

# مَشْعَلُ رَاهٍ

The Guiding Light of  
Islamic Banking



FIRST QUARTERLY REPORT  
MARCH 31, 2025

faysalbank



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# Corporate Information

## Board of Directors

Mian Muhammad Younis	Chairman/Non-Executive Director
Mr. Ahmed Abdulrahim Mohamed Abdulla Bucheery	Vice Chairman/Non-Executive Director
Mr. Yousaf Hussain	President & CEO
Mr. Imtiaz Ahmad Pervez	Non-Executive Director
Mr. Ali Munir	Independent Director
Mr. Juma Hasan Ali Abul	Non-Executive Director
Mr. Abdulelah Ebrahim Mohamed AlQasimi	Non-Executive Director
Ms. Fatima Asad Khan	Independent Director
Mr. Mohsin Tariq	Independent Director
Ms. Sadia Khan	Independent Director

## Board Audit & Corporate Governance Committee

Mr. Ali Munir	Chairman
Mr. Ahmed Abdulrahim Mohamed Abdulla Bucheery	Member
Mr. Juma Hasan Ali Abul	Member
Mr. Mohsin Tariq	Member

## Board Risk Management Committee

Mr. Imtiaz Ahmad Pervez	Chairman
Mr. Abdulelah Ebrahim Mohamed AlQasimi	Member
Mr. Ali Munir	Member
Mr. Yousaf Hussain	Member

## Recruitment Nomination and Remuneration Committee

Mr. Ahmed Abdulrahim Mohamed Abdulla Bucheery	Chairman
Mr. Juma Hasan Ali Abul	Member
Mr. Mohsin Tariq	Member
Ms. Fatima Asad Khan	Member
Ms. Sadia Khan	Member

## Board Strategy Committee

Mian Muhammad Younis	Chairman
Mr. Ahmed Abdulrahim Mohamed Abdulla Bucheery	Member
Mr. Juma Hasan Ali Abul	Member
Mr. Imtiaz Ahmad Pervez	Member
Ms. Fatima Asad Khan	Member
Mr. Yousaf Hussain	Member

## Board IT Committee

Ms. Sadia Khan	Chairperson
Mr. Abdulelah Ebrahim Mohamed AlQasimi	Member
Mr. Yousaf Hussain	Member

# Corporate Information

## Board Sustainability & Development Committee

Mian Muhammad Younis  
Mr. Abdulelah Ebrahim Mohamed AlQasimi  
Ms. Fatima Asad Khan  
Ms. Sadia Khan  
Mr. Yousaf Hussain

Chairman  
Member  
Member  
Member  
Member

## Shariah Board

Mufti Muhammad Mohib-ul-Haq Siddiqui  
Dr. Mufti Khalil Ahmad Aazami  
Mufti Muhammad Najeeb Khan  
Dr. Mufti Hassan Ashraf Usmani  
Mufti Muhammad Uzair Qasim  
Mufti Abdul Basit

Chairperson Shariah Board  
Member Shariah Board  
Member Shariah Board  
Member Shariah Board  
Member Shariah Board  
Resident Shariah Board Member

## Syed Majid Ali

## Chief Financial Officer

## Mr. Aurangzeb Amin

## Company Secretary & Head of Legal

## M/s. KPMG Taseer Hadi & Co., Chartered Accountants

## Auditors

## M/s. Mohsin Tayebaly & Co, Advocate

## Legal Advisors

## Registered Office

Faysal Bank Limited  
Faysal House, St-02, Commercial Lane,  
Main Shahrah-e-Faisal,  
Karachi, Pakistan

UAN : (92-21) 111-747-747  
Tel : (92-21) 3279-5200  
Fax : (92-21) 3279-5226  
Website : [www.faysalbank.com](http://www.faysalbank.com)

## Share Registrar

CDC Share Registrar Services Limited  
CDC House, 99-B, Block-B,  
SMCHS, Main Shahrah-e-Faisal,  
Karachi-74400

Tel : (92-21) 111-111-500  
Fax : (92-21) 34326053  
Email : [info@cdcsrcsl.com](mailto:info@cdcsrcsl.com)

Note: The State Bank of Pakistan has accorded the Fit & Proper approval to the above-mentioned Members of the Board of Directors and accordingly, the said Directors have assumed their responsibilities as the directors.

# DIRECTORS' REVIEW

## Unconsolidated Financial Statements

On behalf of the Board of Directors, we are pleased to present the unaudited condensed interim financial statements of Faysal Bank Limited ("FBL" or "the Bank") for the quarter ended March 31, 2025.

### Company Profile

FBL was incorporated in Pakistan on October 03, 1994, as a public limited company and its shares are listed on Pakistan Stock Exchange. FBL offers a wide range of Islamic banking services to all customer segments, i.e., Retail, Small & Medium Sized Enterprises, Commercial, Agri-based, and Corporate.

The Bank surrendered its conventional banking license on 31 December 2023 and effective 01 January 2023 it began its fully shariah-compliant operations under an Islamic Banking License issued by the State Bank of Pakistan (SBP). Its footprint spreads over 340 cities across the country with 855 branches offering sharia-compliant banking services.

### Holding Company

Ithmaar Bank B.S.C (closed), a banking entity regulated by the Central Bank of Bahrain, is the parent company holding directly and indirectly 66.78% (2024: 66.78%) of the Bank's shares. Ithmaar Bank B.S.C. (closed) is a wholly owned subsidiary of Ithmaar Holdings B.S.C. Dar Al-Maal Al-Islami Trust (DMIT) is the holding entity of Ithmaar Holding B.S.C. and the ultimate parent Company of the Bank. DMIT was formed by an indenture under the laws of the Commonwealth of The Bahamas for the purpose of conducting business affairs in conformity with Islamic laws, principles, and traditions.

### Economic Update

Pakistan's economy in the first quarter of 2025 reflected a mix of encouraging signs and lingering challenges. Encouragingly, inflation reached historic lows and fiscal discipline improved, laying the groundwork for cautious optimism. However, weak industrial performance and external sector volatility signaled the need for sustained policy attention.

During the first seven months of FY2025 (July 2024 to January 2025), the agriculture sector sustained momentum, underpinned by a 16% increase in agricultural credit disbursement from the same period last year. On the other hand, the Large-Scale Manufacturing (LSM) sector contracted by 1.8% year-on-year, despite 2.1% month-on-month recovery in January 2025. Sector-specific trends were mixed, with growth in automobiles, tobacco, and textiles, offset by decline in food, chemicals, and steel.

A notable disinflationary trend characterized Q1 2025, with average year on year CPI inflation easing to around 1.5%, the lowest in nearly six decades. The month-on-month inflation was contained at 0.7% in March 2025, despite seasonal inflationary pressures historically witnessed during Ramadan Overall, inflationary pressures remained subdued, providing relief to consumers and space for policy flexibility.

SBP in its Monetary Policy Committee meeting on March 10, 2025, opted to keep the policy rate unchanged at 12%, halting its monetary easing cycle after six consecutive rate cuts from June

2024 to January 2025. The decision reflected a shift toward caution by SBP, driven by concerns about persistent core inflation and emerging external sector vulnerabilities. Despite headline inflation falling to historic lows, the SBP opted for a prudent stance, acknowledging the importance of maintaining macroeconomic stability.

The fiscal consolidation measures have yielded positive results, showing improvements in fiscal accounts during the 1H FY25, with the budget deficit narrowing to 1.2% of the GDP, down from 2.3% in the same period last year. The primary surplus showed significant improvement of PKR 3.6 trillion (2.9% of GDP) with SBP profit contributing 70% (PKR 2.5 Trillion) of the primary surplus in the 1H FY25. Provinces have also performed above expectations and contributed PKR 775 billion surplus thus bringing down the overall fiscal deficit. GDP grew 1.73% YoY in 2QFY25, led by agriculture (1.10%) and services (2.57%), while the industrial sector contracted slightly (-0.18%).

The KSE-100 Index experienced volatility, declining early in the year before rebounding in March to close at 117,807, up 4% for the quarter. It hit an all-time high of 119,000 but struggled with low trading volumes, particularly during Ramadan. Despite foreign and mutual fund outflows, local banks emerged as net buyers. Investor interest was notably strong in the energy sector, driven by expectations of IMF-backed reforms to resolve circular debt.

Pakistan's current account posted a surplus during July-March in the ongoing fiscal year. During 9MFY25 current account stands at USD 1.859 billion. Pakistan recorded its highest-ever monthly current account surplus in March 2025 of USD 1.195 billion. The workers remittances for 9MFY25 stood at USD 28.029 billion. For the month of March alone, worker remittances posted highest ever inflow of USD 4.1 billion. Goods exports rose 7.72% YoY to USD 24.660 billion, while imports climbed 11.08% to USD 43.38 billion, widening the trade deficit to USD 18.728 billion. Balance on trade in goods and services stands at the deficit of USD 21.046 billion compared to a deficit of USD 18.34 billion during the same period last year.

