,953
		20,973,075	(8,877,852)	43,078,117	940,439
----- (Rupees) -----					
		(Restated)		(Restated)	
Basic and diluted earnings per share	33	9.77	(4.23)	20.05	0.33

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

Chairman

President / CEO

Chief Financial Officer

Director

Director

NATIONAL BANK OF PAKISTAN
CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER AND HALF YEAR ENDED JUNE 30, 2025

	Quarter ended		Half year ended	
	Jun 30, 2025	June 30, 2024 (Restated)	Jun 30, 2025	Jun 30, 2024 (Restated)
	----- (Rupees in '000) -----			
Profit / (loss) after taxation for the period	20,973,075	(8,877,852)	43,078,117	940,439
Other comprehensive income / (loss)				
Items that may be reclassified to the statement of profit and loss account in subsequent periods:				
Exchange gain / (loss) on translation of net assets of foreign branches	1,008,219	(247,706)	1,412,525	(1,317,382)
Movement in surplus on revaluation of debt investments through FVOCI - net of tax	16,845,089	7,504,642	7,464,431	9,463,234
Gain on sale of debt securities carried at FVOCI reclassified to the statement of profit and loss account - net of tax	(1,248,938)	(270,848)	(1,609,878)	(729,330)
	16,604,370	6,986,088	7,267,078	7,416,522
Items that will not be reclassified to the statement of profit and loss account in subsequent periods:				
Remeasurement loss on defined benefit obligations - net of tax	(435,055)	(658,137)	(699,034)	(976,659)
Movement in (deficit) / surplus on revaluation of equity investments - net of tax	(1,003,725)	4,380,420	(3,799,453)	1,180,272
Movement in surplus on revaluation of property and equipment - net of tax	218,547	-	218,547	-
	(1,220,233)	3,722,283	(4,279,940)	203,613
Total comprehensive income	36,357,212	1,830,519	46,065,255	8,560,574
Total comprehensive income attributable to:				
Equity holders of the Bank	36,163,813	1,699,517	45,650,418	8,319,621
Non-controlling interest	193,399	131,002	414,837	240,953
	36,357,212	1,830,519	46,065,255	8,560,574

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

Chairman

President / CEO

Chief Financial Officer

Director

Director

NATIONAL BANK OF PAKISTAN
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED JUNE 30, 2025

	Share capital	Reserves			Total	Surplus / (Deficit) on revaluation of			Unappropriated profit	Sub Total	Non-Controlling Interest	Total
		Exchange translation reserve	Statutory reserve	General reserve		Investments	Property and equipment / Non banking assets	Total				
(Rupees in '000)												
Balance as at December 31, 2023 (Audited)	21,275,131	37,306,859	47,250,622	521,338	85,078,819	16,558,734	47,673,681	64,232,415	225,693,440	396,279,805	1,134,234	397,414,039
Impact of adoption of IFRS 9 - net of tax	-	-	-	-	-	(1,714,431)	-	(1,714,431)	(10,288,506)	(12,002,937)	-	(12,002,937)
Balance as at January 01, 2024 - restated	21,275,131	37,306,859	47,250,622	521,338	85,078,819	14,844,303	47,673,681	62,517,984	215,404,934	384,276,868	1,134,234	385,411,102
Profit after taxation for the half year ended June 30, 2024 - restated	-	-	-	-	-	-	-	-	699,486	699,486	240,953	940,439
Effect of translation of net investment in foreign branches	-	(1,317,382)	-	-	(1,317,382)	-	-	-	-	(1,317,382)	-	(1,317,382)
Movement in surplus on revaluation of investments in debt instruments - net of tax	-	-	-	-	-	9,463,234	-	9,463,234	-	9,463,234	-	9,463,234
Gain on sale of debt securities carried at FVOCI reclassified to the statement of profit and loss account - net of tax	-	-	-	-	-	(729,330)	-	(729,330)	-	(729,330)	-	(729,330)
Movement in surplus on revaluation of investments in equity instruments - net of tax	-	-	-	-	-	1,180,272	-	1,180,272	-	1,180,272	-	1,180,272
Remeasurement loss on defined benefit obligations - net of tax	-	-	-	-	-	-	-	-	(976,659)	(976,659)	-	(976,659)
Movement in surplus on revaluation of property and equipment - net of tax	-	-	-	-	-	-	-	-	-	-	-	-
Movement in surplus on revaluation of non-banking assets - net of tax	-	-	-	-	-	-	-	-	-	-	-	-
Total other comprehensive income - net of tax	-	(1,317,382)	-	-	(1,317,382)	9,914,176	-	9,914,176	(277,173)	8,319,621	240,953	8,560,574
Transfer to statutory reserve	-	-	35,842	-	35,842	-	-	-	(35,842)	-	-	-
Transfer from surplus on revaluation of assets to unappropriated profit - net of tax	-	-	-	-	-	-	(86,462)	(86,462)	86,462	-	-	-
Transfer of gain on FVOCI equity securities to unappropriated profit - net of tax	-	-	-	-	-	(1,266,153)	-	(1,266,153)	1,266,153	-	-	-
Balance as at June 30, 2024 (Un-audited) - restated	21,275,131	35,989,477	47,286,464	521,338	83,797,279	23,492,326	47,587,219	71,079,545	216,444,534	392,596,489	1,375,187	393,971,676
Profit after taxation for the half year ended December 31, 2024	-	-	-	-	-	-	-	-	25,285,642	25,285,642	276,624	25,562,266
Effect of translation of net investment in foreign branches	-	316,906	-	-	316,906	-	-	-	-	316,906	-	316,906
Transfer of exchange loss translation reserves on closure of foreign branches from OCI to the statement of profit and loss account	-	1,654,329	-	-	1,654,329	-	-	-	-	1,654,329	-	1,654,329
Transfer of exchange gain translation reserves on disposal of joint venture from OCI to consolidated statement of profit and loss account	-	(6,273,909)	-	-	(6,273,909)	-	-	-	-	(6,273,909)	-	(6,273,909)
Movement in surplus on revaluation of investments in debt instruments - net of tax	-	-	-	-	-	33,631,230	-	33,631,230	-	33,631,230	-	33,631,230
Gain on sale of securities carried at FVOCI reclassified to the statement of profit and loss account - net of tax	-	-	-	-	-	(2,224,604)	-	(2,224,604)	-	(2,224,604)	-	(2,224,604)
Movement in surplus on revaluation of investments in equity instruments - net of tax	-	-	-	-	-	16,151,969	-	16,151,969	-	16,151,969	-	16,151,969
Remeasurement gain on defined benefit obligations - net of tax	-	-	-	-	-	-	-	-	525,160	525,160	-	525,160
Movement in surplus on revaluation of property and equipment - net of tax	-	-	-	-	-	-	806,267	806,267	-	806,267	-	806,267
Movement in surplus on revaluation of non-banking assets - net of tax	-	-	-	-	-	-	180,451	180,451	-	180,451	-	180,451
Total other comprehensive income - net of tax	-	(4,302,674)	-	-	(4,302,674)	47,558,595	986,718	48,545,313	25,810,802	70,053,441	276,624	70,330,065
Transfer to statutory reserve	-	-	2,650,732	-	2,650,732	-	-	-	(2,650,732)	-	-	-
Transfer from surplus on revaluation of assets to unappropriated profit - net of tax	-	-	-	-	-	-	(76,289)	(76,289)	76,289	-	-	-
Transfer of gain on FVOCI equity securities to unappropriated profit - net of tax	-	-	-	-	-	(1,439,526)	-	(1,439,526)	1,439,526	-	-	-
Cash dividend paid / profit distribution by subsidiaries	-	-	-	-	-	-	-	-	-	-	(253,000)	(253,000)
Balance as at December 31, 2024 (Audited)	21,275,131	31,686,803	49,937,196	521,338	82,145,337	69,611,395	48,497,649	118,109,044	241,120,418	462,649,930	1,398,811	464,048,741
Balance carried forward	21,275,131	31,686,803	49,937,196	521,338	82,145,337	69,611,395	48,497,649	118,109,044	241,120,418	462,649,930	1,398,811	464,048,741

Share capital	Reserves			Total	Surplus / (Deficit) on revaluation of			Unappropriated profit	Sub Total	Non-Controlling Interest	Total
	Exchange translation reserve	Statutory reserve	General reserve		Investments	Property and equipment / Non banking assets	Total				
(Rupees in '000)											
21,275,131	31,686,803	49,937,196	521,338	82,145,337	69,611,395	48,497,649	118,109,044	241,120,418	462,649,930	1,398,811	464,048,741
-	-	-	-	-	1,140,119	-	1,140,119	422,049	1,562,168	-	1,562,168
21,275,131	31,686,803	49,937,196	521,338	82,145,337	70,751,513	48,497,649	119,249,163	241,542,467	464,212,098	1,398,811	465,610,909
-	-	-	-	-	-	-	-	42,663,280	42,663,280	414,837	43,078,117
-	1,412,525	-	-	1,412,525	-	-	-	-	1,412,525	-	1,412,525
-	-	-	-	-	-	7,464,431	-	7,464,431	-	7,464,431	-
-	-	-	-	-	-	(1,609,878)	-	(1,609,878)	-	(1,609,878)	-
-	-	-	-	-	-	(3,799,453)	-	(3,799,453)	-	(3,799,453)	-
-	-	-	-	-	-	-	-	(699,034)	(699,034)	-	(699,034)
-	-	-	-	-	-	-	218,547	218,547	-	218,547	-
-	1,412,525	-	-	1,412,525	2,055,100	218,547	2,273,647	41,964,246	45,650,418	414,837	46,065,255
-	-	4,347,176	-	4,347,176	-	-	-	(4,347,176)	-	-	-
-	-	-	-	-	-	(89,815)	(89,815)	89,815	-	-	-
-	-	-	-	-	(3,259,198)	-	(3,259,198)	3,259,198	-	-	-
-	-	-	-	-	-	-	-	(17,020,104)	(17,020,104)	-	(17,020,104)
21,275,131	33,099,328	54,284,372	521,338	87,905,038	69,547,415	48,626,380	118,173,797	265,488,446	492,842,412	1,813,648	494,656,060

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

Chairman

President / CEO

Chief Financial Officer

Director

Director

NATIONAL BANK OF PAKISTAN
CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2025

		Half year ended	
	Note	June 30, 2025	June 30, 2024 (Restated)
		----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		93,271,170	1,622,158
Less: dividend income		(3,205,976)	(3,128,058)
		<u>90,065,194</u>	<u>(1,505,900)</u>
Adjustments:			
Net mark-up / interest income		(130,630,006)	(74,464,287)
Depreciation on property and equipment	29	2,009,917	1,269,233
Depreciation on right-of-use assets	29	1,032,178	1,075,092
Amortisation	29	284,854	267,183
Credit loss allowance / provisions and write offs / (reversal of provisions / credit loss allowance) - net	31	5,953,988	(1,029,958)
Gain on sale of property and equipment	28	(15,099)	(2,068)
Financial charges on leased assets	29	95,469	135,479
Financial charges on right-of-use-assets	25	593,372	497,595
Modification (gain) / loss	28	(101,735)	59,471
Unrealised gain on revaluation of investments classified as FVTPL	27	(115,603)	(1,971,709)
Charge for defined benefit plans - net		9,166,145	56,436,916
Share of (profit) from joint venture - net of tax		-	(604,843)
Share of (profit) from associates - net of tax		(54,861)	(118,360)
		<u>(111,781,381)</u>	<u>(18,450,256)</u>
		<u>(21,716,187)</u>	<u>(19,956,156)</u>
(Increase) / decrease in operating assets			
Lendings to financial institutions		(11,452,073)	(177,106,874)
Securities classified as FVTPL		(85,229,121)	(19,244,384)
Advances		89,243,187	81,043,147
Other assets (excluding advance taxation and mark-up receivable)		(15,217,854)	45,728,106
		<u>(22,655,861)</u>	<u>(69,580,005)</u>
Increase / (decrease) in operating liabilities			
Bills payable		103,647,983	(49,513,970)
Borrowings from financial institutions		(428,385,489)	11,894,951
Deposits		837,919,130	429,474,980
Other liabilities (excluding current taxation and mark-up payable)		2,525,748	3,227,080
		<u>515,707,372</u>	<u>395,083,041</u>
Mark-up / interest received		401,075,072	573,821,529
Mark-up / interest paid		(348,418,314)	(511,003,473)
Income tax paid / adjusted		(54,796,816)	(36,158,300)
Benefits paid		(5,295,782)	(4,072,609)
Net cash generated from operating activities		<u>463,899,484</u>	<u>328,134,027</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Net investments in securities classified as FVOCI		(350,383,919)	(183,801,173)
Net investments in securities carried at amortised cost		2,262,292	(105,140,795)
Dividends received		6,443,137	3,128,058
Investments in property and equipment		(3,487,079)	(1,956,634)
Proceeds from sale of property and equipment		51,164	38,153
Effect of translation of net investment in foreign branches		2,119,602	(271,157)
Net cash used in investing activities		<u>(342,994,803)</u>	<u>(288,003,548)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments of lease obligations against right-of-use assets		(1,392,445)	(1,287,509)
Dividend paid		(16,957,938)	(357)
Net cash used in financing activities		<u>(18,350,383)</u>	<u>(1,287,866)</u>
Net increase in cash and cash equivalents		<u>102,554,298</u>	<u>38,842,613</u>
Cash and cash equivalents at beginning of the period		376,136,072	288,902,733
Effects of exchange rate changes on cash and cash equivalents		5,109,506	10,775,900
		<u>381,245,578</u>	<u>299,678,633</u>
Expected credit loss allowance on cash and cash equivalent - net		(3,010)	109
Cash and cash equivalents at end of the period	34	<u>483,796,866</u>	<u>338,521,355</u>

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

Chairman

President / CEO

Chief Financial Officer

Director

Director

NATIONAL BANK OF PAKISTAN
NOTES TO AND FORMING PART OF THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2025

1. THE GROUP AND ITS OPERATIONS

1.1 The "Group" consists of:

Holding Company

- National Bank of Pakistan (the Bank)

Subsidiary Companies

- CJSC Subsidiary Bank of NBP in Kazakhstan
- NBP Exchange Company Limited, Pakistan
- National Bank Modaraba Management Company Limited, Pakistan
- First National Bank Modaraba, Pakistan
- Taurus Securities Limited, Pakistan
- NBP Fund Management Limited, Pakistan
- Cast-N-Link Products Limited, Pakistan

The subsidiary company of the Group, National Bank Modaraba Management Company Limited, Pakistan exercises control over First National Bank Modaraba, Pakistan as its management company and also has a direct economic interest in it. The Group has consolidated the financial statements of the modaraba as the Ultimate Holding Company.

The Group is principally engaged in commercial banking, modaraba management, brokerage, leasing, foreign currency remittances, asset management, exchange transactions and investment advisory asset.

The holding company was incorporated in Pakistan under the National Bank of Pakistan Ordinance, 1949 and is listed on Pakistan Stock Exchange (PSX). The registered and head office of the Bank is situated at I.I. Chundrigar Road, Karachi. The Bank is engaged in providing commercial banking and related services in Pakistan and overseas. The Bank also handles treasury transactions for the Government of Pakistan (GoP) as an agent to the State Bank of Pakistan (SBP). The Bank operates 1,503 (December 31, 2024: 1,503) branches in Pakistan and including 207 (December 31, 2024: 207) Islamic Banking branches and 16 (December 31 2024: 16) overseas branches (including the Export Processing Zone branch, Karachi). The Bank also provides services in respect of Endowment Fund for students loan scheme and IPS accounts.