The first quarter of 2025 presented a cautiously optimistic picture for Pakistan's economy. Disinflationary trends provided much-needed relief to households and created space for potential monetary support, while fiscal consolidation efforts showed tangible progress. However, challenges persisted in the external sector and manufacturing performance, necessitating continued policy vigilance. The government's focus on macroeconomic stability, along with sectoral support, will remain crucial to sustaining momentum through the remainder of the fiscal year. If inflation remains low and external buffers are preserved, conditions may become favorable for a broader economic recovery in the coming quarters. However, rising global trade tensions following new U.S. tariffs on key imports and retaliatory measures from China and other affected countries, pose additional risks to Pakistan's external sector and overall investor sentiment. These geopolitical developments may disrupt trade flows and supply chains, warranting proactive monitoring and adaptive policy responses to safeguard economic resilience.

## Bank's Performance

A detailed review of the Bank's performance is given in the following paragraphs:

## Financial Performance

### Key Balance Sheet Numbers

	Rs in million		
	March '25	December '24	Growth %
Investment	692,509	677,372	2.2
Financing	643,610	633,910	1.5
Total Assets	1,592,854	1,562,668	1.9
Deposits	1,113,113	1,044,279	6.6

### Profit & Loss Account

	Rs in million		
	March '25	March '24	Growth %
Total Revenue	22,144	23,534	(5.9)
Total Expenses	(13,342)	(11,024)	21.0
Profit before tax and provisions	8,802	12,510	(29.6)
Net provision reversal / (charge)	2,310	(32)	7,318.8
Profit before tax	11,112	12,478	(10.9)
Tax	(5,965)	(5,965)	-
Profit after tax	5,147	6,513	(21.0)
Earnings per share (Rupees)	3.39	4.29	(21.0)
Gain on equity securities directly realized in equity (net of tax)	860	201	327.9

On a standalone basis, Profit Before Tax (PBT) is at PKR 11.1 billion, reflecting resilient performance despite a challenging macro-economic environment. Profit After Tax (PAT) stood at PKR 5.1 billion, impacted by an increase in the tax rate from 49% to 53%. Earnings Per Share decreased from PKR 4.29 to PKR 3.39.

Total revenue stood at PKR 22.1 billion in Q1'25, while this represents a decline of 5.9% over Q1'24, it reflects the Bank's ability to maintain strong topline momentum despite a sharp reduction in policy rates and the implementation of the Minimum Deposit Rate (MDR) on savings deposits effective January 1, 2025. Net spreads earned were PKR 17.2 billion, with the impact of margin compression partially offset by strong growth in current deposits, which increased by PKR 102 billion (27.5%) YoY.

Non-fund income remained a key source of revenue, growing by 4.4% over the corresponding quarter last year and is at PKR 4.9 billion in Q1'25. Fee income has a robust growth of 20.3%, reaching PKR 3.1 billion, while foreign exchange income remained resilient, growing by 7.3%, to PKR 1.7 billion. Additionally, the Bank realized gain of PKR 0.9 billion on equity securities booked in equity during Q1'25, compared to PKR 0.2 billion in Q1'24.

The Bank's total expenses increased by 21% over Q1'24, driven by inflation and the full year impact of an expanded branch network. There is however a net reversal of PKR 2.3 billion in provisions compared to a charge of PKR 0.03 billion in Q1'24. Asset quality continued to improve with the NPL ratio declining to 3.4% as compared to 3.6% as at Dec'24. The total coverage stands at 100.3%.

FBL's total assets continued to grow, reaching PKR 1.6 trillion, driven by strong deposit mobilization. The upward trend in Current Accounts seen over the past few years continued, taking them to PKR 472 billion i.e., 15.6% growth over December 2024. Total deposits also increased by 6.6% over December 2024 and are at PKR 1.1 trillion. Current Account (CA) mix improved to 42.4% from 39.1% in December 2024 and CASA mix improved to 88.3% from 85.5% in December 2024.

FBL's net financing increased by 1.5% to PKR 644 billion and ADR moderated to 57.8% as at Mar'25 from 60.7% at Dec'24. Investments increased by 2.2% and reached PKR 693 billion.

**Outlook**

Looking forward, we are cognizant of the intense competition and the expected compression in spreads due to decline in the policy rate and introduction of Minimum Deposit Rate (MDR) on saving accounts of Islamic banks. Despite these pressures, through FBL's prudent financial management, Insha'Allah, the Bank will be able to navigate these challenges and sustain growth.

As part of our strategic vision, the Bank is committed to expanding its branch network to drive deposit growth and improve customer reach. Simultaneously, we are focused on improving customer experience through streamlined processes and by investing in cutting-edge digital solutions that will elevate our digital offerings and enrich overall customer experience.

In line with our focus on long term sustainability, we will continue to invest in our workforce, fostering an environment that upholds our core values of Faith, Integrity, Teamwork, Innovation, and Care. Our focus on sustainability goes towards reducing our environmental impact, along with creating a positive difference in the communities we serve. By prioritizing these principles, we aim to strengthen our position in the market and better serve the evolving needs of our customers in the years ahead.

**Credit Rating:**

VIS Credit Rating Company Limited (VIS) and Pakistan Credit Rating Agency Limited (PACRA) have re-affirmed the following entity ratings in 2024:

Long-Term	AA
Short-Term	A1+

PACRA has assigned a 'Stable' outlook, while VIS has upgraded the outlook to 'Positive'.

**Dividend**

The Board of Directors, in their meeting held on April 24, 2025 declared an interim cash dividend of Rs 1.5 per share (15%) for the quarter ended March 31, 2025.



**Heartfelt Thanks: Acknowledging Our Pillars of Strength**

On behalf of the Board and the Management, we extend gratitude to our esteemed shareholders for their unwavering support. We are indebted to our customers for their continuous confidence and trust. We also would like to place on record our appreciation for the Government of Pakistan, the State Bank of Pakistan and the Securities and Exchange Commission of Pakistan for their continued support and guidance and for developing and strengthening the banking and financial services sector through continuous improvement in the regulatory and governance framework.

As always, we would also like to express sincere appreciation for the Shariah Board. We would also like to take this opportunity to recognize and commend the unwavering commitment and exceptional efforts extended by our employees in driving the growth of FBL. We extend our heartfelt thanks to them for their relentless dedication and hard work.

**Approval**

In compliance with the requirement of the Companies Act, 2017, this Directors' Report with the recommendations of the Board Audit and Corporate Governance Committee has been approved by the Directors in their meeting held on April 24, 2025 and signed by the Chief Executive Officer and a director.

**President & CEO**

**Chairman**

Karachi

Dated: April 24, 2025

## ہماری طاقت کے ستونوں کے لیے دلی اظہارِ تشکر

بورڈ اور انتظامیہ کی جانب سے، ہم اس موقع پر شیئر ہولڈرز کا شکریہ ادا کرتے ہیں کہ انہوں نے ہم پر غیر متزلزل اعتماد کیا ہے۔ ہم اپنے صارفین کے تہہ دل سے مشکور ہیں، جنہوں نے اپنے کاروبار اور پختہ یقین کے ساتھ ہم پر اعتماد کو مسلسل جاری رکھا۔ ہم ریگولیٹری اور گورننس فریم ورک میں مسلسل بہتری کے ذریعے بینکنگ اور فنانشل سروسز سیکٹر کے فروغ کے لیے اُن کے مسلسل تعاون اور رہنمائی پر اپنے ریگولیٹرز اور حکومت پاکستان، بالخصوص اسٹیٹ بینک آف پاکستان اور سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے بھی شکر گزار ہیں۔

ہمیشہ کی طرح، ہم شریعہ بورڈ کے مشکور ہیں اور FBL کی ترقی کے لیے اپنے ملازمین کی کوششوں کو تسلیم کرتے ہیں اور ان کی انتھک لگن اور محنت کو دل سے سراہتے ہیں۔

## منظوری

کمپنیز ایکٹ 2017 کے تقاضوں کے مطابق، بورڈ کی آڈٹ اور کارپوریٹ گورننس کمیٹی کی سفارش کے ساتھ ڈائریکٹرز کی اس رپورٹ کو ڈائریکٹرز نے 24 اپریل 2025 کو ہونیوالے اپنے اجلاس میں منظور کیا اور اس پر چیف ایگزیکٹو آفیسر اور ڈائریکٹرز نے دستخط ثبت کئے ہیں۔

چیئر مین / ڈائریکٹر

صدر اور سی ای او

کراچی

تاریخ: 24 اپریل 2025

ہمارے اسٹریٹجک وژن کے ایک حصے کے طور پر، بینک اپنے برانچ نیٹ ورک کو وسعت دینے کے لیے پرعزم ہے تاکہ ڈپازٹ میں اضافہ ہو اور صارفین کی پہنچ کو بہتر بنایا جاسکے۔ اس کے ساتھ ہی، باسہولت پروسیس اور جدید ترین ڈیجیٹل سلوشنز میں سرمایہ کاری کر کے صارفین کے تجربے کو بہتر بنانے پر توجہ مرکوز کر رہے ہیں جو ہماری ڈیجیٹل آفرنگ کو بلند کریں گے اور مجموعی طور پر کسٹمر کے تجربے کو بہتر سے بہتر اور باسہولت بنائیں گے۔

طویل مدتی پائیداری پر ہماری توجہ کے مطابق، ہم اپنی افرادی قوت میں سرمایہ کاری جاری رکھنے کے ساتھ، ایسے ماحول کو فروغ دیں گے جو ایمانداری، دیانت، ٹیم ورک، جدت اور توجہ کی ہماری بنیادی اقدار کو برقرار رکھے۔ پائیداری پر ہماری توجہ ہمارے ماحولیاتی اثرات کو کم کرنے کے ساتھ ساتھ ان آبادیوں میں مثبت تبدیلی لانے میں کوشاں ہے جہاں ہم خدمت کرتے ہیں۔ ان اصولوں کو ترجیح دیتے ہوئے، ہمارا مقصد مارکیٹ میں اپنی پوزیشن کو مضبوط بنانا اور آنے والے سالوں میں اپنے صارفین کی ابھرتی ہوئی ضروریات کو بہتر طریقے سے پورا کرنا ہے۔

## کریڈٹ ریٹنگ:

VIS کریڈٹ ریٹنگ کمپنی لمیٹڈ (VIS) اور پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے فیصل بینک لمیٹڈ کے لیے درج ذیل درجہ بندیوں کی 2024 میں دوبارہ تصدیق کی ہے:

طویل مدتی AA

قلیل مدتی A1+

PACRA نے بینک کو ”مستحکم“ آؤٹ لک تفویض کیا ہے جبکہ VIS نے آؤٹ لک کو ”مثبت“ قرار دیا ہے۔

## ڈیویڈنڈ

بورڈ آف ڈائریکٹرز نے 24 اپریل 2025 کو منعقد ہونے والے اجلاس میں 31 مارچ 2025 کو ختم ہونے والی سہ ماہی کے لیے 1.5 روپے فی شیئر (15%) کے عبوری نقد منافع کی منظوری کی ہے۔

بینک نے اپنی ترقی کی رفتار کو جاری رکھا اور گزشتہ سال کی اسی مدت کی کل آمدنی میں 5.9 فیصد کمی کے ساتھ 22.1 ارب روپے ہو گئی حالانکہ یکم جنوری 2025 سے سیونکس پر کم از کم ڈپازٹ ریٹ کے نفاذ اور پالیسی ریٹس میں تیزی سے کمی واقع ہوتی رہی۔ نیٹ اسپرڈ آمدنی 27.5 فیصد کے سال بہ سال اضافے کے ساتھ، مذکورہ مدت میں 17.2 ارب روپے تک جا پہنچا۔

نان فنڈ آمدنی میں گزشتہ سال کی اسی مدت سے 4.4 فیصد اضافہ ہوا اور Q1 25 میں 4.9 ارب روپے رہی۔ فیس آمدنی بھی 20.3 فیصد اضافہ کے ساتھ 3.1 بلین روپے تک جا پہنچی۔ اسی طرح، فارن ایکسچینج کی آمدنی 7.3 فیصد اضافے کے ساتھ 1.7 ارب روپے ریکارڈ کی گئی۔ اسی سہ ماہی میں بینک کو ایکوئٹی سیکیورٹیز سے منافع کی مد میں 0.9 ارب روپے منافع ہوا جو گزشتہ سال کی اسی مدت میں 0.2 ارب روپے تھا۔

مہنگائی کی شرح بڑھنے اور برانچ نیٹ ورک میں اضافہ کی وجہ سے بینک کے اخراجات 2024 کے مقابلے میں 21.0 فیصد بڑھ گئے۔ 2024 کی پہلی سہ ماہی کے پروویژنز میں 0.03 ارب روپے چارج کے مقابلے میں 2.3 ارب روپے کا نیٹ ریورسل ہوا۔ NPL کا تناسب دسمبر 24 کے 3.6 فیصد سے کم ہوتا ہوا 3.4 فیصد پر آگیا۔ مجموعی کوریج کا تناسب 100.3% رہا۔

مضبوط ڈپازٹ مو بلانیزیشن سے بینک نے اثاثہ جات کو بڑھا کر 1.6 کھرب روپے تک پہنچا دیا۔ گزشتہ چند برسوں سے کرنٹ اکاؤنٹس میں تیزی جاری رہی اور اثاثہ جات 472 ارب روپے تک پہنچ گئے، جو دسمبر 24 سے 15.6% زیادہ کی عکاسی کرتے ہیں۔ مجموعی ڈپازٹس دسمبر 2024 سے 6.6% تک بڑھ کر 1.1 کھرب روپے تک پہنچ گئے۔ کرنٹ اکاؤنٹ (CA) کا تناسب دسمبر 2024 میں 39.1% سے بڑھ کر 42.4% ہو گیا اور CASA کا تناسب دسمبر 2024 میں 85.5% سے بڑھ کر 88.3% ہو گیا۔

FBL کی نیٹ فنانسنگ 1.5% بڑھ کر 644 ارب روپے اور ADR مضبوط ہو کر دسمبر 24 میں 60.7% سے مارچ 25 میں 57.8 فیصد تھی۔ سرمایہ کاری 2.2 فیصد بڑھ کر 693 ارب روپے تک پہنچ گئی۔

## مستقبل پر نظر

مستقبل میں، ہم پالیسی کی شرح میں کمی اور اسلامی بینکوں کے سیونکس اکاؤنٹس پر کم سے کم ڈپازٹ ریٹ (MDR) متعارف کرانے کی وجہ سے شدید مقابلے اور اسپرڈز میں متوقع کمپرییشن سے واقف ہیں۔ اس دباؤ کے باوجود، FBL اپنے پروکار مالیاتی انتظام کے ذریعے، ان چیلنجوں سے نمٹنے اور ترقی کو برقرار رکھنے کے قابل ہو گا۔

## مالیاتی کارکردگی:

### بیلنس شیٹ کے نمایاں اعداد و شمار

(ملین روپے)			
نمو %	دسمبر ۲۰۲۲ء	مارچ ۲۰۲۵ء	
2.2	677,372	692,509	سرمایہ کاری
1.5	633,910	643,610	فنانسنگ
1.9	1,562,668	1,592,854	کل اثاثہ جات
6.6	1,044,279	1,113,113	ڈپازٹس

(ملین روپے)			
نمو %	مارچ ۲۰۲۳ء	مارچ ۲۰۲۵ء	نفع اور نقصان اکاؤنٹ
(5.9)	23,534	22,144	مجموعی آمدنی
21.0	(11,024)	(13,342)	آپریٹنگ اور دیگر اخراجات
(29.6)	12,510	8,802	منافع قبل از ٹیکس اور پروویژن
7,318.8	(32)	2,310	نیٹ پروویژن
(10.9)	12,478	11,112	منافع قبل از ٹیکس
-	(5,965)	(5,965)	ٹیکسز
(21.0)	6,513	5,147	منافع بعد از ٹیکس
(21.0)	4.29	3.38	فی حصص آمدن (روپے)
327.9	201	860	ایکویٹی سیکیورٹیز سے حاصل ڈائریکٹ ایکویٹی منافع (بعد از ٹیکس)

چیلنجر کے باوجود، بینک نے اپنے استحکام اور پائیداری کو برقرار رکھتے ہوئے، انفرادی طور پر، بینک نے 11.1 ارب روپے قبل از ٹیکس منافع (PBT) فراہم کیا ہے۔ بعد از ٹیکس منافع (PAT) ٹیکس ریٹ میں 49 فیصد سے 53 فیصد ہونے پر 5.1 ارب روپے سے کچھ متاثر ہوا۔ فی حصص آمدن 3.39 روپے رہی جو گزشتہ سال 4.29 روپے تھی۔

KSE-100 انڈیکس میں اتار چڑھاؤ رہا، مارچ میں ری باؤنڈنگ سے پہلے سال کے آغاز میں کمی کے ساتھ 117,807 پر بند ہوا، جو سہ ماہی کے اعتبار سے 4% زیادہ ہے۔ انڈیکس نے 119,000 کی اب تک کی بلند ترین سطح کو عبور کیا ہے لیکن خاص طور پر رمضان کے دوران کم تجارتی حجم دیکھا گیا۔ غیر ملکی اور میوچل فنڈ کے اخراج کے باوجود مقامی بینک خالص خریدار بن کر ابھرے۔ توانائی کے شعبے میں سرمایہ کاروں کی دلچسپی خاص طور پر مضبوط تھی، کیونکہ گردشی قرضے کو حل کرنے کے لیے آئی ایم ایف کی حمایت یافتہ اصلاحات کی توقعات ہیں۔

پاکستان کے کرنٹ اکاؤنٹ نے رواں مالی سال میں جولائی تا مارچ کے دوران سرپلس پوسٹ کیا۔ 9M FY25 کے دوران کرنٹ اکاؤنٹ USD 1.859 بلین ہے۔ پاکستان نے مارچ 2025 میں 1.195 بلین امریکی ڈالر کا اپنا اب تک کا سب سے زیادہ ماہانہ کرنٹ اکاؤنٹ سرپلس ریکارڈ کیا۔ 9M FY25 کے لیے کارکنوں کی ترسیلات زر 28.029 بلین امریکی ڈالر تھیں۔ صرف مارچ کے مہینے میں، کارکنوں کی ترسیلات زر نے 4.1 بلین امریکی ڈالر کی اب تک کی سب سے زیادہ ترسیلات کو پوسٹ کیا۔ ایشیا کی برآمدات سالانہ 7.72 فیصد بڑھ کر 24.660 بلین امریکی ڈالر تک پہنچ گئیں، جبکہ درآمدات 11.08 فیصد اضافے کے ساتھ 43.38 بلین امریکی ڈالر تک پہنچ گئیں، جس سے تجارتی خسارہ 18.728 بلین امریکی ڈالر تک بڑھ گیا۔ ایشیا اور سروسز کی تجارت پر توازن 21.046 بلین امریکی ڈالر کا خسارہ ہے جو پچھلے سال کی اسی مدت میں 18.34 بلین امریکی ڈالر کے مقابلے میں تھا۔