CJSC Subsidiary Bank of NBP in Kazakhstan, NBP Exchange Company Limited, National Bank Modaraba Management Company Limited are wholly owned subsidiaries of the holding company while the controlling interest in Taurus Securities Limited is 58.32%, NBP Fund Management Limited is 54%, First National Bank Modaraba 30% and Cast-N-Link Products Limited 76.51%.

1.2 BASIS OF CONSOLIDATION

- The consolidated financial statements include the financial statements of the Bank (Holding Company) and its subsidiary companies together - "the Group".
- Subsidiary companies are fully consolidated from the date on which more than 50% of voting rights are transferred to the Group or power to control the company is established and excluded from consolidation from the date of disposal or when the control is lost.
- The assets, liabilities, income and expenses of subsidiary companies have been consolidated on a line by line basis.
- Income and expenses of subsidiaries acquired during the year are included in the consolidated statement of the comprehensive income from the effective date of acquisition.
- Non-Controlling interest / (minority interest) in equity of the subsidiary companies are measured at fair value for all the subsidiaries acquired from period beginning on or after January 1, 2010 whereas minority interest of previously acquired subsidiaries are measured at the proportionate net assets of subsidiary companies attributable to interest which is not owned by holding company.
- Material intra-group balances and transactions have been eliminated.

2. BASIS OF PRESENTATION

2.1 Statement of compliance

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, 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 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).

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

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

2.1.3 The SECP vide SRO 56 (1) / 2016 dated January 28, 2016, has notified that the requirements of IFRS 10 (Consolidated Financial Statements) and section 228 of the Companies Act, 2017 will not be applicable with respect to the investment in mutual funds established under Trust structure.

2.1.4 The disclosures made in these consolidated condensed interim financial statements have been limited based on the format prescribed by the SBP vide BPRD Circular Letter No. 2, dated February 09, 2023 and the requirements of International Accounting Standard 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 annual audited consolidated financial statements of the Bank for the year ended December 31, 2024.

2.1.5 Key financial figures of the Islamic Banking branches are disclosed in note 39 to these consolidated condensed interim financial statements.

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

2.2 Standards, interpretations of and amendments to published accounting and reporting 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 01, 2025 but are considered not to be relevant or do not have any material effect on the Bank's operations and are therefore not detailed in these consolidated condensed interim financial statements. The impact of IFRS 9 for the current period is disclosed in note 4.1.1 of these consolidated condensed interim financial statements. Further, the comparative period has been restated to incorporate the impact of adoption of IFRS 9 as disclosed in note 4.1.2.

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

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Bank's accounting periods beginning on or after January 01, 2026 but are considered not to be relevant or will not have any material effect on the Bank's financial statements except for:

- the new standard - IFRS 18 'Presentation and Disclosure in Financial Statements' (published in April 2024) with applicability date of January 01, 2027 by IASB. IFRS 18 is yet to be adopted in Pakistan. IFRS 18 when adopted and applicable shall impact the presentation of 'Statement of Profit and Loss Account' with certain additional disclosures in the consolidated condensed interim financial statements.
- amendments to IFRS 9 'Financial Instruments' which clarify the date of recognition and derecognition of a financial asset or financial liability including settlement of liabilities through banking instruments and channels including electronic transfers. The amendment when applied may impact the timing of recognition and derecognition of financial
- amendment to IAS 21 'The Effects of Changes in Foreign Exchange Rates' which will require Banks to apply a consistent approach in assessing whether a currency can be exchanged into another currency and, when it cannot, in determining the exchange rate to use and the disclosures to provide.

3. BASIS OF MEASUREMENT

3.1 Accounting convention

These consolidated condensed interim financial statements have been prepared under the historical cost convention except that certain 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 are measured at fair value on initial recognition.

3.2 Functional and presentation currency

These consolidated condensed interim financial statements are presented in Pakistani Rupees, which is the Bank's functional and presentation currency. The amounts are rounded off to the nearest thousand rupees except as stated otherwise.

4. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the preparation of these consolidated condensed interim financial statements are consistent with those applied in the preparation of the annual audited consolidated financial statements of the Bank for the year ended December 31, 2024. Impacts of adoption of IFRS 9 for the comparative and current period are disclosed in note 4.1.

4.1 IFRS 9 - 'Financial Instruments'

- 4.1.1** During the current period, in accordance with BPRD Circular No. 03 of 2022 dated July 05, 2022 and BPRD Circular Letter No. 16 dated July 29, 2024, effective from January 01, 2025, the Bank has incorporated impact of ECL against overseas branches where IFRS-9 has not been adopted and measurement of unquoted equity securities which was relaxed up to December 31, 2024 by SBP. The impact of above is given in below table:

	2025			
	Provision as per current regulatory framework	Remeasurement (ECL)	Reversal of provisions held	ECLs under IFRS 9
-----Rupees in '000-----				
Credit loss allowance against:				
Balance with other banks	-	2,417	-	2,417
Advances	58,877,121	155,097	-	59,032,218
Investments	573,853	158,085	(573,853)	158,085
Other assets	-	534	-	534
Off-balance sheet obligations	-	125	-	125
Total	59,450,974	316,258	(573,853)	59,193,379

- 4.1.2** The Bank, in compliance with extended timelines prescribed in SBP's BPRD Circular Letter No. 16 dated July 29, 2024 and BPRD Circular Letter No. 01 dated January 22, 2025 had incorporated certain IFRS 9 related impacts in the last quarter of 2024. Therefore the consolidated condensed interim statement of profit and loss account (un-audited) for the half year ended June 30, 2024 have been restated to incorporate these impacts. Had the restatement not been incorporated, the profit after tax and total comprehensive income for the half year ended June 30, 2024 would have been lower by Rs. 107.297 million. The details are tabulated below:

Head		(Rupees in '000)	Description
Mark-up / return / interest earned	Increase	1,007,536	Fair value impact of subsidised advances and modification of advances
Mark-up/ return / interest earned	Increase	2,365,967	Fair value impact on staff loans
Non mark-up / interest income	Decrease	(59,471)	Fair value impact of subsidised advances and modification of advances
		3,314,032	
Mark-up / return / interest expensed	Increase	972,266	Fair value impact of subsidised borrowings
Operating expenses	Increase	2,234,469	Fair value impact on staff loans
		3,206,735	
Profit before taxation	Increase	107,297	Tax impact of restatement
Rupees			
Basic and diluted earnings per share	Increase	0.05	EPS impact on restatement

- 4.1.3** Further SBP in a separate letter SBPHOK-BPRD-RPD-NBP-821909 dated January 22, 2025 has allowed extension for application of Effective Interest Rate up to December 31, 2025.

- 4.1.4** The SBP has directed the Banks through its BPRD Circular Letter No.1 dated January 22, 2025 to disclose the impact of IFRS 9 on revenue recognition from Islamic Operations, including the requirements of IFAS 1 and IFAS 2 until further instructions which is as follows:

Had IFRS 9 been adopted in its entirety for revenue recognition from Islamic operations profit / return earned on Islamic financing and related assets in consolidated condensed interim statement of profit and loss account for the period ended June 30, 2025 would have been lower by Rs. 80.0 million and taxation would have been lower by Rs 42.4 million. Further, the unappropriated profit in unconsolidated condensed interim statement of changes in equity would have been lower by Rs 37.6 million.

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these consolidated condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and income and expenses as well as in the disclosure of contingent liabilities. It also requires management to exercise judgment in application of its accounting policies. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. These estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised, if the revision affects only that period, or in the period of revision and in future periods if the revision affects both current and future periods.

The significant judgments made by the management in applying the Bank's accounting policies and the key sources of estimation were the same as those applied in the preparation of annual audited consolidated financial statements for the year ended December 31, 2024, except for matters related to IFRS 9 which have been disclosed in note 4.1 to these consolidated condensed interim financial statements.

6. FINANCIAL RISK MANAGEMENT

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

		(Un-audited) June 30, 2025	(Audited) December 31, 2024
		----- (Rupees in '000) -----	
7. CASH AND BALANCES WITH TREASURY BANKS	Note		
In hand			
- Local currency		85,488,683	65,096,769
- Foreign currencies		1,442,845	5,885,440
		<u>86,931,528</u>	<u>70,982,209</u>
With the State Bank of Pakistan in			
- Local currency current accounts	7.1	277,186,707	147,471,517
- Foreign currency current accounts	7.2	24,767,417	22,097,814
- Foreign currency deposit accounts	7.2	49,460,152	44,108,393
- Foreign currency collection accounts		102,435	212,443
		<u>351,516,711</u>	<u>213,890,167</u>
With other central banks in			
- Foreign currency current accounts	7.3	24,629,783	24,445,656
- Foreign currency deposit accounts	7.3	6,538,353	4,583,665
		<u>31,168,136</u>	<u>29,029,321</u>
Prize bonds		7,080	904,765
		<u>469,623,455</u>	<u>314,806,462</u>
Less: Credit loss allowance held against cash and bank balances with treasury banks		(23,969)	(19,075)
Cash and Balances with treasury banks - net of credit loss allowance		<u>469,599,486</u>	<u>314,787,387</u>
7.1	This includes statutory liquidity reserves maintained with the SBP under Section 22 of the Banking Companies Ordinance, 1962.		
7.2	These represent mandatory reserves maintained in respect of foreign currency deposits under FE-25 scheme, as prescribed by the SBP.		
7.3	These balances pertain to the foreign branches and are held with central banks of respective countries. These include balances to meet the statutory and regulatory requirements in respect of liquidity and capital requirements of respective countries. The deposit accounts carry interest at the rate of 0.01% to 4.50% per annum (December 31, 2024: 0% to 4.5% per annum).		

			(Un-audited) June 30, 2025	(Audited) December 31, 2024
			----- (Rupees in '000) -----	
8. BALANCES WITH OTHER BANKS	Note			
In Pakistan				
In current account			320,404	726,739
In deposit accounts	8.1		428,537	1,097,736
			748,941	1,824,475
Outside Pakistan				
In current accounts			24,556,335	48,862,467
In deposit accounts	8.2		6,611,727	7,957,922
			31,168,062	56,820,389
			31,917,003	58,644,864
Less: Credit loss allowance held against balances with other banks			(551)	(18)
Balances with other banks - net of credit loss allowance			31,916,452	58,644,846

8.1 These include various deposits with banks and carry interest at the rates ranging from 8.00% to 10.50% per annum (December 31, 2024: 9.00% to 19.60% per annum).

8.2 These include various deposits with correspondent banks outside Pakistan and carry interest at rates ranging from 1.84% to 4.27% per annum (December 31, 2024: 1.00% to 5.44% per annum).

			(Un-audited) June 30, 2025	(Audited) December 31, 2024
			----- (Rupees in '000) -----	
9. LENDINGS TO FINANCIAL INSTITUTIONS	Note			
Repurchase agreement lendings (reverse repo) - secured	9.2		35,092,547	-
Musharaka lending			-	30,000,000
Bai Muajjal receivables with State Bank of Pakistan	9.3		6,359,526	-
Letters of placement	9.4		172,150	172,150
			41,624,223	30,172,150
Less: Credit loss allowance held against lending to financial institutions			(172,150)	(172,150)
Lendings to financial institutions - net of credit loss allowance			41,452,073	30,000,000

			(Un-audited) June 30, 2025	(Audited) December 31, 2024
			Lendings	Credit loss allowance held
			Lendings	Credit loss allowance held
			----- (Rupees in '000) -----	
9.1 Lending to Financial Institutions - particulars of credit loss allowance	Note			
Domestic				
Performing	Stage 1	9.5	35,092,547	-
Under performing	Stage 2		-	-
Non-performing	Stage 3		-	-
Substandard			-	-
Doubtful			-	-
Loss			172,150	172,150
Total			35,264,697	172,150

9.2 These carry mark-up at rates ranging from 11.05% to 11.91% per annum (December 31, 2024: Nil) with maturities ranging from July 2, 2025 to July 25, 2025.

9.3 These carry profit rates ranging from 12.10% to 12.69% per annum (December 31, 2024: Nil) with maturity on April 28, 2028 (December 31, 2024: Nil).

9.4 These are overdue placements and full provision has been made against these placements as at December 31, 2024 and June 30, 2025.

9.5 The repurchase agreement lendings (reverse repo) and musharaka lending are collateralised by government securities amounting to Rs. 6,360 million and Nil (December 31, 2024: Nil and Rs. 30,000 million), respectively. The bai muajjal receivables amounting to Rs. 35,092 million (December 31, 2024: Nil) are government guaranteed which is exempted for the calculation of ECL by the SBP.

10. INVESTMENTS

10.1 Investments by type:

Note

June 30, 2025 (Un-audited)				December 31, 2024 (Audited)			
Cost / amortised cost	Credit loss allowance	Surplus / (deficit)	Carrying value	Cost / amortised cost	Credit loss allowance / provision for diminution	Surplus / (deficit)	Carrying value

----- (Rupees in '000) -----

FVTPL

Federal Government Securities

- Market Treasury Bills
- Pakistan Investment Bonds

Units of mutual funds

Non-Government debt securities

- Term finance certificates and sukuks

Preference shares

- Listed
- Unlisted

Real estate investment trust units

Ordinary shares

- Listed companies

Foreign Securities

- Government DEBT securities

95,354,390	-	10,789	95,365,179	35,690,468	-	72,668	35,763,136
31,706,429	-	113,391	31,819,820	20,906,802	-	63,890	20,970,692
7,067,527	-	68,965	7,136,492	3,183,214	-	2,007,869	5,191,082
9,487,300	-	24,795	9,512,095	9,911,968	-	13,900	9,925,868
992,711	-	236,512	1,229,223	1,043,797	-	(51,086)	992,711
558,284	(558,284)	-	-	558,284	(558,284)	-	-
3,377,239	-	(129,556)	3,247,683	2,320,736	-	1,237,039	3,557,776
14,863,069	-	(209,293)	14,653,776	11,612,714	-	5,738,300	17,351,014
				2,559,098			2,559,098
163,406,949	(558,284)	115,603	162,964,268	87,787,081	(558,284)	9,082,580	96,311,377

FVOCI

Federal Government Securities

- Pakistan Investment Bonds
- Market Treasury Bills
- GOP Ijarah Sukuks
- GOP Ijarah Sukuks - Traded
- GOP Ijarah Sukuks - Discounted
- Foreign currency debt securities

Ordinary Shares

- Listed companies
- Unlisted companies

Non-Government debt securities

- Term finance certificates and sukuks

Foreign securities

- Equity securities - listed
- Government debt securities

2,951,108,990	-	56,143,466	3,007,252,456	2,739,200,656	-	33,084,223	2,772,284,879
1,248,107,653	-	6,561,468	1,254,669,121	1,152,657,391	-	17,688,599	1,170,345,990
24,907,135	-	545,120	25,452,255	31,090,981	-	587,221	31,678,202
115,909,992	-	1,453,208	117,363,200	29,772,129	-	1,127,871	30,900,000
3,431,128	-	(29,329)	3,401,799	32,874,030	-	951,840	33,825,870
32,284,321	(6,759,532)	(2,206,563)	23,318,226	29,229,000	(6,119,189)	(3,541,998)	19,567,813
39,493,138	-	34,206,510	73,699,648	44,928,949	-	42,792,188	87,721,137
2,107,198	-	2,744,944	4,852,142	2,107,198	(573,855)	-	1,533,343
35,805,201	(6,898,792)	46,519	28,952,928	39,157,588	(6,984,089)	278,820	32,452,319
463,294	-	45,616,647	46,079,941	463,294	-	52,106,188	52,569,482
1,347,107	(59)	3,001	1,350,049	3,100,285	-	143,329	3,243,614
4,454,965,157	(13,658,383)	145,084,991	4,586,391,765	4,104,581,500	(13,677,133)	145,218,281	4,236,122,648