2025 کی پہلی سہ ماہی نے پاکستان کی معیشت کے لیے امید افزا تصویر پیش کی۔ مہنگائی میں کمی کے رجحانات نے عوام کو انتہائی ضروری ریلیف فراہم کیا اور ممکنہ مالی مدد کے لیے جگہ پیدا کی، جب کہ مالی استحکام کی کوششوں میں واضح پیش رفت دکھائی دی۔ تاہم، بیرونی سیکٹر اور مینوفیکچرنگ کی کارکردگی میں چیلنجز برقرار ہیں، جس کی وجہ سے پالیسی کی مسلسل نگرانی کی ضرورت ہے۔ مالی سال کے بقیہ عرصے میں رفتار کو برقرار رکھنے کے لیے سیکٹرل سپورٹ کے ساتھ ساتھ میکرو اکنامک استحکام پر حکومت کی توجہ اہم رہے گی۔ اگر مہنگائی کی شرح کم رہتی ہے اور بیرونی بفرز کو محفوظ رکھا جاتا ہے، تو آنے والی سہ ماہیوں میں وسیع تر اقتصادی بحالی کے لیے حالات سازگار ہو سکتے ہیں۔ تاہم، اہم درآمدات پر امریکی ٹیرف اور چین اور دیگر متاثرہ ممالک کی جانب سے جوابی اقدامات کے بعد بڑھتی ہوئی عالمی تجارتی کشیدگی، پاکستان کے لیے اضافی خطرات کا باعث بن سکتی ہے۔ یہ جغرافیائی سیاسی کشیدگی تجارتی بہاؤ اور سپلائی چین میں خلل ڈال سکتی ہے، معاشی استحکام کی حفاظت کے لیے فعال نگرانی اور پالیسی رد عمل کی ضمانت دیتی ہے۔

## بینک کی کارکردگی

بینک کی کارکردگی کا تفصیلی جائزہ درج ذیل پیرا گرافس میں دیا جا رہا ہے:

مالی سال 2025 کے پہلے سات مہینوں (جولائی 2024 سے جنوری 2025) کے دوران، زرعی شعبے کی رفتار مستحکم رہی، جس کی بنیاد پر گزشتہ سال کی اسی مدت کے مقابلے میں زرعی قرضوں کی فراہمی میں 16 فیصد اضافہ ہوا۔ دوسری طرف، لارج اسکیل مینوفیکچرنگ (LSM) سیکٹر کو جنوری 2025 میں ماہانہ بنیادوں پر 2.1 فیصد ریکوری کے باوجود، سالانہ اعتبار سے 1.8 فیصد کمی کا سامنا رہا۔ آٹو موٹائل، تمباکو اور ٹیکسٹائل میں ترقی کے ساتھ، شعبے کے رجحانات ملے جلے رہے، فوڈ، اسٹیل اور کیمیکل کے شعبوں میں کمی واقع ہوئی۔

2025 کی پہلی سہ ماہی میں مہنگائی کے رجحان میں قابل ذکر کمی واقع ہوئی جس میں اوسط سالانہ CPI افراط زر تقریباً 1.5% تک پہنچ گئی، جو تقریباً چھ دہائیوں میں سب سے کم ہے۔ ماہ بہ ماہ مہنگائی کی شرح مارچ 2025 میں 0.7 فیصد پر تھی، رمضان کے دوران تاریخی طور پر دیکھنے میں آنے والی مہنگائی کی شرح کے دباؤ کے باوجود مجموعی طور پر، افراط زر کا دباؤ کم رہا، جس سے صارفین کو ریلیف اور پالیسی میں استحکام دیکھا گیا۔

ایس بی پی نے 10 مارچ 2025 کو اپنی مانیٹری پالیسی کمیٹی کے اجلاس میں، پالیسی کی شرح کو 12 فیصد پر برقرار رکھنے کا فیصلہ کیا، جون 2024 سے جنوری 2025 تک مسلسل چھ بار شرح میں کمی کے بعد اس کے مانیٹری ایجنٹ سائیکل کو روک دیا۔ بیرونی شعبے کی کمزوریوں اور مہنگائی کی تاریخی کم ترین سطح کے باوجود، مرکزی بینک نے میکرو اکنامک استحکام کو برقرار رکھنے کی اہمیت کو تسلیم کرتے ہوئے، ایک محتاط موقف اختیار کیا۔

مالیاتی استحکام کے اقدامات کے مثبت نتائج سامنے آئے ہیں جو کہ FY25 کی پہلی ششماہی کے دوران مالیاتی اکاؤنٹس میں بہتری کو ظاہر کرتے ہیں، بجٹ خسارہ GDP کے 1.2% تک کم ہو گیا ہے، جو گزشتہ سال کی اسی مدت میں 2.3% سے کم ہے۔ بنیادی سرپلس میں 3.6 ٹریلین روپے (GDP کا 2.9%) کی نمایاں بہتری آئی جس میں SBP کے منافع نے 1H FY25 میں بنیادی سرپلس کا 70% (2.5 ٹریلین روپے) حصہ ڈالا۔ صوبوں نے بھی توقعات سے بڑھ کر کارکردگی کا مظاہرہ کیا اور 775 بلین روپے سرپلس کا حصہ ڈالا اس طرح مجموعی مالیاتی خسارہ کم ہوا۔ FY25 کی دوسری ششماہی میں جی ڈی پی میں 1.73% سالانہ اضافہ ہوا، جس میں زراعت (1.10%) اور سروسز (2.57%) کا نمایاں کردار ہے، جبکہ صنعتی شعبے میں تھوڑا سا (0.18%) منفی رجحان رہا۔

## ڈائریکٹرز کا جائزہ

ان کنسولیڈیٹڈ مالیاتی گوشوارے

ہم بورڈ آف ڈائریکٹرز کی جانب سے، فیصل بینک لمیٹڈ ("FBL" یا "بینک") کے 31 مارچ 2025 کو ختم شدہ سہ ماہی کے غیر آڈٹ شدہ مالیاتی گوشوارے پیش کرتے ہوئے اظہار مسرت کرتے ہیں۔

### کمپنی پر وفاق:

FBL کا قیام پاکستان میں 3 اکتوبر 1994 کو ایک پبلک لمیٹڈ کمپنی کے طور پر عمل میں آیا اور اس کے حصص پاکستان اسٹاک ایکسچینج میں درج ہیں۔ FBL صارفین کے تمام طبقات جیسے ریٹیل، چھوٹے اور متوسط درجے کے کاروباری ادارے، کمرشل، ایگری بیسڈ اور کارپوریٹ کو اسلامی بینکنگ خدمات کی ایک وسیع رینج پیش کرتا ہے۔

بینک نے 31 دسمبر 2022 کو اپنا کنوینشنل بینکنگ لائسنس واپس کیا اور 1 جنوری 2023 کو اسٹیٹ بینک آف پاکستان کی جانب سے جاری کردہ اسلامی بینکاری لائسنس کے تحت آپریشنز کا آغاز کیا۔ بینک کی ملک بھر کے 340 شہروں میں 855 شاخیں شرعی اصولوں کے عین مطابق خدمات فراہم کر رہی ہیں۔

### ہولڈنگ کمپنی

اتمار بینک B.S.C. (کلوزڈ)، ایک بینکنگ ادارہ ہے جو مرکزی بینک آف بحرین کے ذریعے ریگولیٹ کیا جاتا ہے، یہ مرکزی کمپنی ہے، جو فیصل بینک لمیٹڈ میں بالواسطہ یا بلاواسطہ 66.78% (2024: 66.78%) حصص کی حامل ہے۔ اتمار بینک B.S.C. (کلوزڈ) اتمار ہولڈنگز B.S.C. کا ملکیتی ذیلی ادارہ دارالmaal الاسلامی ٹرسٹ (DMIT) اتمار ہولڈنگ B.S.C. کی ہولڈنگ کمپنی اور گروپ کی سرپرست ہے۔ DMIT کو معاہدے کے ذریعے دولت مشترکہ بہماس کے قوانین کے تحت اسلامی قوانین، اصولوں اور وایات کے مطابق کاروباری امور کو سرانجام دینے کے مقصد سے تشکیل دیا گیا تھا۔

### تازہ ترین اقتصادی صورتحال:

2025 کی پہلی سہ ماہی میں پاکستان کی معیشت نے حوصلہ افزا نتائج کے ساتھ دیرپا چیلنجز کا سامنا کیا۔ حوصلہ افزا طور پر، مہنگائی کی شرح تاریخی کم ترین سطح پر پہنچ گئی اور مالیاتی نظم و ضبط بہتر ہوئی، جس سے مثبت امید دکھائی دی۔ تاہم، کمزور صنعتی کارکردگی اور بیرونی شعبے کے اتار چڑھاؤ نے پالیسی پر مستقل توجہ کی ضرورت کو اجاگر کیا۔



# Condensed Interim Unconsolidated Statement of Financial Position

As at March 31, 2025

(Un-audited)  
March 31,  
2025

(Audited)  
December 31,  
2024

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

## ASSETS

Cash and balances with treasury banks	9	100,828,969	102,537,577
Balances with other banks	10	8,780,180	5,539,464
Due from financial institutions		-	-
Investments	11	692,508,602	677,372,396
Islamic financing and related assets	12	643,609,850	633,909,548
Property and equipment	13	48,415,058	44,711,052
Right-of-use assets	14	13,198,666	13,289,601
Intangible assets	15	2,544,415	2,600,358
Deferred tax assets		-	-
Other assets	16	82,967,803	82,707,643
		1,592,853,543	1,562,667,639

## LIABILITIES

Bills payable	17	20,043,974	39,169,649
Due to financial institutions	18	290,417,802	280,442,540
Deposits and other accounts	19	1,113,113,027	1,044,278,507
Lease liabilities	20	15,682,559	15,546,893
Subordinated sukuk		-	-
Deferred tax liabilities	21	7,653,443	12,983,960
Other liabilities	22	39,946,163	61,884,721
		1,486,856,968	1,454,306,270

## NET ASSETS

## REPRESENTED BY

Share capital		15,176,965	15,176,965
Reserves		18,374,854	17,866,357
Surplus on revaluation of assets - net of tax	23	18,175,374	22,771,883
Unappropriated profit		54,269,382	52,546,164
		105,996,575	108,361,369

## CONTINGENCIES AND COMMITMENTS

24

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

PRESIDENT & CEO

CHIEF FINANCIAL OFFICER

CHAIRMAN

DIRECTOR

DIRECTOR

# Condensed Interim Unconsolidated Statement of Profit and Loss Account (Un-audited)

For the quarter ended March 31, 2025

		Quarter ended	
	Note	March 31, 2025	March 31, 2024
		----- Rupees in '000 -----	
Profit / return earned	26	42,086,949	60,424,712
Profit / return expensed	27	24,892,083	41,632,488
Net profit / return		17,194,866	18,792,224
<b>OTHER INCOME</b>			
Fee and commission income	28	3,096,833	2,574,520
Dividend income		35,163	70,572
Foreign exchange income		1,717,039	1,600,558
Income / (loss) from derivatives		15,486	(17,955)
Gain on securities - net	29	50,601	335,103
Net loss on derecognition of financial assets measured at amortised cost	16.1	(83,628)	-
Other income	30	117,477	179,039
Total other income		4,948,971	4,741,837
Total income		22,143,837	23,534,061
<b>OTHER EXPENSES</b>			
Operating expenses	31	13,114,464	10,761,813
Workers welfare fund		226,784	258,167
Other charges	32	586	4,455
Total other expenses		13,341,834	11,024,435
Profit before credit loss allowance		8,802,003	12,509,626
(Reversal) / credit loss allowance and write offs - net	33	(2,310,420)	32,108
Extra ordinary / unusual items		-	-
<b>PROFIT BEFORE TAXATION</b>		11,112,423	12,477,518
Taxation	34	5,965,104	5,964,677
<b>PROFIT AFTER TAXATION</b>		5,147,319	6,512,841
----- Rupees -----			
<b>Basic / diluted earnings per share</b>	35	3.39	4.29

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

PRESIDENT & CEO

CHIEF FINANCIAL OFFICER

CHAIRMAN

DIRECTOR

DIRECTOR

# Condensed Interim Unconsolidated Statement of Comprehensive Income (Un-audited)

For the quarter ended March 31, 2025

	Quarter ended	
	March 31, 2025	March 31, 2024
	----- Rupees in '000 -----	
Profit after taxation for the period	5,147,319	6,512,841
<b>Other comprehensive income / (loss)</b>		
<b>Items that may be reclassified to the profit and loss account in subsequent periods:</b>		
Movement in deficit on revaluation of debt investments through FVOCI - net of tax	(4,286,873)	(712,720)
	(4,286,873)	(712,720)
<b>Items that will not be reclassified to the profit and loss account in subsequent periods:</b>		
Movement in (deficit) / surplus on revaluation of equity investments - net of tax	(150,664)	225,247
Movement in surplus on revaluation of property and equipment - net of tax	39,537	-
Movement in surplus on revaluation of non-banking assets - net of tax	320	-
	(110,807)	225,247
<b>Total comprehensive income</b>	<b>749,639</b>	<b>6,025,368</b>

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

# Condensed Interim Unconsolidated Statement of Changes in Equity

## For the quarter ended March 31, 2025

	Share capital	Reserves					Surplus / (deficit) on revaluation of			Unappropriated profit	Total
		Capital reserves			Statutory reserve*	Total	Investments	Property and equipment / non-banking assets	Total		
		Share premium	Non-distributable capital reserve (NCR) - gain on bargain purchase	Reserve arising on amalgamation							
Rupees in '000											
Restated balance as at January 1, 2024 (Audited)	15,176,965	10,131	188,301	23,952	15,393,804	15,616,188	2,453,924	11,802,042	14,255,966	41,395,345	86,444,464
Profit after taxation for the quarter ended March 31, 2024	-	-	-	-	-	-	-	-	-	6,512,841	6,512,841
Other comprehensive income - net of tax	-	-	-	-	-	-	-	-	-	-	-
Movement in deficit on revaluation of debt investments through FVOCI - net of tax	-	-	-	-	-	-	(712,720)	-	(712,720)	-	(712,720)
Movement in surplus on revaluation of equity investments through FVOCI - net of tax	-	-	-	-	-	-	225,247	-	225,247	-	225,247
Total other comprehensive loss - net of tax	-	-	-	-	-	-	(487,473)	-	(487,473)	-	(487,473)
Gain on sale of equity instruments classified as FVOCI - net of tax	-	-	-	-	-	-	(201,273)	-	(201,273)	201,273	-
Transfer to statutory reserve	-	-	-	-	651,285	651,285	-	-	-	(651,285)	-
Transfer from surplus on revaluation of property and equipment to unappropriated profit - net of tax	-	-	-	-	-	-	-	(35,934)	(35,934)	35,934	-
Amortisation of intangible assets - customer relationship - net of tax	-	-	(10,472)	-	-	(10,472)	-	-	-	-	(10,472)
Transaction with owners, recorded directly in equity	-	-	-	-	-	-	-	-	-	-	-
Final cash dividend declared on February 7, 2024 at Rs 2 per share	-	-	-	-	-	-	-	-	-	(3,035,394)	(3,035,394)
Restated balance as at March 31, 2024 (Un-audited)	15,176,965	10,131	177,829	23,952	16,045,089	16,257,001	1,765,178	11,766,108	13,531,286	44,458,714	89,423,966
Profit after taxation for the nine months period ended December 31, 2024	-	-	-	-	-	-	-	-	-	16,515,352	16,515,352
Other comprehensive income - net of tax	-	-	-	-	-	-	-	-	-	-	-
Movement in surplus on revaluation of debt investments through FVOCI - net of tax	-	-	-	-	-	-	8,442,715	-	8,442,715	-	8,442,715
Movement in surplus on revaluation of equity investments through FVOCI - net of tax	-	-	-	-	-	-	1,067,904	-	1,067,904	-	1,067,904
Remeasurement loss on defined benefit obligations - net of tax	-	-	-	-	-	-	-	-	-	(44,500)	(44,500)
Movement in deficit on revaluation of property and equipment - net of tax	-	-	-	-	-	-	-	(170,430)	(170,430)	-	(170,430)
Movement in deficit on revaluation of non-banking assets - net of tax	-	-	-	-	-	-	-	(1,824)	(1,824)	-	(1,824)
Total other comprehensive income / (loss) - net of tax	-	-	-	-	-	-	9,510,619	(172,254)	9,338,365	(44,500)	9,293,865
Gain on sale of equity instruments classified as FVOCI - net of tax	-	-	-	-	-	-	(7,575)	-	(7,575)	7,575	-
Transfer to statutory reserve	-	-	-	-	1,651,534	1,651,534	-	-	-	(1,651,534)	-
Transfer from surplus on revaluation of property and equipment to unappropriated profit - net of tax	-	-	-	-	-	-	-	(90,193)	(90,193)	90,193	-
Transfer from surplus on revaluation of property and equipment on disposal - net of tax	-	-	-	-	-	-	-	-	-	-	-
Amortisation of intangible assets - customer relationship - net of tax	-	-	(42,178)	-	-	(42,178)	-	-	-	-	(42,178)
Transaction with owners, recorded directly in equity	-	-	-	-	-	-	-	-	-	-	-
First interim cash dividend declared on April 25, 2024 at Re 1 per share	-	-	-	-	-	-	-	-	-	(1,517,697)	(1,517,697)
Second interim cash dividend declared on August 28, 2024 at Rs 2 per share	-	-	-	-	-	-	-	-	-	(3,035,394)	(3,035,394)
Third interim cash dividend declared on October 24, 2024 at Rs 1.5 per share	-	-	-	-	-	-	-	-	-	(2,276,545)	(2,276,545)
Balance as at December 31, 2024 (Audited)	15,176,965	10,131	135,651	23,952	17,696,623	17,866,357	11,268,222	11,503,661	22,771,883	52,546,164	108,361,369
Impact of adopting IFRS 9 as at January 1, 2025 - net of tax	-	-	-	-	-	-	686,043	-	686,043	-	686,043
Restated balance as at January 1, 2025	15,176,965	10,131	135,651	23,952	17,696,623	17,866,357	11,954,265	11,503,661	23,457,926	52,546,164	109,047,412
Profit after taxation for the quarter ended March 31, 2025	-	-	-	-	-	-	-	-	-	5,147,319	5,147,319
Other comprehensive income - net of tax	-	-	-	-	-	-	-	-	-	-	-
Movement in deficit on revaluation of debt investments through FVOCI - net of tax	-	-	-	-	-	-	(4,286,873)	-	(4,286,873)	-	(4,286,873)
Movement in deficit on revaluation of equity investments through FVOCI - net of tax	-	-	-	-	-	-	(150,664)	-	(150,664)	-	(150,664)
Movement in surplus on revaluation of property and equipment - net of tax	-	-	-	-	-	-	-	39,537	39,537	-	39,537
Movement in surplus on revaluation of non-banking assets - net of tax	-	-	-	-	-	-	-	320	320	-	320
Total other comprehensive loss - net of tax	-	-	-	-	-	-	(4,437,537)	39,857	(4,397,680)	-	(4,397,680)
Gain on sale of equity instruments classified as FVOCI - net of tax	-	-	-	-	-	-	(860,314)	-	(860,314)	860,314	-
Transfer to statutory reserve	-	-	-	-	514,732	514,732	-	-	-	(514,732)	-
Transfer from surplus on revaluation of property and equipment to unappropriated profit - net of tax	-	-	-	-	-	-	-	(24,558)	(24,558)	24,558	-
Amortisation of intangible assets - customer relationship - net of tax	-	-	(6,235)	-	-	(6,235)	-	-	-	-	(6,235)
Transaction with owners, recorded directly in equity	-	-	-	-	-	-	-	-	-	-	-
Final cash dividend declared on February 20, 2025 at Rs 2.5 per share	-	-	-	-	-	-	-	-	-	(3,794,241)	(3,794,241)
Balance as at March 31, 2025 (Un-audited)	15,176,965	10,131	129,416	23,952	18,211,355	18,374,854	6,656,414	11,518,960	18,175,374	54,269,382	105,996,575