Amortised cost

Federal Government Securities

- Pakistan Investment Bonds
- Market Treasury Bills
- GOP Ijarah Sukuks
- Foreign currency debt securities

Non-Government debt securities

- Term finance certificates, participation term certificates, bonds, debentures and sukuks

Foreign securities

- Government debt securities
- Non-Government debt securities

213,443,784	-	-	213,443,784	222,656,096	-	-	222,656,096
314,093	-	-	314,093	59,594	-	-	59,594
19,041,878	-	-	19,041,878	14,373,995	-	-	14,373,995
9,776,240	(261,142)	-	9,515,098	7,104,331	(817,022)	-	6,287,309
383,471	(383,471)	-	-	383,471	(383,471)	-	-
37,063,181	(76,180)	-	36,987,001	37,707,456	-	-	37,707,456
1,081	-	-	1,081	1,077	-	-	1,077
280,023,728	(720,793)	-	279,302,935	282,286,020	(1,200,493)	-	281,085,527
1,887,600	(517,443)	-	1,370,157	1,832,737	(503,013)	-	1,329,724
1,245	(1,245)	-	-	1,245	(1,245)	-	-
4,900,284,679	(15,456,148)	145,200,594	5,030,029,125	4,476,488,583	(15,940,168)	154,300,861	4,614,849,276

								(Un-audited) June 30, 2025	(Audited) December 31, 2024
10.1.1 Investments given as collateral							Note	(Rupees in '000)	
The book value of investment given as collateral against borrowings is as follows:									
Pakistan Investment Bonds								1,264,989,627	1,253,027,780
Market Treasury Bills								167,868,600	602,314,423
							18.4	<u>1,432,858,227</u>	<u>1,855,342,203</u>

June 30, 2025 (Un-audited)									
Number of shares	Percentage of holding	Country of incorporation	Based on the financial statements as at	Assets	Liabilities	Revenue	Profit / (loss) after taxation	Total comprehensive income / (loss)	
(Rupees in '000)									
Listed									
First Credit and Investment Bank Limited	20,000,000	30.77	Pakistan	March 31, 2025 (Un-audited)	3,705,281	2,878,760	488,708	48,107	39,937
National Fibres Limited	17,030,231	20.19	Pakistan	N/A	-	-	-	-	-
Liven Pharma Limited (Formerly Land Mark Spinning Mills Limited)	3,970,859	32.79	Pakistan	March 31, 2025 (Un-audited)	977,939	82,032	38,033	110,856	110,856
SG Allied Businesses Limited	3,754,900	25.03	Pakistan	March 31, 2025 (Un-audited)	1,523,694	329,335	46,136	(5,110)	(5,110)
Nina Industries Limited	4,906,000	20.27	Pakistan	N/A	-	-	-	-	-
NBP Stock Fund	31,347,444	4.24	Pakistan	March 31, 2025 (Un-audited)	39,294,730	890,891	13,770,003	12,749,517	12,749,517
Unlisted									
Pakistan Emerging Venture Limited	12,500,000	33.33	Pakistan	June 30, 2022 (Audited)	478	404	56	(385)	(385)
National Fructose Company Limited	1,300,000	39.50	Pakistan	N/A	-	-	-	-	-
Venture Capital Fund Management *	33,333	33.33	Pakistan	N/A	-	-	-	-	-
Kamal Enterprises Limited *	11,000	20.37	Pakistan	N/A	-	-	-	-	-
Mehran Industries Limited *	37,500	32.05	Pakistan	N/A	-	-	-	-	-
Tharparkar Sugar Mills Limited *	2,500,000	21.52	Pakistan	N/A	-	-	-	-	-
Youth Investment Promotion Society *	644,508	25.00	Pakistan	N/A	-	-	-	-	-
Dadabhoj Energy Supply Company Limited	9,900,000	23.11	Pakistan	N/A	-	-	-	-	-
K-Agricole Limited *	5,000	20.00	Pakistan	N/A	-	-	-	-	-
New Pak Limited *	200,000	20.00	Pakistan	N/A	-	-	-	-	-
Pakistan Mercantile Exchange Limited	10,653,860	33.98	Pakistan	March 31, 2025 (Un-audited)	11,244,658	10,343,210	909,067	303,691	303,691
Prudential Fund Management Limited *	150,000	20.00	Pakistan	N/A	-	-	-	-	-

* Nil figure represent shares which have been acquired under different arrangements without any cost

10.1.3 Subsidiaries

Cast-N-Link Products Limited	1,245,000	76.51	Pakistan	N/A	-	-	-	-	-
------------------------------	-----------	-------	----------	-----	---	---	---	---	---

	Note	(Un-audited) June 30, 2025	(Audited) December 31, 2024
		----- (Rupees in '000) -----	
10.2 Particulars of credit loss allowance / provision for diminution in value of investments			
10.2.1 Opening balance		15,940,168	20,050,374
Impact of adoption of IFRS 9 - reversal of provision held against unlisted shares		(573,853)	(12,665,194)
Impact of adoption of IFRS 9 - credit loss allowance / provision		158,085	7,038,193
		15,524,400	14,423,373
Charge for the period / year		833,957	1,389,296
Reversal for the period / year		(919,057)	(5,058,638)
Reversal on disposals			2,221,688
	31	(85,100)	(1,447,655)
Transfers - net		-	155,435
Others movement		-	2,812,051
Exchange adjustment		16,848	(3,036)
Closing balance		15,456,148	15,940,168

10.2.2 Particulars of credit loss allowance against debt securities

Category of classification		(Un-audited) June 30, 2025		(Audited) December 31, 2024	
		Outstanding amount	Credit loss allowance held	Outstanding amount	Credit loss allowance held
----- (Rupees in '000) -----					
Domestic					
Performing	Stage 1	4,554,497	70,229	4,362,670	166,530
Underperforming	Stage 2	1,800,000	124,129	2,864,333	110,692
Non-performing	Stage 3	-	-	-	-
Substandard		-	-	-	-
Doubtful		-	-	-	-
Loss		7,089,250	7,089,250	7,090,338	7,090,338
		13,443,747	7,283,608	14,317,341	7,367,560
Overseas					
Performing	Stage 1	38,411,385	74,895	2,559,098	-
Underperforming	Stage 2	42,060,561	7,020,675	36,333,331	6,936,211
Non-Performing	Stage 3	-	-	-	-
Substandard		-	-	-	-
Doubtful		-	-	-	-
Loss		-	-	-	-
		80,471,946	7,095,570	38,892,429	6,936,211
Total		93,915,693	14,379,176	53,209,770	14,303,771

10.3 The market value of securities classified at amortised cost as at June 30, 2025 amounted to Rs. 275,204 million (December 31, 2024: Rs. 272,292 million).

10.4 The non-government debt securities carried at FVOCI amounting to Rs. 22,745 million (December 31, 2024: Rs. 25,224 million) pertains to government guaranteed exposure. The exposure is exempted for the calculation of ECL by the SBP.

11. ADVANCES

ADVANCES		Performing		Non Performing		Total		
		(Un-audited) June 30, 2025	(Audited) December 31, 2024	(Un-audited) June 30, 2025	(Audited) December 31, 2024	(Un-audited) June 30, 2025	(Audited) December 31, 2024	
Note		----- (Rupees in '000) -----						
Loans, cash credits, running finances, etc.		1,112,851,477	1,237,052,063	256,560,701	254,201,092	1,369,412,178	1,491,253,155	
Islamic financing and related assets		180,248,088	144,913,723	1,986,120	1,985,434	182,234,208	146,899,157	
Net investment in finance lease		11.1	-	1,288	-	23,253	-	24,541
Bills discounted and purchased			15,865,471	21,296,996	13,223,946	13,228,689	29,089,417	34,525,685
Advances - gross		11.2	1,308,965,036	1,403,264,070	271,770,768	269,438,468	1,580,735,804	1,672,702,538
Credit loss allowance against advances								
-Stage 1			18,189,853	19,751,831	-	-	18,189,853	19,751,831
-Stage 2			13,948,351	10,808,620	-	-	13,948,351	10,808,620
-Stage 3*			8,570,694	16,716,120	210,883,589	209,297,430	219,454,283	226,013,550
-General			22,172,308	11,501,411	-	-	22,172,308	11,501,411
		11.4	62,881,206	58,777,982	210,883,589	209,297,430	273,764,795	268,075,412
Advances - net of credit loss allowance / provision			1,246,083,830	1,344,486,088	60,887,179	60,141,038	1,306,971,009	1,404,627,126

*This represents credit loss allowance against loans that have been classified as stage 3 according to IFRS 9.

11.1 Net investment in finance lease

	June 30, 2025 (Un-audited)				December 31, 2024 (Audited)			
	Not later than one year	Later than one and up to five years	Over five years	Total	Not later than one year	Later than one and up to five years	Over five years	Total
(Rupees in '000)								
Lease rentals receivable	-	-	-	-	47,315	-	-	47,315
Residual value	-	-	-	-	1,335	-	-	1,335
Minimum lease payments	-	-	-	-	48,650	-	-	48,650
Less: Financial charges for future periods	-	-	-	-	24,109	-	-	24,109
Present value of minimum lease payments	-	-	-	-	24,541	-	-	24,541

11.1.1 The leases executed are for a term of 1 to 5 years. Security deposit is generally obtained upto 10% of the cost of leased assets at the time disbursement. The Bank requires the lessees to insure the leased assets in favour of the Bank. Additional surcharge is charged on delayed rentals. The average return implicit ranges from Nil (December 31, 2024: 10.15% to 11.42%) per annum.

11.2 Particulars of advances (gross)

	(Un-audited) June 30, 2025	(Audited) December 31, 2024
(Rupees in '000)		
In local currency	1,192,695,336	1,385,518,032
In foreign currencies	388,040,468	287,184,506
	1,580,735,804	1,672,702,538

- 11.3** Advances includes Rs. 271,770 million (December 31, 2024: Rs. 269,438 million) which have been placed under non-performing / stage 3 status as detailed below:

Category of Classification	(Un-audited) June 30, 2025		(Audited) December 31, 2024	
	Non performing loans	Credit loss allowance / provision	Non performing loans	Credit loss allowance / provision
----- (Rupees in '000) -----				
Domestic				
Other assets especially mentioned	3,196,460	1,806,241	2,441,119	1,257,677
Substandard	55,135,819	2,638,396	55,792,771	3,596,871
Doubtful	9,150,806	6,635,565	9,732,418	7,655,003
Loss	142,355,096	140,031,615	140,291,464	137,910,759
	<u>209,838,181</u>	<u>151,111,817</u>	<u>208,257,772</u>	<u>150,420,310</u>
Overseas				
Substandard	-	-	-	-
Doubtful	392,251	321,120	385,067	192,534
Loss	61,540,335	59,450,652	60,795,629	58,684,587
	<u>61,932,587</u>	<u>59,771,772</u>	<u>61,180,696</u>	<u>58,877,121</u>
Total	<u>271,770,768</u>	<u>210,883,589</u>	<u>269,438,468</u>	<u>209,297,430</u>
Stage 3 as per IFRS 9	-	8,570,694	-	16,716,120
Total	<u>271,770,768</u>	<u>219,454,283</u>	<u>269,438,468</u>	<u>226,013,550</u>

11.4 Particulars of credit loss allowance / provision against advances

		June 30, 2025 (Un-audited)					December 31, 2024 (Audited)						
		Stage 1	Stage 2	Stage 3	Specific provision	General provision	Total	Stage 1	Stage 2	Stage 3	Specific provision	General provision	Total
Note		(Rupees in '000)						(Rupees in '000)					
Opening balance		19,751,831	10,808,620	226,013,550	-	11,501,411	268,075,412	-	-	-	203,794,530	30,038,121	233,832,651
IFRS-9 adoption	4.1.2	30,103	-	124,994	-	-	155,097	15,875,937	11,637,716	226,374,284	(203,794,530)	(18,378,308)	31,715,099
		19,781,934	10,808,620	226,138,544	-	11,501,411	268,230,509	15,875,937	11,637,716	226,374,284	-	11,659,813	265,547,750
Exchange adjustments		-	-	740,789	-	(50,560)	690,229	-	-	(3,795,606)	-	155,491	(3,640,115)
Charge for the period / year		2,637,634	4,675,925	3,436,680	-	2,741,657	13,491,896	7,431,728	2,809,002	9,781,273	-	21,370	20,043,373
Reversals		(3,942,265)	(1,701,338)	(2,189,801)	-	-	(7,833,404)	(3,064,006)	(5,900,820)	(4,762,423)	-	(179,826)	(13,907,075)
		(1,304,631)	2,974,587	1,246,879	-	2,741,657	5,658,493	4,367,722	(3,091,818)	5,018,850	-	(158,456)	6,136,298
Amounts written off		-	-	(28,497)	-	-	(28,497)	-	-	(228,651)	-	-	(228,651)
Amounts charged off - agriculture financing	11.5.5	-	-	(167,125)	-	-	(167,125)	-	-	(138,990)	-	-	(138,990)
Transfer to stage 1		-	-	-	-	-	-	-	-	-	-	-	-
Transfer to stage 2		(287,450)	287,450	-	-	-	-	(453,966)	2,568,844	(2,114,878)	-	-	-
Transfer to stage 3		-	(122,306)	122,306	-	-	-	(37,862)	(306,122)	343,984	-	-	-
Other movement		-	-	(8,598,614)	-	7,979,800	(618,814)	-	-	554,557	-	(155,437)	399,120
Closing balance		18,189,853	13,948,351	219,454,283	-	22,172,308	273,764,795	19,751,831	10,808,620	226,013,550	-	11,501,411	268,075,412