\* This represents reserve created under section 21(i)(b) of the Banking Companies Ordinance, 1962.

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

PRESIDENT & CEO

CHIEF FINANCIAL OFFICER

CHAIRMAN

DIRECTOR

DIRECTOR

March 31, 2025 | First Quarter | 19

# Condensed Interim Unconsolidated Cash Flow Statement (Un-audited)

For the quarter ended March 31, 2025

	Note	March 31, 2025	March 31, 2024
		Rupees in '000	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before taxation		11,112,423	12,477,518
Less: dividend income		(35,163)	(70,572)
		11,077,260	12,406,946
<b>Adjustments:</b>			
Net profit / return income		(17,194,866)	(18,792,224)
Depreciation on owned property and equipment	31	1,099,823	634,698
Depreciation on right-of-use assets	31	588,403	485,781
Depreciation on non-banking assets	31	592	786
Amortisation of intangible assets	31	144,169	95,521
Amortisation of lease liability against right-of-use-assets	27	511,377	393,974
Workers welfare fund		226,784	258,167
(Reversal) / credit loss allowance and write offs - net	33	(2,310,420)	32,108
Unrealised gain - FVTPL	29	-	(206,884)
Net loss on derecognition of financial assets measured at amortised cost		83,628	
Gain on sale of property and equipment - net	30	(4,183)	(24)
Gain on termination of leases (IFRS 16)	30	(13,045)	(19,563)
Charge for defined benefit plan		145,692	88,347
Loss / (income) from derivative contracts		(15,486)	17,955
		(16,737,532)	(17,011,358)
		(5,660,272)	(4,604,412)
<b>Decrease / (increase) in operating assets</b>			
Due from financial institutions		-	(10,999,999)
Securities classified as FVTPL		1,365,407	(2,642,290)
Islamic financing and related assets		(8,295,128)	4,358,494
Others assets (excluding advance taxation)		5,140,178	(2,006,697)
		(1,789,543)	(11,290,492)
<b>Increase / (decrease) in operating liabilities</b>			
Bills Payable		(19,125,675)	(4,175,595)
Due to financial institutions		9,975,262	80,374,307
Deposits		68,834,520	31,364,793
Other liabilities (excluding current taxation)		(24,094,890)	(1,258,946)
		35,589,217	106,304,559
Income tax paid		(4,973,131)	(8,701,874)
Profit / return received		34,598,757	37,319,155
Profit / return paid		(25,117,063)	(38,557,971)
Contribution to gratuity fund		(145,692)	(88,347)
<b>Net cash generated from operating activities</b>		32,502,273	80,380,618
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Net divestments in amortized cost securities		1,396,156	1,921
Net investments in securities classified as FVOCI		(26,608,448)	(54,537,133)
Net investments in subsidiary		-	(1,000,000)
Dividends received		30,951	56,110
Investment in property and equipment		(4,851,845)	(3,576,179)
Investment in intangible assets		(107,226)	(163,685)
Sale proceeds on disposal of property and equipment		42,265	42
<b>Net cash used in investing activities</b>		(30,098,147)	(59,218,924)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Payment of lease liabilities against right-of-use assets		(863,795)	(627,441)
Dividend paid		(8,223)	(6,113,986)
<b>Net cash used in financing activities</b>		(872,018)	(6,741,427)
<b>Increase in cash and cash equivalents during the period</b>		1,532,108	14,420,267
Cash and cash equivalents at the beginning of the period		108,077,041	83,720,548
<b>Cash and cash equivalents at the end of the period</b>		109,609,149	98,140,815

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

PRESIDENT & CEO

CHIEF FINANCIAL OFFICER

CHAIRMAN

DIRECTOR

DIRECTOR

# Notes to the Condensed Interim Unconsolidated Financial Statements (un-audited)

For the quarter ended March 31, 2025

## 1 STATUS AND NATURE OF BUSINESS

- 1.1 Faysal Bank Limited (the Bank) was incorporated in Pakistan on October 3, 1994 as a public limited company under the provisions of the repealed Companies Ordinance, 1984 (now the Companies Act, 2017). Its shares are listed on the Pakistan Stock Exchange Limited. The Bank is engaged in Shariah compliant modern Corporate, Commercial and Consumer banking activities. The Bank is operating through 855 branches (December 31, 2024: 855 branches) including 2 sub-branches (December 31, 2024: 2 sub-branches).

The Registered Office of the Bank is located at Faysal House, ST-02, Shahrah-e-Faisal, Karachi.

Ithmaar Bank B.S.C (closed), a fully owned subsidiary of Ithmaar Holdings B.S.C is the parent company of the Bank, holding directly and indirectly 66.78% (December 31, 2024: 66.78%) of the shareholding of the Bank. Dar Al-Maal Al-Islami Trust (DMIT), (ultimate parent of the Bank) is the holding company of Ithmaar Holdings B.S.C.

- 1.2 The Pakistan Credit Rating Agency Limited (PACRA) and VIS Credit Rating Company Limited have determined the Bank's long-term rating as 'AA' (December 31, 2024: 'AA') and the short term rating as 'A1+' (December 31, 2024: 'A1+') on June 24, 2024 and June 28, 2024 respectively.

## 2 BASIS OF PRESENTATION

- 2.1 The Bank provides financing mainly through Murabaha, Musawammah, Istisna and other Islamic modes as briefly explained in note 6.8 to the annual audited unconsolidated financial statements for the year ended December 31, 2024.

The purchases and sales arising under these arrangements are not reflected in these condensed interim unconsolidated financial statements as such but are restricted to the amount of facility actually utilized and the appropriate portion of profit thereon. The income on such financing is recognised in accordance with the principles of Islamic Shariah. However, income, if any, received which does not comply with the principles of Islamic Shariah is recognised as charity payable if so directed by the Shariah Board of the Bank.

- 2.2 The Bank has controlling interest in Faysal Asset Management Limited (FAML) and Faysal Islami Currency Exchange Company (Private) Limited and is required to prepare consolidated financial statements under the provisions of the Companies Act, 2017. These condensed interim financial statements represent the unconsolidated results of the Bank and a separate set of condensed interim consolidated financial statements are also being presented by the Bank.

## 3 STATEMENT OF COMPLIANCE

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Islamic Financial Accounting standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as are notified under the Companies Act, 2017;
- Provisions of, and directives issued under the Banking Companies Ordinance, 1962 and the Companies Act, 2017; and
- Directives issued by the State Bank of Pakistan (SBP) and the Securities and Exchange Commission of Pakistan (SECP).

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

The State Bank of Pakistan (SBP) has adopted requirements of IFRS 9 along with the application instructions through BPRD Circular No. 07 of 2023, dated April 13, 2023, but deferred certain requirements. Islamic banking institutions have been allowed to follow Islamic Financial Accounting Standards (IFAS) 1 & 2 where

# Notes to the Condensed Interim Unconsolidated Financial Statements (un-audited)

## For the quarter ended March 31, 2025

applicable and continue existing accounting practices for other Islamic products until further instructions. The impact of profit of financing in advance stage is Rs. 1,551 million excluding any Effective yield rate (EIR) effect as the Bank has received deferment of recording income and expense at EIR via letter from SBP till December 31, 2025. Consequently, these deferred requirements of IFRS 9 have not been considered in the preparation of these condensed interim unconsolidated financial statements.

- 3.2

As per the directive of the SBP through its letter BPRD (R&P-02)/625-99/2011/3744 dated March 28, 2011, gain arising on bargain purchase of Pakistan operations of Royal Bank of Scotland (ex-RBS Pakistan) was credited directly into equity as Non-distributable Capital Reserve (NCR). The SBP allowed the Bank to adjust the amortisation of intangible assets against the portion of reserve which arose on account of such assets identified as a result of such acquisition. Accordingly, during the period ended March 31, 2025, the Bank has adjusted amortisation of intangible assets net of tax amounting to Rs. 6.235 million (period ended March 31, 2024: Rs. 10.472 million) from the NCR.
- 3.3

These condensed interim unconsolidated financial statements do not include all the information and disclosures required in the annual audited unconsolidated financial statements, and are limited based on the format prescribed by the State Bank of Pakistan through BPRD Circular Letter No. 2 of 2023 dated February 9, 2023 and IAS 34 and should be read in conjunction with the annual unconsolidated financial statements for the financial year ended December 31, 2024.
- 3.4

**Standards, interpretations of and amendments to the published accounting and reporting standards that are effective in the current period**
- 3.4.1

There are certain new and amended standards, interpretations and amendments that are mandatory for the Bank's accounting periods beginning on January 1, 2025 but are considered not to be relevant or do not have any significant effect on the Bank's operations are therefore not detailed in these condensed interim unconsolidated financial statements.
- 3.5

**Standards, interpretations of and amendments to the published accounting and reporting standards that are not yet effective**
- 3.5.1

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

Standards, interpretations or amendments	Effective date (annual periods beginning on or after)
- IFRS S1 - General Requirements for Disclosure of Sustainability - related Financial Information	January 1, 2026
- IFRS S2 - Climate-related Disclosures	January 1, 2026
- Amendments to IFRS 9 Financial Instruments	January 1, 2026
- Amendments to IFRS 10 and IAS 28 - Sale or contribution of assets between an investor and its associates or joint venture	not yet announced

The management of the Bank is assessing the impact of the changes in the above mentioned standards on the Bank's financial statements.

- 3.5.2

As required under SBP Letter No. BPRD/LD-01/850/28853/2022-13054, the details of the net conventional funded portfolio as at March 31, 2025 are as follows:

	Note	Rupees in '000
<b>Assets</b>		
Investments		1,590,449
Financing - net		490,349
<b>Liabilities</b>		
Deposits and other accounts		2,354,757
Other Liabilities	25.1	733,940

All efforts are being put in to convert or dispose-off the residual portfolio and appropriate monitoring mechanisms are in place. Quarterly progress report on the status of the residual portfolio is shared with the Bank's Board of Directors, the Shariah Board and the State Bank of Pakistan.

# Notes to the Condensed Interim Unconsolidated Financial Statements (un-audited)

For the quarter ended March 31, 2025

## 4 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in preparation of these condensed interim unconsolidated financial statements are the same as applied in the preparation of annual unconsolidated financial statements of the Bank for the year ended December 31, 2024 except for the following.

### 4.1 Fair valuation of unquoted equity securities

The fair value of unquoted equity instruments is determined by applying the adjusted net assets method, as no quoted market prices or reliable valuation inputs are available. All fair value adjustments are recognized in Other Comprehensive Income (OCI) and accumulated within equity, in accordance with IFRS 9.

## 5 BASIS OF MEASUREMENT

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

## 6 FUNCTIONAL AND PRESENTATION CURRENCY

6.1 Items included in these condensed interim unconsolidated financial statements are measured using the currency of the primary economic environment in which the Bank operates. These condensed interim unconsolidated financial statements are presented in Pakistani Rupees, which is the Bank's functional and presentation currency.

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

## 7 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The basis for accounting estimates adopted in the preparation of these condensed interim unconsolidated financial statements is the same as that applied in the preparation of the unconsolidated financial statements of the Bank for the year ended December 31, 2024 except for fair valuation of unlisted equity securities.

## 8 FINANCIAL RISK MANAGEMENT

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

## 9 CASH AND BALANCES WITH TREASURY BANKS

	Note	(Un-audited) March 31, 2025	(Audited) December 31, 2024
----- Rupees in '000 -----			
In hand			
- local currency		32,958,907	28,945,425
- foreign currencies		4,429,139	3,244,750
		37,388,046	32,190,175
With State Bank of Pakistan in			
- local currency current accounts		53,764,496	62,834,348
- foreign currency current accounts		2,409,416	2,367,675
- foreign currency deposit accounts		4,966,369	3,841,612
	9.1	61,140,281	69,043,635
With National Bank of Pakistan in			
- local currency current accounts		2,302,642	1,304,011
Prize bonds	9.2	-	1,443
Less: Credit loss allowance held against cash and balances with treasury banks		(2,000)	(1,687)
Cash and balances with treasury banks - net of credit loss allowance		100,828,969	102,537,577



# Notes to the Condensed Interim Unconsolidated Financial Statements (un-audited)

## For the quarter ended March 31, 2025

- 9.1

These include local and foreign currency amounts required to be maintained by the Bank with SBP under the Banking Companies Ordinance, 1962 and / or stipulated by the SBP. These accounts are non-remunerative in nature.
- 9.2

These represent the notional prize bonds received form customers for onward surrendering to SBP. The Bank as in the matter of Shariah principle, does not deal in prize bonds.

	(Un-audited) March 31, 2025	(Audited) December 31, 2024
	----- Rupees in '000 -----	
<b>10 BALANCES WITH OTHER BANKS</b>		
In Pakistan		
- in current accounts	9,698	13,906
Outside Pakistan		
- in current accounts	8,770,485	5,525,561
Less: Credit loss allowance held against balances with other banks	(3)	(3)
Balances with other banks - net of credit loss allowance	<u>8,780,180</u>	<u>5,539,464</u>

## 11 INVESTMENTS

### 11.1 Investments by type:

Note	(Un-audited) March 31, 2025			
	Cost / amortised cost	Credit loss allowance	Surplus / (deficit)	Carrying value
	----- Rupees in '000 -----			
<b>FVTPL</b>				
Federal Government securities	1,259,446	-	-	1,259,446
	1,259,446	-	-	1,259,446
<b>FVOCI</b>				
Federal Government securities	616,782,070	-	11,073,910	627,855,980
Shares	5,044,919	-	1,056,619	6,101,538
Non Government debt securities	47,570,932	(1,320,594)	1,737,000	47,987,338
	669,397,921	(1,320,594)	13,867,529	681,944,856
<b>Amortised Cost</b>				
Non Government debt securities	6,818,195	(8,939)	-	6,809,256
	6,818,195	(8,939)	-	6,809,256
<b>Associates *</b>				
	11.5			
Faysal Islamic Savings Growth Fund	205,151	-	-	205,151
Faysal Halal Amdani Fund	150,000	-	-	150,000
	355,151	-	-	355,151
<b>Subsidiaries *</b>				
	11.5			
Faysal Asset Management Limited	1,139,893	-	-	1,139,893
Faysal Islami Currency Exchange Company (Private) Limited	1,000,000	-	-	1,000,000
	2,139,893	-	-	2,139,893
<b>Total Investments</b>	<u>679,970,606</u>	<u>(1,329,533)</u>	<u>13,867,529</u>	<u>692,508,602</u>
* related parties				

# Notes to the Condensed Interim Unconsolidated Financial Statements (un-audited)

For the quarter ended March 31, 2025

(Audited) December 31, 2024			
Cost / amortised cost	Credit loss allowance	Surplus / (deficit)	Carrying value
----- Rupees in '000 -----			
<b>FVTPL</b>			
Federal Government securities	2,624,853	-	2,624,853
	2,624,853	-	2,624,853
<b>FVOCI</b>			
Federal Government securities	586,829,381	-	607,402,527
Shares	8,389,160	-	10,159,611
Non Government debt securities	47,570,932	(1,321,184)	47,881,091
	642,789,473	(1,321,184)	665,443,229
<b>Amortised Cost</b>			
Non Government debt securities	8,214,351	(1,405,081)	6,809,270
	8,214,351	(1,405,081)	6,809,270
<b>Associates *</b>			
Faysal Islamic Savings Growth Fund	205,151	-	205,151
Faysal Halal Amdani Fund	150,000	-	150,000
	355,151	-	355,151
<b>Subsidiaries *</b>			
Faysal Asset Management Limited	1,139,893	-	1,139,893
Faysal Islami Currency Exchange Company (Private) Limited	1,000,000	-	1,000,000
	2,139,893	-	2,139,893
<b>Total Investments</b>	656,123,721	(2,726,265)	677,372,396

\* related parties

(Un-audited)  
March 31,  
2025

(Audited)  
December 31,  
2024

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

## 11.2 Investments given as collateral - at market value

### Federal Government Securities

Ijarah Sukuk

197,920,950	128,477,500
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## 11.3 Credit loss allowance for diminution in value of investments