11.5 Advances - particulars of credit loss allowance / provision against advances

		June 30, 2025 (Un-audited)					December 31, 2024 (Audited)							
		Stage 1	Stage 2	Stage 3	Specific provision	General provision	Total	Stage 1	Stage 2	Stage 3	Specific provision	General provision	Total	
		(Rupees in '000)					(Rupees in '000)							
11.5.1	Opening balance	19,751,831	10,808,620	226,013,550	-	11,501,411	268,075,412	-	-	-	203,794,530	30,038,121	233,832,651	
	IFRS-9 adoption	30,103	-	124,994	-	-	155,097	15,875,937	11,637,716	226,374,284	(203,794,530)	(18,378,308)	31,715,099	
		19,781,934	10,808,620	226,138,544	-	11,501,411	268,230,509	15,875,937	11,637,716	226,374,284	-	11,659,813	265,547,750	
	New Advances	2,637,634	4,675,925	3,436,680	-	2,741,657	13,491,896	7,431,728	2,809,002	9,781,273	-	21,370	20,043,373	
	Exchange adjustment	-	-	740,789	-	(50,560)	690,229	-	-	(3,795,606)	-	155,491	(3,640,115)	
	Advances derecognised or repaid	(3,942,265)	(1,701,338)	(2,189,801)	-	-	(7,833,404)	(3,064,006)	(5,900,820)	(4,762,423)	-	(179,826)	(13,907,075)	
	Transfer to stage 1	-	-	-	-	-	-	-	-	-	-	-	-	
	Transfer to stage 2	(287,450)	287,450	-	-	-	-	(453,966)	2,568,844	(2,114,878)	-	-	-	
	Transfer to stage 3	-	(122,306)	122,306	-	-	-	(37,862)	(306,122)	343,984	-	-	-	
	Other movement	-	-	(8,598,614)	-	7,979,800	(618,814)	-	-	554,557	-	(155,437)	399,120	
		(1,592,081)	3,139,731	(6,488,640)	-	10,670,897	5,729,908	3,875,894	(829,096)	6,907	-	(158,402)	2,895,303	
		Amounts written off	-	-	(28,497)	-	-	(28,497)	-	-	(228,651)	-	-	(228,651)
		Amounts charged off - agriculture financing	-	-	(167,125)	-	-	(167,125)	-	-	(138,990)	-	-	(138,990)
	Closing balance	18,189,853	13,948,351	219,454,283	-	22,172,308	273,764,795	19,751,831	10,808,620	226,013,550	-	11,501,411	268,075,412	

11.5.2 Advances - Category of classification

Advances - Category of classification		June 30, 2025 (Un-audited)			December 31, 2024 (Audited)		
		Outstanding amount	Credit loss allowance held	Net of Advances	Outstanding amount	Credit loss allowance held	Net of Advances
------(Rupees in '000)-----							
Domestic							
Performing	Stage 1	1,074,683,954	18,186,506	1,056,497,447	1,259,955,115	19,661,405	1,240,293,710
Underperforming	Stage 2	162,867,759	13,852,156	149,015,603	57,446,313	10,660,785	46,785,528
Non-Performing	Stage 3						
Other assets especially mentioned		3,196,460	1,806,241	1,390,219	2,441,119	1,257,677	1,183,442
Substandard		55,135,819	2,638,396	52,497,423	55,792,771	3,596,871	52,195,900
Doubtful		9,150,806	6,635,565	2,515,241	9,732,418	7,655,003	2,077,415
Loss		142,355,096	140,238,826	2,116,269	140,291,464	137,910,759	2,380,705
Stage 3 as per IFRS 9		11,716,999	8,570,695	3,146,304	20,271,768	16,716,120	3,555,648
General Provision		-	22,172,308	(22,172,308)	-	11,501,411	(11,501,411)
		221,555,180	182,062,031	39,493,149	228,529,540	178,637,841	49,891,699
Sub total		1,459,106,893	214,100,693	1,245,006,199	1,545,930,968	208,960,031	1,336,970,937
Overseas							
Performing	Stage 1	55,739,209	3,347	55,735,863	18,723,265	32,732	18,690,533
Underperforming	Stage 2	3,957,114	96,195	3,860,919	40,060,847	147,835	39,913,012
IFRS 9 not applicable		-	-	-	6,806,762	57,694	6,749,068
Non-Performing	Stage 3						
Substandard		-	-	-	-	-	-
Doubtful		392,251	321,120	71,132	385,067	192,534	192,533
Loss		61,540,336	59,243,441	2,296,895	60,795,629	58,684,587	2,111,042
		61,932,587	59,564,561	2,368,027	61,180,696	58,877,120	2,303,576
Sub total		121,628,911	59,664,102	61,964,809	126,771,570	59,115,381	67,656,189
Total		1,580,735,804	273,764,795	1,306,971,009	1,672,702,538	268,075,412	1,404,627,126

11.5.3 General provision includes provision amounting to Rs.136 million (December 31, 2024: Rs. 90 million) pertaining to overseas advances to meet the requirements of regulatory authorities of the respective countries in which the Bank operates where IFRS 9 has not been implemented. The general provision can be maintained till December 31, 2026 under BPRD circular No. 1 of 2025 dated January 22, 2025.

11.5.4 The SBP had allowed specific relaxation to the Bank for non-classification of overdue loans of certain Public Sector Entities (PSEs) which are guaranteed by Government of Pakistan as non-performing loans up till December 31, 2025. No provision is required against these loans; however, mark-up is being suspended as required by the Prudential Regulations. Further SBP has allowed specific relaxation on the requirement for ECL against overdue foreign currency loans of certain Public Sector Entities permanently.

11.5.5 These represent non-performing advances for agriculture finance which have been classified as loss and fully provided for more than 3 years. These non-performing advances have been charged off by extinguishing them against the provision held in accordance with Prudential Regulations for Agriculture Financing issued by the SBP. This charge off does not, in any way, prejudice the Bank's right of recovery from these customers.

	Note	(Un-audited) June 30, 2025	(Audited) December 31, 2024
		---- (Rupees in '000) ----	
12. PROPERTY AND EQUIPMENT			
Capital work-in-progress	12.1	1,615,415	1,587,358
Property and equipment		<u>61,410,100</u>	<u>60,643,875</u>
		<u>63,025,515</u>	<u>62,231,233</u>
12.1 Capital work-in-progress			
Civil works		1,545,955	1,500,429
Equipment		10,727	10,727
Advances to suppliers and contractors		58,733	76,202
		<u>1,615,415</u>	<u>1,587,358</u>

	(Un-audited) June 30, 2025	(Un-audited) June 30, 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	276,179	372,457
Property and equipment		
Building on freehold land	185,199	316,045
Building on leasehold land	7,986	101,835
Furniture and fixtures	392,283	512,832
Computer and peripheral equipment	984,002	325,458
Electrical and office equipment	422,866	206,728
Vehicles	553,012	94,183
	<u>2,545,348</u>	<u>1,557,081</u>
Total additions to property and equipment	<u>2,821,527</u>	<u>1,929,538</u>

12.3 Disposal of property and equipment

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

Furniture and fixtures	792	10,517
Electrical and office equipment	165	22,292
Vehicles	35,020	299
Computer equipment	88	307
Assets held under finance lease - Vehicle		2,670
Total disposals of property and equipment	<u>36,065</u>	<u>36,085</u>

13. RIGHT-OF-USE ASSETS

	June 30, 2025 (Un-audited)			December 31, 2024 (Audited)		
	Buildings	Others	Total	Buildings	Others	Total
	(Rupees in '000)					
At January 1						
Cost	19,088,821	92,500	19,181,321	19,864,344	-	19,864,344
Accumulated depreciation	(12,560,714)	(24,264)	(12,584,978)	(12,528,443)	-	(12,528,443)
Net carrying amount at January 1	<u>6,528,107</u>	<u>68,236</u>	<u>6,596,343</u>	<u>7,335,901</u>	<u>-</u>	<u>7,335,901</u>
Additions during the period / year	2,308,727	-	2,308,727	1,315,038	92,500	1,407,538
Deletions during the year	10,773	-	10,773	29,644	-	29,644
Depreciation charge for the period / year	1,190,761	19,417	1,210,178	2,093,188	24,264	2,117,452
Net carrying amount	<u>7,635,300</u>	<u>48,819</u>	<u>7,684,118</u>	<u>6,528,107</u>	<u>68,236</u>	<u>6,596,343</u>

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

14. INTANGIBLE ASSETS

Capital work-in-progress - Software Implementation	1,243,431	929,882
Computer software	1,258,583	1,084,568
Goodwill on NBP Fund Acquisition	562,553	562,553
	<u>3,064,567</u>	<u>2,577,003</u>

	(Un-audited) June 30, 2025	(Un-audited) June 30, 2024
	----- (Rupees in '000) -----	

14.1 Additions to intangible assets

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

Capital work-in-progress	745,170	585,400
Directly purchased	424,042	71,197
Total additions to intangible assets	<u>1,169,212</u>	<u>656,597</u>

		(Un-audited) June 30, 2025	(Audited) December 31, 2024
		----- (Rupees in '000) -----	
15. DEFERRED TAX LIABILITIES			
Deductible temporary differences on:			
- Tax losses carried forward		10,705	10,705
- Post retirement employee benefits		8,367,840	7,544,995
- Net credit loss allowance against investments		3,571,595	4,148,213
- Net credit loss allowance against loans and advances		25,063,727	22,864,227
- Net credit loss allowance against off-balance sheet obligations		1,932,805	1,751,226
- Excess of accounting book values over tax written down values of property and equipment		1,462,875	1,493,052
- Other credit loss allowance		530,630	735,122
- Provision against contingencies		254,377	221,741
- Net credit loss allowance against balances with other banks		285	8
- Net credit loss allowance against lendings to financial institutions		(292)	(292)
- Net credit loss allowance against balances with other central banks		11,903	9,358
- Right-of-use assets		975,201	890,496
		42,181,651	39,668,851
Taxable temporary differences on:			
- Surplus on revaluation of property and equipment		(3,664,939)	(3,673,192)
- Exchange translation reserve		(906,119)	(1,169,112)
- Surplus on revaluation of investments		(75,444,196)	(75,513,506)
- Excess of accounting book value of leased Assets		-	42,817
- Surplus on revaluation of non-banking assets		(115,260)	(118,215)
- Opening impact IFRS-9		(232,907)	(232,907)
		(80,363,421)	(80,664,115)
		(38,181,770)	(40,995,264)
16. OTHER ASSETS			
Income / return / mark-up accrued in local currency		156,120,130	149,058,379
Income / return / mark-up accrued in foreign currencies		9,889,438	11,134,215
Advances, deposits, advance rent and other prepayments		46,842,571	42,689,543
Advance taxation (payments less provisions)		3,043,048	227,785
Income tax refunds receivable		-	18,356
Compensation for delayed tax refunds		22,129,925	22,129,925
Non-banking assets acquired in satisfaction of claims		1,149,983	1,153,069
Assets acquired from Corporate and Industrial Restructuring Corporation (CIRC)		208,423	208,423
Branch adjustment account		347,263	-
Mark to market gain on forward foreign exchange contracts		763,983	-
Commission receivable on Government treasury transactions		12,201,443	5,291,790
Stationery and stamps on hand		498,367	452,880
Barter trade balances		195,399	195,399
Receivable on account of Government transactions		323,172	323,172
Receivable from Government under VHS scheme		418,834	418,834
Receivable against sale of shares		1,452,336	64,990
Acceptances		10,662,935	9,580,543
Receivable from Pakistan Stock Exchange		469,224	434,284
Receivable from Customers		2,208,071	784,291
Deferred fair value loss	16.3	11,931,791	12,587,242
Dividend receivable		3,431,157	3,255,224
Others		13,032,136	13,798,664
		297,319,629	273,807,008
Less: Provision held against other assets	16.1	16,193,770	15,892,557
Less: Credit loss allowance held against other assets	16.2	1,024,407	1,225,858
Other assets (net of credit loss allowance / provision)		280,101,452	256,688,593
Surplus on revaluation of non-banking assets acquired in satisfaction of claims - net		2,989,362	2,995,046
Other assets		283,090,814	259,683,639

	(Un-audited) June 30, 2025	(Audited) December 31, 2024
16.1 Provision held against other assets	----- (Rupees in '000) -----	
Income / mark-up accrued in local currency	152,607	152,607
Advances, deposits, advance rent and other prepayments	800,000	800,000
Stationery and stamps on hand	96,542	96,542
Barter trade balances	195,399	195,399
Receivable on account of Government transactions	323,172	323,172
Receivable from Government under VHS scheme	418,834	418,834
Protested bills	4,547,246	4,566,759
Ex-MBL / NDFC - other assets	760,941	760,941
Assets acquired from Corporate and Industrial Restructuring Corporation asset (CIRC)	208,423	208,423
Dividend receivable	3,237,161	3,237,161
Others	5,453,445	5,132,719
	16,193,770	15,892,557

16.1.1 Movement in provision held against other assets

Opening balance	15,892,557	12,495,413
Charge / (reversal) for the period / year	311,608	(33,596)
Adjustment against provision	(25,513)	(17,939)
Other movement	15,118	3,448,679
Closing balance	16,193,770	15,892,557

16.2 Movement in credit loss allowance held against other assets

Opening balance	1,225,858	-
Impact of ECL recognition on adoption of IFRS-9	534	1,125,218
(Reversal) / charge for the period / year	(348,858)	100,640
Transfer in	146,873	-
Closing balance	1,024,407	1,225,858

- 16.3** This represents fair value loss arising from the restructuring of Pakistan International Airlines Corporation Limited (PIACL). The SBP through its Circular Letter No. BPRD / BRD / PIAHCL / 733688 – 2024 dated August 01, 2024 has allowed staggering of such fair value impact over a period of 6 years at rates 5%, 10%, 15%, 20%, 25% and 25% from year 1 to year 6. Accordingly, the Bank has recognised proportionate amount of 2nd year's 10% of loss in these consolidated condensed interim financial statements.

	(Un-audited) June 30, 2025	(Audited) December 31, 2024
17. BILLS PAYABLE	----- (Rupees in '000) -----	
In Pakistan	129,588,742	25,878,780
Outside Pakistan	119,364	181,343
	129,708,106	26,060,123

18. BORROWINGS

Secured

Borrowings from the State Bank of Pakistan

Under Export Refinance Scheme	22,369,386	25,676,900
Financing Scheme for Renewable Energy	1,262,928	1,393,611
Refinance Facility for Modernization of Small and Medium Enterprises (SMEs)	237,267	135,466
Financing Facility for Storage of Agriculture Produce (FFSAP)	297,656	365,850
Under Long-Term Financing Facility (LTFF)	12,048,041	13,716,223
Temporary Economic Refinance Facility	12,834,079	13,612,139
Refinance and Credit Guarantee Scheme for Women Entrepreneurs (RCWE)	90,100	99,514
Export Refinance scheme for bill discounting	2,355,880	2,207,230
Refinance Facility for Combating COVID-19	10,728	21,131
	51,506,065	57,228,064

Repurchase agreement borrowings

10.1.1 **1,432,858,227** 1,855,342,203

Total secured

1,484,364,292 1,912,570,267

	(Un-audited) June 30, 2025	(Audited) December 31, 2024
	----- (Rupees in '000) -----	
Unsecured		
Call borrowings	15,323,096	21,989,167
Overdrawn nostro accounts	2,395,976	197,488
Borrowing from Pakistan Mortgage Refinance Company	3,000,000	3,000,000
Total unsecured	20,719,072	25,186,655
	1,505,083,364	1,937,756,922

18.1 Particulars of borrowings with respect to currencies

In local currency	1,489,760,268	1,918,267,755
In foreign currencies	15,323,096	19,489,167
	1,505,083,364	1,937,756,922

18.2 Mark-up / interest rates and other terms are as follows:

- The Bank has entered into agreements with the SBP for extending export refinance to customers. As per the terms of the agreement, the Bank has granted SBP the right to recover the outstanding amount from the Bank at the date of maturity of finances by directly debiting the current account maintained by the Bank with the SBP. These borrowings carry mark-up of 1.00% to 9.00% per annum (December 31, 2024: 8.00% to 15.50% per annum).
- Repurchase agreement borrowings carry mark-up ranging from 10.80% to 12.00% per annum (December 31, 2024: 12.00% to 14.00% per annum) having maturities ranging from July 2, 2025 to July 25, 2025.
- Call borrowings carry interest ranging from 4.44% to 7.85% per annum (December 31, 2024: 4.44% to 14.10% per annum).

18.3 Borrowings from the SBP under export oriented projects refinance schemes of the SBP are secured by the Bank's cash and security balances held by the SBP.

18.4 Pakistan Investment Bonds and Market Treasury Bills having maturity of 2 - 5 Years and 1 Year respectively, are pledged as security under borrowing having carrying amount of Rs. 1,432,858 million (December 31, 2024: Rs. 1,855,342 million).

19. DEPOSITS AND OTHER ACCOUNTS

	June 30, 2025 (Un-audited)			December 31, 2024 (Audited)		
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
	----- (Rupees in '000) -----					
Customers						
Current deposits - remunerative	1,171,879,376	-	1,171,879,376	933,886,863	-	933,886,863
Current deposits - non-remunerative	691,872,395	159,957,323	851,829,718	530,873,365	150,386,822	681,260,187
Savings deposits	1,115,761,941	200,739,333	1,316,501,274	1,055,298,802	166,971,456	1,222,270,258
Term deposits	479,349,423	264,847,970	744,197,393	532,415,136	259,883,774	792,298,910
Others	43,581,718	7,793	43,589,511	11,713,858	6,711	11,720,569
	3,502,444,853	625,552,419	4,127,997,272	3,064,188,024	577,248,763	3,641,436,787
Financial Institutions						
Current deposits - remunerative	12,736,028	-	12,736,028	4,043,354	-	4,043,354
Current deposits - non-remunerative	497,071,125	2,401,860	499,472,985	169,952,266	836,653	170,788,919
Savings deposits	43,989,444	2,766,144	46,755,588	32,044,776	4,214,835	36,259,611
Term deposits	4,284,787	11,884,767	16,169,554	8,683,690	3,999,936	12,683,626
	558,081,384	17,052,771	575,134,155	214,724,086	9,051,424	223,775,510
	4,060,526,237	642,605,190	4,703,131,427	3,278,912,110	586,300,187	3,865,212,297

19.1 Foreign currencies deposits includes deposit of foreign branches amounting to Rs. 119,896 million (December 31, 2024: Rs. 104,461 million).

		(Un-audited) June 30, 2025	(Audited) December 31, 2024
	Note	----- (Rupees in '000) -----	
20. LEASE LIABILITY AGAINST RIGHT-OF-USE ASSETS			
Outstanding amount at the start of the period / year		8,585,682	8,891,000
Additions during the period / year		2,097,065	2,064,589
Lease payments during the period / year		(1,436,256)	(3,310,780)
Interest expense	25	593,372	1,050,289
Exchange difference		42,414	(109,416)
Outstanding amount at the end of the period / year		<u>9,882,277</u>	<u>8,585,682</u>
Liabilities outstanding			
Less than one year		1,883,660	1,720,059
One to five years		5,304,097	4,557,122
Five to ten years		1,877,020	1,581,913
More than ten years		817,500	726,588
Total lease liabilities		<u>9,882,277</u>	<u>8,585,682</u>
21. OTHER LIABILITIES			
Mark-up / return / interest payable in local currency		126,375,180	198,479,773
Mark-up / return / interest payable in foreign currencies		5,944,376	2,126,296
Unearned commission and income on bills discounted		3,058,775	316,175
Accrued expenses		17,011,014	15,598,804
Advance payments		342,831	426,199
Current taxation (provisions less payments)		20,496,792	14,338,206
Unclaimed dividends		236,223	174,057
Mark to market loss on forward foreign exchange contracts		-	379,658
Unrealized loss on put option		31,722	-
Branch adjustment account		-	3,772,016
Payable to defined benefit plan:			
Pension fund		77,655,517	75,638,568
Post retirement medical benefits		42,064,928	39,745,198
Benevolent fund		1,955,823	1,882,384
Gratuity scheme		5,589,776	5,333,423
Compensated absences		10,130,337	10,227,411
Staff welfare fund		371,257	394,102
Liabilities relating to Barter trade agreements		4,345,311	4,280,203
Credit loss allowance against off-balance sheet obligations	21.1	2,547,294	1,726,164
Provision against contingencies	21.2	5,791,250	5,343,606
Payable to brokers		13,011	30,288
PIBs short selling		500,521	857,521
Acceptances		10,662,935	9,580,543
Others		21,065,282	20,687,229
		<u>356,190,155</u>	<u>411,337,824</u>
21.1 Credit loss allowance against off-balance sheet obligations			
Opening balance		1,726,164	627,494
Impact of adoption of IFRS-9		125	4,049,283
Charge / (reversal) for the period / year		349,064	(669,509)
Transfer in / (out)		471,941	(2,281,104)
Closing balance		<u>2,547,294</u>	<u>1,726,164</u>
21.2 Provision against contingencies			
Opening balance		5,343,606	4,698,118
Charge for the period / year		62,762	426,424
Other movement		384,882	219,064
Closing balance		<u>5,791,250</u>	<u>5,343,606</u>

		(Un-audited) June 30, 2025	(Audited) December 31, 2024
		----- Rupees in '000 -----	
22. SURPLUS ON REVALUATION OF ASSETS - NET OF TAX	Note		
Surplus on revaluation of:			
- Securities measured at FVOCI - Debt	10.1	62,516,890	50,319,905
- Securities measured at FVOCI - Equity	10.1	82,568,101	94,898,376
- Property and equipment		49,417,220	49,394,599
- Non-banking assets acquired in satisfaction of claims		2,989,362	2,995,046
- On securities of associates and joint venture		(93,380)	(93,379)
		<u>197,398,193</u>	<u>197,514,548</u>
Less: Deferred tax liability on surplus on revaluation of:			
- Securities measured at FVOCI - Debt		(32,508,783)	(26,166,351)
- Securities measured at FVOCI - Equity		(42,935,413)	(49,347,156)
- Property and equipment		(3,664,939)	(3,773,782)
- Non-banking assets acquired in satisfaction of claims		(115,260)	(118,215)
		<u>(79,224,395)</u>	<u>(79,405,504)</u>
		<u>118,173,797</u>	<u>118,109,044</u>
23. CONTINGENCIES AND COMMITMENTS			
Guarantees	23.1	505,221,527	513,080,260
Commitments	23.2	2,793,565,355	2,319,154,517
Other contingent liabilities	23.3	23,187,792	26,536,608
		<u>3,321,974,674</u>	<u>2,858,771,385</u>
23.1 Guarantees			
Financial guarantees		454,086,848	461,985,681
Performance guarantees		51,134,679	51,094,580
		<u>505,221,527</u>	<u>513,080,260</u>
23.2 Commitments			
Documentary credits and short-term trade-related transactions			
- letters of credit		1,929,772,659	1,585,818,397
Commitments in respect of:			
- forward foreign exchange contracts	23.2.1	802,829,697	637,181,340
- forward government securities transactions	23.2.2	47,152,726	79,587,535
- forward lending	23.2.3	12,678,021	15,467,596
Commitments for acquisition of:			
- property and equipment		1,115,244	1,082,641
Other commitments	23.2.4	17,008	17,008
		<u>2,793,565,355</u>	<u>2,319,154,517</u>
23.2.1 Commitments in respect of forward foreign exchange contracts			
Purchase		544,039,717	419,040,101
Sale		258,789,980	218,141,239
		<u>802,829,697</u>	<u>637,181,340</u>

Commitments for outstanding forward foreign exchange contracts are disclosed in these consolidated condensed interim financial statements at contracted rates. Commitments denominated in foreign currencies are expressed in Rupee terms at the rates of exchange prevailing at the statement of financial position date.

	(Un-audited) June 30, 2025	(Audited) December 31, 2024
	----- (Rupees in '000) -----	
23.2.2 Commitments in respect of forward government securities transactions		
Purchase	21,069,012	74,167,535
Sale	26,083,714	5,420,000
	<u>47,152,726</u>	<u>79,587,535</u>

Commitments for outstanding forward government securities transactions are disclosed in these consolidated condensed interim financial statements at contracted rates.

		(Un-audited) June 30, 2025	(Audited) December 31, 2024
		----- (Rupees in '000) -----	
23.2.3	Commitments in respect of forward lending		
	Undrawn formal standby facilities, credit lines and other commitment to lend	<u>12,678,021</u>	<u>15,467,596</u>
	These represent commitments that are irrevocable because they cannot be withdrawn at the discretion of the bank without the risk of incurring significant penalty or expense.		
		(Un-audited) June 30, 2025	(Audited) December 31, 2024
		----- (Rupees in '000) -----	
23.2.4	Other commitments		
	Professional services to be received	<u>17,008</u>	<u>17,008</u>
23.3	Other contingent liabilities		
23.3.1	Claims against the Bank not acknowledged as debt	<u>23,187,792</u>	<u>26,536,608</u>
	Claims against the Bank not acknowledged as debts includes claims relating to former Mehran Bank Limited amounting to Rs. 1,597 million (December 31, 2024: Rs. 1,597 million).		
	Moreover, these claims also represent counter claims by the borrowers for damages, claims filed by former employees of the Bank and other claims relating to banking transactions. Based on legal advice and / or internal assessments, the management is confident that the matters will be decided in the Bank's favour and the possibility of any adverse outcome against the Bank is remote and accordingly no provision has been made in these consolidated condensed interim financial statements.		
23.3.2	Taxation		
	As at June 30, 2025, the status of tax contingencies is same as disclosed in the annual audited consolidated financial statements for the year ended December 31, 2024, except for the following;		
	The return of income for tax year 2024 has been amended under section 122(5A) of the Ordinance. Certain additions are being agitated before the appellate forum.		
	- An assessment order was issued by the ACIR for the tax year 2023. In this assessment, the tax authorities have made certain additions. The Bank is contesting these additions before the Appellate Tribunal. - The aggregate effect of contingencies as on June 30, 2025 including amount of Rs. 180 million (December 31, 2024: 716 million) in respect of indirect tax issues, and in respect of direct tax amounts to Rs. 35,918 million (December 31, 2024: 35,160 million). No provision has been made against these contingencies, based on the opinion of tax consultant of the Bank, who expect favorable outcome upon decisions of pending appeals.		
23.3.3	Contingencies in respect of employees benefits and other matters		
23.3.3.1	As at June 30, 2025, the status of contingencies in respect of employees benefits including pension and other related matters is same as disclosed in the annual audited consolidated financial statements for the year ended December 31, 2024.		
23.3.3.2	SBP has imposed penalties on the Bank amounting to Rs 200 million and Rs 1,276 million on account of detection of certain counterfeit bank notes. The Bank maintains chest operations as custodian of SBP and is confident that the ultimate exposure with respect to the above-mentioned penalties will be borne by the relevant depositing bank for which lien has been marked on their deposit accounts. Accordingly, the matter is also being taken up with SBP.		
		(Un-audited) For the half year ended June 30, 2025	June 30, 2024 (Restated)
		----- (Rupees in '000) -----	
24.	MARK-UP / RETURN / INTEREST EARNED		
	On:		
	- Loans and advances	<u>95,831,969</u>	<u>125,219,886</u>
	- Investments	<u>311,135,341</u>	<u>433,839,749</u>
	- Lendings to financial institutions	<u>2,660,201</u>	<u>5,329,798</u>
	- Balances with banks	<u>1,313,810</u>	<u>1,802,755</u>
		<u>410,941,321</u>	<u>566,192,188</u>

		(Un-audited)	
		For the half year ended	
		Jun 30, 2025	Jun 30, 2024
			(Restated)
		----- (Rupees in '000) -----	
25.	MARK-UP / RETURN / INTEREST EXPENSED	Note	
	On:		
	- Deposits	144,333,608	230,742,998
	- Borrowings	2,270,692	4,839,502
	- Cost of foreign currency swaps against foreign currency deposits	5,342,057	8,023,122
	- Finance charges - lease liability against right-of-use assets	593,372	497,595
	- Securities sold under repurchase agreements	127,771,586	247,624,684
		<u>280,311,315</u>	<u>491,727,901</u>
26.	FEE AND COMMISSION INCOME		
	Branch banking customer fees	859,810	957,703
	Consumer finance related fees	465,543	336,357
	Card related fees	2,364,972	2,166,681
	Credit related fees	177,456	232,261
	Investment banking fees	207,892	98,404
	Commission on trade	1,124,176	1,398,480
	Commission on guarantees	1,530,357	849,241
	Commission on cash management	30,684	26,665
	Commission on remittances including home remittances	293,957	933,721
	Commission on bancassurance	115,289	96,965
	Commission on Government transactions	7,588,402	4,954,864
	Management fee and sale load	3,343,483	1,457,874
	Brokerage income	77,480	57,272
	Others	62,224	19,342
		<u>18,241,725</u>	<u>13,585,831</u>
27.	GAIN ON SECURITIES - NET		
	Realised	27.1 4,514,212	3,871,954
	Unrealised - measured at FVTPL	10.1 115,603	1,971,709
		<u>4,629,815</u>	<u>5,843,663</u>
27.1	Realised gain on		
	Federal Government Securities	3,279,004	2,352,810
	Shares	1,085,159	1,511,959
	Ijarah sukuks	-	7,185
	Foreign securities	79	-
	Non-Government debt securities	149,970	-
		<u>4,514,212</u>	<u>3,871,954</u>
27.2	Net gain / (loss) on financial assets measured at FVTPL:		
	Designated upon initial recognition	(85,113)	640,047
	Mandatorily measured at FVTPL	200,716	1,331,662
		<u>115,603</u>	<u>1,971,709</u>
28.	OTHER INCOME		
	Rent on properties	51,920	43,331
	Gain on sale of property and equipment - net	15,099	2,068
	Amortization of deferred income	-	4,926
	Gain from lease modification	-	44,827
	Reversal of expenses	269,158	56,073
	Rebate on TT claim	-	3,755
	Insurance claim	68,491	-
	Swift share allocation	22,256	-
	Gain / (loss) on modification on financial assets	101,735	(59,471)
	Others	238,796	2,560
		<u>767,455</u>	<u>98,070</u>

29. OPERATING EXPENSES

Total compensation expenses

Property expenses

Rent and taxes
Insurance
Utilities
Security (including guards)
Repair and maintenance (including janitorial charges)
Depreciation
Depreciation on non-banking assets
Depreciation on right-of-use assets

Information technology expenses

Software maintenance
Hardware maintenance
Depreciation
Amortisation
Network charges
IT manage services

Other operating expenses

Directors' fees and allowances
Directors' fees and reimbursement of other expenses - subsidiaries
Fees and allowances to Shariah Board
Legal and professional charges
Outsourced services costs
Travelling and conveyance
NIFT clearing charges
Depreciation
Training and development
Postage and courier charges
Communication
Stationery and printing
Marketing, advertisement and publicity
Donations
Auditors' remuneration
Entertainment
Clearing, verification, license fee charges
Brokerage
Financial charges on leased assets
Insurance
Vehicle expenses
Repairs and maintenance
Deposit premium expense
WWF
Others

(Un-audited)	
For the half year ended	
June 30, 2025	June 30, 2024 (Restated)
----- (Rupees in '000) -----	
38,490,180	34,600,586
736,010	715,270
48,434	27,248
1,373,087	1,356,229
2,353,128	2,070,456
1,142,148	770,564
335,854	307,698
8,769	8,958
1,032,178	1,075,092
7,029,608	6,331,516
2,534,298	2,283,055
97,913	65,512
755,044	241,667
284,854	267,183
837,099	434,309
987,451	502,887
5,496,659	3,794,613
52,848	44,929
10,880	24,875
10,831	9,434
607,094	370,795
921,600	666,213
696,397	643,072
164,653	123,233
910,250	710,910
89,383	53,439
138,545	146,148
788,192	385,557
819,409	765,674
1,061,232	545,588
82,679	38,440
132,611	151,820
244,044	193,009
227,482	189,534
350,479	69,655
95,469	135,479
525,690	567,824
154,006	135,790
690,392	425,553
961,231	811,021
30,596	
368,980	464,531
10,134,973	7,672,522
61,151,420	52,399,236

		(Un-audited)	
		For the half year ended	
		June 30, 2025	June 30, 2024
		----- (Rupees in '000) -----	
30. OTHER CHARGES			
Penalties imposed by State Bank of Pakistan		31,686	14,812
Penalties imposed by other regulatory bodies of overseas branches		-	6,828
		<u>31,686</u>	<u>21,640</u>
	Note	(Un-audited)	
		For the half year ended	
		June 30, 2025	June 30, 2024
		----- (Rupees in '000) -----	
31. CREDIT LOSS ALLOWANCE / PROVISIONS AND WRITE OFFS / (REVERSAL OF PROVISIONS / CREDIT LOSS ALLOWANCE) - NET			
Net reversal of credit loss allowance against investments	10.2	(85,100)	497,847
Net credit loss allowance / provision / (reversal) against loans and advances	11.4	5,658,492	(1,822,010)
Net provision held / (reversal) against other assets	16.1.1	311,608	(53,459)
Net provision against contingencies	21.2	62,762	151,228
Net reversal of credit loss allowance against lendings to financial institutions		-	(59)
Net reversal of credit loss allowance against balances with other banks		(1,884)	(109)
Net credit loss allowance against balances with other central banks		4,894	-
Net reversal of credit loss allowance against other assets	16.2	(348,858)	(2,245)
Net credit loss allowance against off-balance sheet obligations	21.1	349,064	198,958
		<u>5,950,978</u>	<u>(1,029,849)</u>
32. TAXATION			
Current			
For the period		51,981,553	418,005
		51,981,553	418,005
Deferred			
For the period		(1,788,500)	263,714
		(1,788,500)	263,714
		<u>50,193,053</u>	<u>681,719</u>
		(Un-audited)	
		For the half year ended	
		June 30, 2025	June 30, 2024
		(Restated)	
		----- (Rupees in '000) -----	
33. EARNINGS PER SHARE - BASIC AND DILUTED			
Profit for the period		42,663,280	699,486
		--- (Number of shares in '000) ---	
Weighted average number of ordinary shares		2,127,513	2,127,513
		----- (Rupees) -----	
Earnings per share - basic and diluted		20.05	0.33
33.1	Diluted earnings per share has not been presented separately as the Bank does not have any convertible instruments in issue.		
		(Un-audited)	
		For the half year ended	
		June 30, 2025	June 30, 2024
		----- (Rupees in '000) -----	
34. CASH AND CASH EQUIVALENTS	Note		
Cash and balances with treasury banks	7	469,599,486	337,582,914
Balances with other banks	8	31,916,452	38,151,803
Call money lendings		-	9,723
Call money borrowings	18	(15,323,096)	(22,592,686)
Overdrawn nostro accounts	18	(2,395,976)	(14,630,399)
		<u>483,796,866</u>	<u>338,521,355</u>

35. FAIR VALUE MEASUREMENTS

Fair value measurement defines fair value as the price that would be received from the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. 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. The fair value of unquoted equity securities, other than investments in associates and subsidiaries, is determined on the basis of valuation methodologies. The fair value of fixed term financings, other assets, other liabilities, fixed term deposits and due to financial institutions cannot be calculated with sufficient reliability due to the absence of a current and active market for these assets and liabilities and reliable data regarding market rates for similar instruments.

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

35.1 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).

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

June 30, 2025 (Un-audited)					
Carrying 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					
- Market Treasury Bills	1,350,034,300	-	1,350,034,300	-	1,350,034,300
- Pakistan Investment Bonds	3,039,072,276	-	3,039,072,276	-	3,039,072,276
- GOP Ijarah Sukuks	146,217,254	120,764,999	25,452,255	-	146,217,254
- Foreign currency debt securities	23,318,226	-	23,318,226	-	23,318,226
Ordinary Shares					
- Listed companies	88,353,424	88,353,424	-	-	88,353,424
- Unlisted companies	4,852,142	-	-	4,852,142	4,852,142
Preference shares					
- Listed companies	1,229,223	1,229,223	-	-	1,229,223
Non-Government debt securities					
- Term finance certificates and sukuks	38,465,023	14,963,755	23,501,268	-	38,465,023
Mutual Fund units	7,136,492	-	7,136,492	-	7,136,492
Real estate investment trust units	3,247,683	-	3,247,683	-	3,247,683
Foreign securities					
- Government debt securities	1,350,049	-	1,350,049	-	1,350,049
- Equity securities - listed	46,079,941	46,079,941	-	-	46,079,941
	4,749,356,033	271,391,342	4,473,112,549	4,852,142	4,749,356,033

June 30, 2025 (Un-audited)				
Carrying value	Level 1	Level 2	Level 3	Total

(Rupees in '000)

Financial assets - disclosed but not measured at fair value

Investments

Federal Government Securities

- Market Treasury Bills	314,093	-	314,093	-	314,093
- Pakistan Investment Bonds	213,443,784	-	213,443,784	-	213,443,784
- Ijarah Sukuks	19,041,878	-	19,041,878	-	19,041,878
- Foreign Currency Debt securities	9,515,098	-	9,515,098	-	9,515,098

Foreign Securities

- Government debt securities	36,987,001	-	36,987,001	-	36,987,001
- Non-Government debt securities	1,081	-	1,081	-	1,081
	279,302,935	-	279,302,935	-	279,302,935

5,028,658,968	271,391,342	4,752,415,484	4,852,142	5,028,658,968
---------------	-------------	---------------	-----------	---------------

Off-balance sheet financial instruments - measured at fair value

Commitments

Forward purchase of foreign exchange	544,039,717	-	544,039,717	-	544,039,717
Forward sale of foreign exchange	258,789,980	-	258,789,980	-	258,789,980
Forward government securities transactions	47,152,726	-	(100,656)	-	(100,656)

December 31, 2024 (Audited)				
Carrying 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

- Market Treasury Bills	1,206,109,126	-	1,206,109,126	-	1,206,109,126
- Pakistan Investment Bonds	2,793,255,571	-	2,793,255,571	-	2,793,255,571
- Ijarah Sukuks	96,404,072	64,725,870	31,678,202	-	96,404,072
- Foreign Currency Debt securities	19,567,813	-	19,567,813	-	19,567,813

Ordinary Shares

- Listed Companies	105,072,151	105,072,151	-	-	105,072,151
--------------------	-------------	-------------	---	---	-------------

Preference shares

- Listed	992,711	992,711	-	-	992,711
----------	---------	---------	---	---	---------

Mutual Fund units

8,748,858	2,994,767	5,754,091	-	8,748,858
-----------	-----------	-----------	---	-----------

Non-Government debt securities

- Term Finance Certificates and Sukuk Bonds	42,378,187	18,111,177	24,267,010	-	42,378,187
---	------------	------------	------------	---	------------

Foreign Securities

- Government debt securities	5,802,711	-	5,802,711	-	5,802,711
- Equity Securities - Listed	52,569,482	52,569,482	-	-	52,569,482
	4,330,900,682	244,466,158	4,086,434,524	-	4,330,900,682

December 31, 2024 (Audited)					
Carrying value	Level 1	Level 2	Level 3	Total	
(Rupees in '000)					
Financial assets - disclosed but not measured at fair value					
Investments					
Federal Government Securities					
- Market Treasury Bills	59,594	-	59,594	-	59,594
- Pakistan Investment Bonds	222,656,096	-	222,656,096	-	222,656,096
- Ijarah Sukuks	14,373,995	-	14,373,995	-	14,373,995
- Foreign Currency Debt securities	6,287,309	-	6,287,309	-	6,287,309
Foreign Securities					
- Government debt securities	37,707,456	-	37,707,456	-	37,707,456
- Non-Government debt securities	1,077	-	1,077	-	1,077
	281,085,527	-	281,085,527	-	281,085,527
	4,611,986,209	244,466,158	4,367,520,051	-	4,611,986,209
Off-balance sheet financial instruments - measured at fair value					
Foreign exchange contracts purchase and sale	637,181,340	-	(379,658)	-	(379,658)
Forward government securities transactions	79,587,535	-	(774,179)	-	(774,179)

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

Item	Valuation approach and input used
Market Treasury Bills (MTB) / Pakistan Investment Bonds (PIB), and GoP Sukuks (GIS) including their forward contracts	The fair value of MTBs and PIBs are derived using PKRV rates. Floating rate PIBs are revalued using PKFRV rates. The fair value of GoP sukuks listed on the Pakistan Stock Exchange has been determined through closing rates of the Pakistan Stock Exchange. The fair value of other GIS are revalued using PKISRV rates.
Debt Securities (TFCs and Sukuk other than Government)	Investment in sukuks, debt securities (comprising term finance certificates, bonds and any other security issued by a company or a body corporate for the purpose of raising funds in the form of redeemable capital) are valued on the basis of the rates announced by the Mutual Funds Association of Pakistan in accordance with the methodology prescribed by the Securities and Exchange Commission of Pakistan.
Overseas Sukuks, Overseas and GoP Euro Bonds	The fair value of overseas government sukuks, and overseas bonds are determined on the basis of price available on Bloomberg.
Mutual funds	The valuation has been determined based on net asset values declared by respective funds.
Ordinary shares - listed	The fair value of investments in listed equity securities are valued on the basis of closing quoted market price available at the Pakistan Stock Exchange.
Ordinary shares - unlisted	The fair value of investments in unlisted equity securities are valued on the basis of income and market approach.
Foreign Securities	The fair value of foreign securities is determined using the prices from Reuter page.
Forward foreign exchange contracts and Forward Government securities transactions	The valuation has been determined by interpolating the FX revaluation rates announced by the SBP.
Property and equipment and 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 effect of changes in the unobservable inputs used in the valuations cannot be determined with certainty. Accordingly, a qualitative disclosure of sensitivity has not been presented in these consolidated condensed interim financial statements.

35.2 Fair value of non-financial assets

Information about the fair value hierarchy of Bank's non-financial assets as at the end of the reporting period are as follows:

June 30, 2025 (Un-audited)				
Carrying value	Level 1	Level 2	Level 3	Total
(Rupees in '000)				
Land and building (property)	-	-	-	-
Non-banking assets acquired in satisfaction of claims	4,139,345	-	4,139,345	4,139,345
	4,139,345	-	4,139,345	4,139,345
December 31, 2024 (Audited)				
Carrying value	Level 1	Level 2	Level 3	Total
(Rupees in '000)				
Land and building (property)	54,402,463	-	54,402,463	54,402,463
Non-banking assets acquired in satisfaction of claims	4,148,115	-	4,148,115	4,148,115
	58,550,578	-	58,550,578	58,550,578

36. SEGMENT DETAILS WITH RESPECT TO BUSINESS ACTIVITIES

Half year ended June 30, 2025 (Un-audited)									
Retail Banking Group	Inclusive Development Group	Corporate and Investment Banking Group	Treasury	International, Financial Institution and Remittance Group	Aitemaad and Islamic Banking Group	Head Office / Others	Sub total	Eliminations	Total

(Rupees in '000)

Profit and loss account

Net mark-up / return / interest (expense) / income	(103,809,717)	18,553,390	4,737,246	189,154,441	2,676,327	15,455,571	3,862,748	130,630,006	-	130,630,006
Inter segment revenue - net	145,382,200	(14,898,781)	6,640,696	(139,137,460)	-	(7,431,325)	9,444,670	-	-	-
Non mark-up / return / interest income / (loss)	11,313,205	304,161	3,927,721	10,572,645	761,446	100,270	2,795,800	29,775,248	-	29,775,248
Total income	52,885,688	3,958,770	15,305,663	60,589,626	3,437,773	8,124,516	16,103,218	160,405,254	-	160,405,254
Segment direct expenses	23,609,924	266,065	671,918	306,165	3,681,755	2,174,276	224,361	30,934,464	-	30,934,464
Inter segment expense allocation	-	-	-	-	-	-	30,248,642	30,248,642	-	30,248,642
Total expenses	23,609,924	266,065	671,918	306,165	3,681,755	2,174,276	30,473,003	61,183,106	-	61,183,106
Credit loss allowance / provisions and write offs / (reversal of provisions / credit loss allowance) - net	815,302	3,169,622	(247,685)	(1,884)	(147,582)	450,663	1,912,542	5,950,978	-	5,950,978
Profit / (loss) before taxation	28,460,462	523,083	14,881,430	60,285,345	(96,400)	5,499,577	(16,282,327)	93,271,170	-	93,271,170

As at Jun 30, 2025 (Un-audited)									
Retail Banking Group	Inclusive Development Group	Corporate and Investment Banking Group	Treasury	International, Financial Institution and Remittance Group	Aitemaad and Islamic Banking Group	Head Office / Others	Sub total	Eliminations	Total

(Rupees in '000)

Statement of financial position

Cash and balances with treasury and other banks	300,308,197	18,938,621	5,346,880	110,226,650	44,760,860	19,453,260	2,481,470	501,515,938	-	501,515,938
Investments	-	-	17,147,344	4,765,538,193	71,172,815	171,968,971	4,201,802	5,030,029,125	-	5,030,029,125
Net inter segment lending	3,215,211,812	-	-	-	-	35,665,110	433,938,344	3,684,815,266	(3,684,815,266)	-
Lendings to financial institutions	-	-	-	35,092,547	-	6,359,526	-	41,452,073	-	41,452,073
Advances - performing	267,849,820	165,552,605	642,206,778	-	59,696,323	180,248,089	(6,588,579)	1,308,965,036	-	1,308,965,036
Advances - non-performing	4,697,659	79,650,903	24,492,097	-	61,932,587	1,986,120	99,011,402	271,770,768	-	271,770,768
Credit allowance against Advances	(6,095,460)	(38,042,287)	(57,701,538)	-	(59,698,338)	(3,170,054)	(109,057,118)	(273,764,795)	-	(273,764,795)
Advances - Net	266,452,019	207,161,221	608,997,337	-	61,930,572	179,064,155	(16,634,295)	1,306,971,009	-	1,306,971,009
Others	51,209,199	3,236,057	24,555,956	106,594,801	3,860,129	14,792,792	152,616,080	356,865,014	-	356,865,014
Total assets	3,833,181,227	229,335,899	656,047,517	5,017,452,191	181,724,376	427,303,814	576,603,402	10,921,648,425	(3,684,815,266)	7,236,833,159
Borrowings	-	6,574,386	47,931,679	1,435,254,203	15,323,096	-	-	1,505,083,364	-	1,505,083,364
Deposits and other accounts	3,624,273,658	-	535,519,149	-	119,896,063	419,935,313	3,507,244	4,703,131,427	-	4,703,131,427
Net inter segment borrowing	-	209,622,368	29,441,419	3,400,265,695	45,485,784	-	-	3,684,815,266	(3,684,815,266)	-
Others	208,907,569	13,139,145	43,154,008	16,272,727	3,222,995	5,695,748	243,570,116	533,962,308	-	533,962,308
Total liabilities	3,833,181,227	229,335,899	656,046,255	4,851,792,625	183,927,938	425,631,061	247,077,360	10,426,992,365	(3,684,815,266)	6,742,177,099
Equity	-	-	1,262	165,659,566	(2,203,562)	1,672,753	329,526,041	494,656,060	-	494,656,060
Total equity and liabilities	3,833,181,227	229,335,899	656,047,517	5,017,452,191	181,724,376	427,303,814	576,603,401	10,921,648,425	(3,684,815,266)	7,236,833,159
Contingencies and commitments	-	88,268,572	2,327,808,729	862,660,444	20,580,512	-	22,656,417	3,321,974,674	-	3,321,974,674

Half year ended June 30, 2024 (Un-audited)									
(Restated)									
Retail Banking Group	Inclusive Development Group	Corporate and Investment Banking Group	Treasury	International, Financial Institution and Remittance Group	Aitemaad and Islamic Banking Group	Head Office / Others	Sub total	Eliminations	Total

(Rupees in '000)

(Rupees in Crores)										
Profit and loss account										
Net mark-up / return / interest (expense) / income	(184,939,826)	19,831,984	8,478,051	214,891,201	7,299,289	6,647,361	2,256,227	74,464,287	-	74,464,287
Inter segment revenue - net	252,342,092	(21,986,538)	3,479,424	(243,610,483)	-	(3,127,265)	12,902,770	-	-	-
Non mark-up / return / interest income	9,075,468	320,064	3,639,275	11,276,442	419,001	226,339	2,606,674	27,563,263	-	27,563,263
Total income	76,477,734	(1,834,490)	15,596,750	(17,442,840)	7,718,290	3,746,435	17,765,671	102,027,550	-	102,027,550
Segment direct expenses	22,001,172	297,403	741,639	321,242	4,911,936	1,867,251	1,327,993	31,468,636	-	31,468,636
Inter segment expense allocation	-	-	-	-	-	-	69,966,605	69,966,605	-	69,966,605
Total expenses	22,001,172	297,403	741,639	321,242	4,911,936	1,867,251	71,294,598	101,435,241	-	101,435,241
Credit loss allowance / provisions and write offs - net	544,479	55,353	(2,263,806)	(168)	560,833	329,642	(256,182)	(1,029,849)	-	(1,029,849)
Profit / (loss) before taxation	53,932,082	(2,187,245)	17,118,918	(17,763,914)	2,245,520	1,549,542	(53,272,745)	1,622,158	-	1,622,158

As at December 31, 2024 (Audited)									
Retail Banking Group	Inclusive Development Group	Corporate and Investment Banking Group	Treasury	International, Financial Institution and Remittance Group	Aitemaad and Islamic Banking Group	Head Office / Others	Sub total	Eliminations	Total

(Rupees in '000)

Statement of financial position										
Cash and balances with treasury and other banks	104,543,937	12,700,078	323,160	180,215,699	44,650,768	28,290,145	2,708,447	373,432,233	-	373,432,233
Investments	-	-	17,474,258	4,401,774,189	69,366,379	123,905,109	2,329,341	4,614,849,276	-	4,614,849,276
Net inter segment lending	2,654,121,574	-	15,212,340	-	-	-	385,852,374	3,055,186,288	(3,055,186,288)	-
Lendings to financial institutions	-	-	-	-	-	30,000,000	-	30,000,000	-	30,000,000
Advances - performing	255,462,856	302,527,511	634,925,249	-	68,891,051	144,913,723	(3,456,320)	1,403,264,070	-	1,403,264,070
Advances - non-performing	4,049,155	77,623,629	25,693,942	-	61,422,654	1,985,434	98,663,652	269,438,468	-	269,438,468
Credit loss against advances	(5,322,616)	(30,305,806)	(71,341,462)	-	(59,115,382)	(2,677,968)	(99,312,178)	(268,075,412)	-	(268,075,412)
Advances - net	254,189,395	349,845,335	589,277,729	-	71,198,324	144,221,189	(4,104,846)	1,404,627,126	-	1,404,627,126
Others	35,950,181	4,380,238	32,592,996	95,122,683	9,554,222	6,998,746	146,489,151	331,088,218	-	331,088,218
Total assets	3,048,805,087	366,925,651	654,880,483	4,677,112,571	194,769,692	333,415,189	533,274,466	9,809,183,141	(3,055,186,288)	6,753,996,853
Borrowings	-	6,146,012	53,629,990	1,858,039,691	19,489,167	-	452,063	1,937,756,922	-	1,937,756,922
Deposits and other accounts	2,879,997,795	-	567,480,954	-	104,461,295	309,438,082	3,834,172	3,865,212,297	-	3,865,212,297
Net inter segment borrowing	-	340,348,843	1	2,631,278,091	67,253,026	16,306,327	-	3,055,186,288	(3,055,186,288)	-
Others	168,807,292	20,430,796	33,766,774	21,551,859	4,217,824	5,057,923	233,146,422	486,978,890	-	486,978,890
Total liabilities	3,048,805,087	366,925,651	654,877,719	4,510,869,641	195,421,311	330,802,332	237,432,656	9,345,134,398	(3,055,186,288)	6,289,948,110
Equity	-	-	2,764	166,242,930	(651,619)	2,612,857	295,841,808	464,048,741	-	464,048,741
Total equity and liabilities	3,048,805,087	366,925,651	654,880,483	4,677,112,571	194,769,692	333,415,189	533,274,464	9,809,183,141	(3,055,186,288)	6,753,996,853
Contingencies and commitments	-	69,715,086	2,006,678,247	732,236,471	22,505,325	-	27,636,257	2,858,771,385	-	2,858,771,385

37. RELATED PARTY TRANSACTIONS

The Bank has related party transactions with its parent, subsidiaries, associates, employee benefit plans and its directors and key management personnel. The details of investment in subsidiary companies and associated undertaking and their provisions are stated in note 10 of the consolidated condensed interim financial statements of the Bank.

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 consolidated condensed interim financial statements, are as follows:

As at June 30, 2025 (Un-audited)							As at December 31, 2024 (Audited)						
Directors	Key management personnel	Associates	Pension Fund (Current)	Pension Fund (N.I.D.A A/c)	Provident Fund	Other related parties	Directors	Key management personnel	Associates	Pension Fund (Current)	Pension Fund (N.I.D.A A/c)	Provident Fund	Other related parties
(Rupees in '000)													
Balances with other banks													
In current accounts	-	-	-	-	-	74,548	-	-	-	-	-	-	279,616
	-	-	-	-	-	74,548	-	-	-	-	-	-	279,616
Investments													
Opening balance	-	-	-	-	-	100	-	-	-	-	-	-	4,921,177
Investment made during the period / year	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment redeemed / disposed off during the period / year	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer in / (out) - net	-	-	-	-	-	1,077,011	-	-	-	-	-	-	(4,921,077)
Closing balance	-	-	-	-	-	1,077,111	-	-	-	-	-	-	100
Credit loss allowance for diminution in value of investments	-	-	-	-	-	-	-	-	-	-	-	-	100
Advances													
Opening balance	-	258,612	183,172	-	-	-	-	265,788	2,540,453	-	-	-	-
Addition during the period / year	-	42,435	-	-	-	-	-	75,194	-	-	-	-	-
Repaid during the period / year	-	(49,483)	-	-	-	-	-	(99,509)	(2,357,281)	-	-	-	-
Transfer in / (out) - net	-	-	-	-	-	18,335,050	-	17,139	-	-	-	-	-
Closing balance	-	251,564	183,172	-	-	18,335,050	-	258,612	183,172	-	-	-	-
Credit loss allowance held against advances	-	-	183,172	-	-	-	-	-	183,172	-	-	-	-

As at June 30, 2025 (Un-audited)							As at December 31, 2024 (Audited)							
Directors	Key management personnel	Associates	Pension Fund (Current)	Pension Fund (N.I.D.A A/c)	Provident Fund	Other related parties	Directors	Key management personnel	Associates	Pension Fund (Current)	Pension Fund (N.I.D.A A/c)	Provident Fund	Other related parties	
(Rupees in '000)														
Other Assets														
Interest / mark-up accrued	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	
Commission paid in advance	-	-	-	-	-	-	-	-	-	-	-	-	4,582	
Rent and utility receivable	-	-	1,711	-	-	-	-	-	8,370	-	-	-	-	
Dividend receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	
	-	-	1,711	-	-	-	-	-	8,370	-	-	-	4,582	
Credit loss allowance against other assets														
	-	-	-	-	-	-	-	-	-	-	-	-	-	
Borrowings														
Opening balance	-	-	-	-	-	575,442	-	-	-	-	-	-	546,209	
Borrowings during the period / year	-	-	-	-	-	-	-	-	-	-	-	-	29,232	
Settled during the period / year	-	-	-	-	-	(256,665)	-	-	-	-	-	-	-	
Closing balance	-	-	-	-	-	318,777	-	-	-	-	-	-	575,441	
Deposits and other accounts														
Opening balance	21,088	96,414	77,968	87,283	268,614	14,199,204	4,528,343	3,630	72,801	145,790	100	378,978	13,563,087	9,245,132
Received during the period / year	41,659	771,494	226,370	29,764,553	15,318,521	1,378,660	55,193,613	37,179	1,270,799	-	36,502,461	6,363,285	3,417,472	120,594,671
Withdrawn during the period / year	(30,571)	(748,701)	-	(29,846,746)	(10,848,203)	(754,371)	(52,266,635)	(19,721)	(1,244,645)	(67,822)	(36,415,278)	(6,473,650)	(2,781,356)	(124,055,441)
Transfer in / (out) - net*	-	1,372	-	-	-	-	76,025	-	(2,542)	-	-	-	-	(1,256,020)
Closing balance	32,176	120,579	304,338	5,090	4,738,932	14,823,493	7,531,346	21,088	96,413	77,968	87,283	268,613	14,199,203	4,528,342
Provident Fund Subsidiary														
	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Liabilities														
Interest / mark-up payable	260	1,654	4,043	-	72,313	-	-	418	2,491	8,759	-	73,809	-	-
Other liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Brokerage	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	260	1,654	4,043	-	72,313	-	-	418	2,491	8,759	-	73,809	-	-
Contingencies and commitments														
	-	-	-	-	-	-	-	-	-	-	-	-	-	-

* Transfer in / (out) - net due to retirement / appointment of directors and changes in key management executives.

For the Half year ended June 30, 2025 (Un-audited)						For the Half year ended June 30, 2024 (Un-audited)						
Directors	Key management personnel	Associates	Pension Fund	Provident Fund	Others	Directors	Key management personnel	Associates	Joint venture	Pension Fund	Provident Fund	Others

(Rupees in '000)

Income

Mark-up / return / interest earned	-	3,588	-	-	-	830,692	-	4,012	-	-	-	-	99,426
Commission	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend income	-	-	2,219	-	-	68,657	-	-	-	-	-	-	29,700
Rent income / lighting and power and bank charges	-	-	3,701	-	-	10,513	-	-	3,632	-	-	-	10,513

Expense

Mark-up / return / interest paid	1,707	3,990	13,228	146,006	933,399	525,262	1,532	6,958	23,070	15,088	38,382	996,369	471,042
Provident Fund Deposit Markup	-	-	-	-	-	-	-	-	-	-	-	-	-
Expenses paid to company in which Directors of the bank is interested as director	-	-	-	-	-	237,648	-	-	-	-	-	-	581,912
Remuneration to key management executives including charge for defined benefit plan	-	413,987	-	-	-	-	-	461,896	-	-	-	-	-
Commission paid to subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-
Directors fee & other allowances	52,848	-	-	-	-	-	44,929	-	-	-	-	-	-

37.1 Transactions with Government-related entities

The entities which are owned and / or controlled by the Federal Government, or where the Federal Government may exercise significant influence, are related parties of the Bank.

The Bank in the ordinary course of business enters into transaction with Government-related entities. Such transactions include lending to, deposits from and provision of other banking services to Government-related entities.

The Bank also earned commission on handling treasury transactions on behalf of the Government of Pakistan amounting to Rs. 7,588 million (June 30, 2024: Rs. 4,955 million) for the half year ended June 30, 2025. As at the statement of financial position date, the loans and advances, deposits and contingencies relating to Government-related entities amounted to Rs. 661,032 million (December 31, 2024: Rs. 620,914 million), Rs. 1,941,321 million (December 31, 2024: Rs. 1,864,349 million) and Rs. 2,122,208 million (December 31, 2024: Rs. 1,798,996 million) respectively and income earned on advances and investment and profit paid on deposits amounted to Rs. 23,023 million (June 30, 2024: Rs. 26,756 million) and Rs. 149,435 million (June 30, 2024: Rs. 73,010 million) respectively.

38. CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

	(Un-audited) June 30, 2025	(Audited) December 31, 2024
	----- (Rupees in '000) -----	
Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	<u>21,275,131</u>	<u>21,275,131</u>
Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier 1 (CET 1) Capital	<u>367,612,351</u>	<u>359,001,823</u>
Eligible Additional Tier 1 (ADT 1) Capital	<u>-</u>	<u>-</u>
Total Eligible Tier 1 Capital	<u>367,612,351</u>	<u>359,001,823</u>
Eligible Tier 2 Capital	<u>128,556,946</u>	<u>127,884,327</u>
Total Eligible Capital (Tier 1 + Tier 2)	<u>496,169,296</u>	<u>486,886,150</u>
Risk Weighted Assets (RWAs):		
Credit Risk	<u>1,060,579,971</u>	<u>1,219,662,457</u>
Market Risk	<u>386,354,958</u>	<u>148,427,279</u>
Operational Risk	<u>367,891,513</u>	<u>367,891,513</u>
Total	<u>1,814,826,442</u>	<u>1,735,981,249</u>
Common Equity Tier 1 Capital Adequacy Ratio	<u>20.26%</u>	<u>20.68%</u>
Tier 1 Capital Adequacy Ratio	<u>20.26%</u>	<u>20.68%</u>
Total Capital Adequacy Ratio	<u>27.34%</u>	<u>28.05%</u>
Leverage Ratio (LR):		
Tier-1 Capital	<u>367,612,351</u>	<u>359,001,823</u>
Total Exposure	<u>9,741,353,377</u>	<u>9,129,797,793</u>
Leverage Ratio	<u>3.77%</u>	<u>3.93%</u>
Liquidity Coverage Ratio (LCR):		
Total High Quality Liquid Assets	<u>2,794,635,094</u>	<u>2,474,264,138</u>
Total Net Cash Outflow	<u>1,296,385,005</u>	<u>1,200,642,088</u>
Liquidity Coverage Ratio	<u>216%</u>	<u>206%</u>
Net Stable Funding Ratio (NSFR):		
Total Available Stable Funding	<u>4,287,541,811</u>	<u>3,776,992,766</u>
Total Required Stable Funding	<u>2,035,138,467</u>	<u>2,176,376,949</u>
Net Stable Funding Ratio	<u>211%</u>	<u>174%</u>

Impact on Regulatory Capital:

The introduction of IFRS 9 has resulted in reduction in regulatory capital of the Banks, which has reduced their lending capacity and ability to support their clients. In order to mitigate the impact of ECL models on capital, SBP has permitted Banks to opt for transitional arrangement for the ECL impact on regulatory capital from the application of ECL accounting. Annexure B of the 'Application Instructions' issued by SBP has detailed the transitional arrangement.

Accordingly, Bank has opted for transition arrangement to phase in ECL impact and below tabulated is the impact on key ratios, had the transitional arrangement not applied.

Key Ratios	With Transitional arrangement	Without Transitional arrangement
Total Capital to total RWA (CAR)	27.34%	26.20%
Leverage Ratio	3.77%	3.61%

39. ISLAMIC BANKING BUSINESS

The bank is operating with 207 (December 31, 2024: 207) Islamic banking branches and 286 (December 31, 2024: 251) Islamic banking windows as at June 30, 2025.

The statement of financial position of the Bank's Islamic banking branches as at June 30, 2025 is as follows:

		(Un-audited) June 30, 2025	(Audited) December 31, 2024
	Note	----- (Rupees in '000) -----	
ASSETS			
Cash and balances with treasury banks		19,424,516	28,240,319
Balances with other banks		28,744	49,826
Due from financial institutions	39.1	6,359,526	30,000,000
Investments	39.2	171,968,971	123,905,109
Islamic financing and related assets - net	39.3	179,064,315	144,221,215
Property and equipment		133,793	125,580
Right of use assets		630,312	582,812
Intangible assets		-	-
Due from Head Office	39.4	56,028,524	-
Other assets		14,028,687	6,290,354
Total Assets		447,667,388	333,415,215
LIABILITIES			
Bills payable		292,736	1,397,301
Due to financial Institutions		-	-
Deposits and other accounts	39.5	419,935,312	309,438,083
Due to Head Office		-	2,883,224
Lease liabilities		872,305	814,024
Subordinated debts		-	-
Other liabilities		4,530,706	2,846,597
		425,631,059	317,379,229
NET ASSETS		22,036,329	16,035,986
REPRESENTED BY			
Islamic Banking Fund		14,864,000	8,531,000
Reserves		-	-
Surplus on revaluation of assets		1,672,753	2,612,858
Unremitted profit	39.6	5,499,576	4,892,128
		22,036,329	16,035,986
CONTINGENCIES AND COMMITMENTS	39.7		

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

		(Un-audited) For the half year ended	
	Note	June 30, 2025	June 30, 2024
		----- (Rupees in '000) -----	
Profit / return earned	39.8	22,082,380	12,990,244
Profit / return expensed	39.9	14,058,135	9,470,149
Net profit / return		8,024,245	3,520,095
Other income			
Fee and commission income		104,959	167,485
Dividend Income		127	-
Foreign exchange (loss) / income		(1,192)	43,977
Gain / (loss) on securities		(9,570)	6,960
Other income		5,946	7,918
Total other income		100,270	226,340
Total income		8,124,515	3,746,435
Other expenses			
Operating expenses		2,174,176	1,867,241
Worker welfare Fund		-	-
Other charges		100	10
		2,174,276	1,867,251
Profit before credit loss allowance		5,950,239	1,879,184
Credit loss allowance and write offs - net		450,663	329,642
Profit before taxation		5,499,576	1,549,542
Taxation		-	-
Profit after taxation		5,499,576	1,549,542

June 30, 2025 (Un-audited)			December 31, 2024 (Audited)		
In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total

39.1 Due from Financial Institutions

Bai Muajjal receivable from State Bank of Pakistan	6,359,526	-	6,359,526	-	-	-
Call money placement	-	-	-	30,000,000	-	30,000,000
Due from financial Institutions - net of credit loss allowance	6,359,526	-	6,359,526	30,000,000	-	30,000,000

39.2 Investments by segments:

June 30, 2025 (Un-audited)				December 31, 2024 (Audited)			
Cost / amortised cost	Credit loss allowance for diminution	Surplus / (deficit)	Carrying value	Cost / amortised cost	Credit loss allowance for diminution	Surplus / (deficit)	Carrying value

Debt Instruments

Classified / Measured at amortised cost

Federal Government securities

- GOP Ijarah Sukuks

Non Government debt securities

- Sukuks

19,041,878	-	-	19,041,878	14,057,627	-	-	14,057,627
130,807	(130,807)	-	-	130,807	(130,807)	-	-
19,172,685	(130,807)	-	19,041,878	14,188,434	(130,807)	-	14,057,627

Classified / Measured at FVOCI

Federal Government securities

-GOP Ijarah Sukuks

Non Government debt securities

- Sukuks

130,416,952	-	1,627,498	132,044,450	83,155,034	-	2,334,037	85,489,071
19,882,332	(476,391)	45,255	19,451,196	22,784,066	(550,572)	278,821	22,512,315
150,299,284	(476,391)	1,672,753	151,495,646	105,939,100	(550,572)	2,612,858	108,001,386

Classified / Measured at FVTPL

Non Government debt securities

-Sukuks

1,394,666	-	1,532	1,396,198	1,832,366	-	868	1,833,234
-----------	---	-------	-----------	-----------	---	-----	-----------

Mutual Funds Units (for the purpose of personal finance)

35,069	-	180	35,249	12,536	-	326	12,862
--------	---	-----	--------	--------	---	-----	--------

Total Investments

170,901,704	(607,198)	1,674,465	171,968,971	121,972,436	(681,379)	2,614,052	123,905,109
-------------	-----------	-----------	-------------	-------------	-----------	-----------	-------------

39.2.1 Particulars of credit loss allowance

June 30, 2025 (Un-audited)				December 31, 2024 (Audited)			
Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total

Non Government debt securities

12,262	124,129	470,807	607,198	99,880	110,692	470,807	681,379
--------	---------	---------	---------	--------	---------	---------	---------

(Un-audited) (Audited)

June 30, 2025 December 31, 2024

Note ----- (Rupees in '000) -----

39.3 Islamic financing and related assets

Ijarah
Murabaha
Musawama
Running Musharaka
Diminishing Musharaka
Other Islamic Modes (Wakala tul Istismar)
Advance for Murabaha
Advance for Diminishing Musharaka
Advance for Istisna
Inventories against Istisna
Gross Islamic financing and related assets

39.3.1	7,736	8,436
	1,427,966	1,050,778
	20,215,468	7,443
	116,868,000	104,490,555
	15,691,149	14,530,164
	7,791,667	8,500,000
	-	378,000
	1,677,929	1,320,707
	16,870,832	12,797,450
	1,683,461	3,815,624
	182,234,208	146,899,157

Less: Credit loss allowance against Islamic financings

Stage 1

Stage 2

Stage 3

(1,029,675)	(664,490)
(154,544)	(28,044)
(1,985,674)	(1,985,408)
(3,169,893)	(2,677,942)
179,064,315	144,221,215

Islamic financing and related assets - net of credit loss allowance

39.3.1 Ijarah

June 30, 2025 (Un-audited)						
Cost			Accumulated Depreciation			Book value as at Jun 30, 2025
As at Jan 01, 2025	Additions / (deletions) / (adjustment)	As at Jun 30, 2025	As at Jan 01, 2025	Charge/ adjustment for the period	As at Jun 30, 2025	

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

Plant & Machinery	55,484	-	54,784	47,048	-	47,048	7,736
		(700)			-		-
Vehicles	2,645	-	2,645	2,645	-	2,645	-
		-			-		-
Total	58,129	-	57,429	49,693	-	49,693	7,736
	-	(700)	-	-	-	-	-

December 31, 2024 (Audited)						
Cost			Accumulated Depreciation			Book value as at Dec 31, 2024
As at Jan 01, 2024	Additions / (deletions) / (adjustment)	As at Dec 31, 2024	As at Jan 01, 2024	Charge/ adjustment for the year	As at Dec 31, 2024	

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

Plant & Machinery	59,828	-	55,484	47,449	-	47,048	8,436
		(4,344)			(401)		
Vehicles	6,000	-	2,645	4,630	1,371	2,645	-
		(3,355)			(3,356)		
Total	65,828	-	58,129	52,079	1,371	49,693	8,436
	-	(7,699)	-	-	(3,757)	-	-

Future Ijarah payments receivable

June 30, 2025 (Un-audited)				December 31, 2024 (Audited)			
Not later than 1 year	Later than 1 year and less than 5 years	Over five years	Total	Not later than 1 year	Later than 1 year and less than 5 years	Over five years	Total

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

Ijarah rental receivables	475	-	-	475	475	-	-	475
---------------------------	-----	---	---	-----	-----	---	---	-----

39.4 Due from head office

Due from head office Rs. 56,028 million (2024: Nil)

39.5 Deposits and other accounts

June 30, 2025 (Un-audited)			December 31, 2024 (Audited)		
In local currency	In foreign currency	Total	In local currency	In foreign currency	Total

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

Customers

Current deposits - remunerative	1,812,479	-	1,812,479	1,497,103	-	1,497,103
Current deposits - non remunerative	73,377,798	254,826	73,632,624	40,619,109	215,067	40,834,176
Savings deposits	116,782,716	-	116,782,716	78,701,894	-	78,701,894
Term deposits	17,930,550	-	17,930,550	17,145,145	-	17,145,145
Others	6,381,664	-	6,381,664	4,800,439	-	4,800,439
	216,285,207	254,826	216,540,033	142,763,690	215,067	142,978,757

Financial Institutions

Current deposits - remunerative	417,502	-	417,502	406,892	-	406,892
Current deposits - non remunerative	160,893,328	-	160,893,328	136,864,262	-	136,864,262
Savings deposits	41,443,449	-	41,443,449	28,572,672	-	28,572,672
Term deposits	641,000	-	641,000	615,500	-	615,500
	203,395,279	-	203,395,279	166,459,326	-	166,459,326
	419,680,486	254,826	419,935,312	309,223,016	215,067	309,438,083

	(Un-audited) June 30, 2025	(Audited) December 31, 2024
	----- (Rupees in '000) -----	
39.6 Islamic banking business unremitted profit		
Opening Balance	4,892,128	3,529,477
Less: Impact of adoption of IFRS 9	-	(1,440,726)
Add: Islamic Banking profit for the period	5,499,576	6,332,854
Less: Transferred / Remitted to Head Office	(4,892,128)	(3,529,477)
Closing balance	<u>5,499,576</u>	<u>4,892,128</u>

39.7 Contingencies and commitments

-Guarantees	-	-
-Commitments	-	-
-Other contingent liabilities	-	-
	<u>-</u>	<u>-</u>

	(Un-audited) For the half year ended	
	June 30, 2025	June 30, 2024
	----- (Rupees in '000) -----	

39.8 Profit / return earned of financing, investments and placement

Profit earned on:		
Financing	10,385,464	7,450,765
Investments	11,649,292	5,538,673
Placements	10,546	806
Others (bai muajjal)	37,078	-
	<u>22,082,380</u>	<u>12,990,244</u>

39.9 Profit on deposits and other dues expensed

Deposits and other accounts	6,552,747	6,275,715
Others (general account)	7,431,325	3,127,265
Amortisation of lease liability against right-of-use assets	74,063	67,169
	<u>14,058,135</u>	<u>9,470,149</u>

39.10 Pool management

NBP-AIBG has managed following pools for profit and loss distribution.

a) General depositor pool

The General pool consists of all other remunerative deposits. NBP Aitemaad (the Mudarib) accept deposits on the basis of Mudaraba from depositors (Rabbulmaal). The net return on the pool is arrived at after deduction of direct costs from the gross return earned on the pool. The entire net return after paying equity share to Mudarib is considered as distributable profit of the pool.

b) Special depositor pools (Total 74 during the period and 36 as at June 30, 2025)

Special pool(s) are created where the customers desire to invest in high yield assets. These pool(s) rates is(are) higher than the general pool depending on the assets. In case of loss in special pool, the loss will be borne by the special pool members. The net return on the pool is arrived at after deduction of direct costs from the gross return earned on the pool. From the net return, and after allocation of share of profit to commingled equity, profit is paid to the Mudarib in the ratio of the mudarib's equity in the pool to the total pool. The balance represents the distributable profit.

c) Equity pool

Equity pools include AIBG's fund and current account deposits. The equity pool may have constructive liquidation every month and risk associated with assets of pool includes operational, market, equity, return and shariah.

Key features and risk & reward characteristics

Deposits are accepted from customers on the basis of Qard (current accounts) and Mudarabah (Saving and term deposits). No profit or loss is passed on to current account depositors.

For deposits accepted on Mudarabah basis from depositors (Rab ul Maal) the Bank acts as Manager (Mudarib) and invests the funds in the Shariah Compliant modes of financings. Rab ul Maal share is distributed among depositors according to weightages declared for a month before start of the period.

In case of loss in a pool during the profit calculation period, the loss is distributed among the depositors (remunerative) according to their ratio of investment.

For all pools, the Mudarib's share is deducted from the distributable profit to calculate the profit to be allocated to depositors. The allocation of the profit to various deposit categories is determined by the amount invested in that category relative to the total pool, as well as by the weightage assigned to the various deposit categories.

The assets, liabilities, equities, income and expenses are segregated for each of the pool. No pool investment is intermingled with each other. The risk associated with each pool is thus equally distributed among the pools.

Avenues/sectors of economy/business where Modaraba based deposits have been deployed.

Sector	(Un-audited) June 30, 2025	(Audited) December 31, 2024
	Percentage	
Fertilizer	0.42%	0.00%
Textile	1.47%	1.56%
Fuel & energy	8.31%	11.14%
Leasing / Modarbas	0.03%	0.01%
Sugar	2.32%	2.48%
Cement	1.27%	1.64%
Gas	0.15%	0.19%
Financial	2.18%	10.67%
Federal Government	41.57%	32.52%
Real Estate	0.90%	1.08%
Agriculture	0.51%	0.46%
Commodity Operations	37.24%	34.54%
Others	3.63%	3.71%
Total	100.00%	100.00%

Parameters for profit allocation and charging expenses

Profit of the pools has been distributed between Mudarib and Rab-ul-Mall by using preagreed profit sharing ratios. The share of Rab-ul-Mall's profit has been distributed among different customers using the various weightages assigned to the different categories of the pool.

Administrative expense are borne by mudarib and not charged to Mudaraba pool.

	June 30, 2025 Rupees in '000
Mudarib Share	
Gross Distributable Income	16,092,554
Mudarib (Bank) share of profit before Hiba	6,873,161
Mudarib Share in %age	42.71%
Hiba from Mudarib Share	
Mudarib (Bank) share of profit before Hiba	6,873,161
Hiba from bank's share to depositors	3,999,698
Hiba from bank's share to depositors in %age	58.19%

Profit rates

During the half year ended June 30, 2025, the average profit rate earned by NBP Aitemaad Islamic Banking Group is 12.81% and the profit distributed to the depositors is 10.35%.

40 GENERAL

40.1 Figures have been rounded off to the nearest thousand rupees, unless otherwise specified.

41 CORRESPONDING FIGURES

41.1 Comparative information has been re-classified, re-arranged, restated or additionally incorporated in these consolidated condensed interim financial statements, wherever necessary to facilitate comparison.

41.2 The effects of restatement due to adoption of IFRS 9 are mentioned in note 4.1.2 of these consolidated condensed interim financial statements.

42. DATE OF AUTHORISATION FOR ISSUE

These consolidated condensed interim financial statements were authorised for issue on August 28, 2025 by the Board of Directors of the Bank.

Chairman

President / CEO

Chief Financial Officer

Director

Director

Celebrating
National Bank
اور
Pakistan



Head Office

NBP Building, I.I. Chundrigar
Road, Karachi, Pakistan

Telephone Numbers

Phone: +91-21-99220100 (30 lines)
Phone: +91-21-99062000 (60 lines)

NBP Call Centre

UAN: 111-627-627

Website

www.nbp.com.pk