Opening balance	2,726,265	3,834,242
Impact of adopting IFRS 9 as at January 1,	-	(920,972)
Balance as at January 1,	2,726,265	2,913,270
Charge / reversals		
- Charge for the period / year	-	99
- Reversals for the period / year	(577)	(182,783)
- Reversal on disposals	(1,038,580)	(4,321)
	(1,039,157)	(187,005)
Transfers - net	(357,575)	-
Amounts written off	-	-
Closing Balance	1,329,533	2,726,265

# Notes to the Condensed Interim Unconsolidated Financial Statements (un-audited)

For the quarter ended March 31, 2025

## 11.4 Particulars of credit loss allowance against debt securities

		(Un-audited)		(Audited)	
		March 31, 2025		December 31, 2024	
		Outstanding amount	Credit loss allowance	Outstanding amount	Credit loss allowance
Rupees in '000					
<b>Domestic</b>					
Performing	Stage 1	669,428,854	420	639,476,165	996
Underperforming	Stage 2	-	-	-	-
Non-performing	Stage 3				
Substandard		-	-	-	-
Doubtful		-	-	1,214,135	800,905
Loss		1,742,343	1,329,113	1,924,364	1,924,364
		1,742,343	1,329,113	3,138,499	2,725,269
Total		671,171,197	1,329,533	642,614,664	2,726,265

## 11.5 Investment in subsidiaries and associates

Note		As at March 31, 2025 (Un-audited)						
		Country of incorporation	% Holding	Assets	Liabilities	Revenue	Profit after tax	Total comprehensive income
		%		Rupees in '000				
Associates								
Faysal Islamic Savings Growth Fund		Pakistan	7.99	2,582,652	16,106	42,254	30,635	30,635
Faysal Halal Amdani Fund		Pakistan	0.32	47,129,269	124,397	1,618,941	1,335,025	1,335,025
Subsidiaries								
Faysal Asset Management Limited	11.5.1	Pakistan	99.99	3,386,447	485,639	912,067	281,603	281,603
Faysal Islami Currency Exchange Company (Private) Limited	11.5.2	Pakistan	100.00	1,044,461	27,775	21,408	(8,669)	(8,669)
		As at March 31, 2024 (Un-audited)						
		Country of incorporation	% Holding	Assets	Liabilities	Revenue	Profit after tax	Total comprehensive income
		%		Rupees in '000				
Associates								
Faysal Islamic Savings Growth Fund		Pakistan	16.3	1,402,941	13,345	121,707	107,444	107,444
Faysal Halal Amdani Fund		Pakistan	0.2	66,801,085	3,328,286	2,502,821	2,340,714	2,340,714
Subsidiaries								
Faysal Asset Management Limited		Pakistan	99.99	2,484,971	536,842	507,265	167,530	167,530
Faysal Islami Currency Exchange Company (Private) Limited		Pakistan	100.00	1,021,012	20,271	23,898	741	741

# Notes to the Condensed Interim Unconsolidated Financial Statements (un-audited)

For the quarter ended March 31, 2025

## 12 ISLAMIC FINANCING AND RELATED ASSETS

Note	Performing		Non-performing		Total	
	(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)
	March 31 2025	December 31, 2024	March 31 2025	December 31, 2024	March 31 2025	December 31, 2024
Rupees in '000						
<b>Murabaha financing and related assets</b>						
Murabaha financing	102,398,150	16,772,851	138,585	128,898	102,536,735	16,901,749
Advance against Murabaha financing	4,921,072	8,809,831	5,000	14,687	4,926,072	8,824,518
Inventory related to Murabaha	1,271,559	2,558,743	-	-	1,271,559	2,558,743
	108,590,781	28,141,425	143,585	143,585	108,734,366	28,285,010
<b>Running Musharaka</b>						
	160,258,585	235,138,286	-	-	160,258,585	235,138,286
<b>Istisna financing and related assets</b>						
Istisna	39,426,748	34,068,949	1,839,296	1,896,048	41,266,044	35,964,997
Advance against Istisna	15,503,545	23,683,828	261,742	298,335	15,765,287	23,982,163
Inventory related to Istisna	29,655,916	30,242,203	1,180,326	1,122,330	30,836,242	31,364,533
	84,586,209	87,994,980	3,281,364	3,316,713	87,867,573	91,311,693
<b>Tijarah financing and related assets</b>						
Tijarah	4,376,053	3,928,174	409,720	409,720	4,785,773	4,337,894
Advance against Tijarah	3,534,951	3,810,688	-	88,000	3,534,951	3,898,688
Inventory related to Tijarah	9,030,507	10,780,109	88,000	-	9,118,507	10,780,109
	16,941,511	18,518,971	497,720	497,720	17,439,231	19,016,691
<b>Musawamah financing and related assets</b>						
Musawamah	5,078,253	4,559,401	209,425	184,088	5,287,678	4,743,489
Advance against Musawamah	735	735	102	-	837	735
Inventory related to Musawamah	345	345	-	-	345	345
	5,079,333	4,560,481	209,527	184,088	5,288,860	4,744,569
<b>Salam financing and related assets</b>						
Salam	-	-	1,200	1,200	1,200	1,200
Advance against Salam	1,467,691	10,100,000	-	-	1,467,691	10,100,000
Inventory related to Salam	8,632,309	-	-	-	8,632,309	-
	10,100,000	10,100,000	1,200	1,200	10,101,200	10,101,200
<b>Diminishing Musharaka financing and related assets</b>						
Diminishing Musharaka	240,553,015	230,599,744	6,777,939	6,616,512	247,330,954	237,216,256
Advance against Diminishing Musharaka	8,488,903	9,064,745	35,000	335,000	8,523,903	9,399,745
	249,041,918	239,664,489	6,812,939	6,951,512	255,854,857	246,616,001
<b>Wakala Istithmar</b>						
	6,302,669	6,302,669	-	-	6,302,669	6,302,669
<b>Tawwaruq</b>						
	18,950,153	18,880,445	154,488	248,336	19,104,641	19,128,781
<b>Musharaka</b>						
	-	7,473	562	731	562	8,204
<b>Bai salam</b>						
	37,289	579,527	-	-	37,289	579,527
Other financing	659,888,448	649,888,746	11,101,385	11,343,885	670,989,833	661,232,631
Gross Financing	657,251	734,485	12,113,138	12,991,197	12,770,389	13,725,682
	660,545,699	650,623,231	23,214,523	24,335,082	683,760,222	674,958,313
<b>Credit loss allowance against islamic financing and related assets</b>						
Stage 1	(1,270,051)	(906,457)	-	-	(1,270,051)	(906,457)
Stage 2	(1,211,946)	(2,034,675)	-	-	(1,211,946)	(2,034,675)
Stage 3	-	-	(20,801,298)	(21,687,048)	(20,801,298)	(21,687,048)
	(2,481,997)	(2,941,132)	(20,801,298)	(21,687,048)	(23,283,295)	(24,628,180)
Fair value loss	(16,867,077)	(16,420,585)	-	-	(16,867,077)	(16,420,585)
Islamic financing and related assets - net of credit loss allowance	641,196,625	631,261,514	2,413,225	2,648,034	643,609,850	633,909,548

# Notes to the Condensed Interim Unconsolidated Financial Statements (un-audited)

For the quarter ended March 31, 2025

	Note	(Un-audited) March 31, 2025	(Audited) December 31, 2024
Rupees in '000			
12.1	Murabaha receivable - gross	12.1.2 104,803,217	17,675,934
	Less: Deferred murabaha income	12.1.3 (535,165)	(474,640)
	Profit receivable shown in other assets	(1,731,317)	(299,545)
	Murabaha financings	12.1.1 102,536,735	16,901,749
12.1.1	The movement in Murabaha financing during the period / year is as follows:		
	Opening balance	16,901,749	38,451,305
	Sales during the period / year	111,790,389	158,526,120
	Adjusted during the period / year	(26,155,403)	(180,075,676)
	Closing balance	102,536,735	16,901,749
12.1.2	Murabaha sale price	104,644,969	17,675,934
	Murabaha purchase price	(102,378,487)	(16,901,749)
		2,266,482	774,185
12.1.3	Deferred murabaha income		
	Opening balance	474,640	29,223
	Arising during the period / year	2,502,686	5,058,731
	Less: recognised during the period / year	(2,442,161)	(4,613,314)
	Closing balance	535,165	474,640
12.2	Particulars of Islamic financing and related assets (gross)		
	In local currency	675,094,840	663,438,554
	In foreign currencies	8,665,382	11,519,759
		683,760,222	674,958,313

12.3 Islamic financing and related assets include Rs. 23,214.523 million (December 31, 2024: Rs. 24,335.082 million) which have been placed under non-performing / Stage 3 status as detailed below:

Category of classification	(Un-audited) March 31, 2025		(Audited) December 31, 2024	
	Non-performing financing	Credit loss allowance	Non-performing financing	Credit loss allowance

Rupees in '000

### Domestic

Other assets especially mentioned	195,334	1,650	300,209	1,545
Substandard	866,464	398,779	1,229,356	637,774
Doubtful	2,660,654	1,623,038	2,615,793	1,593,190
Loss	19,492,071	18,777,831	20,189,724	19,454,539
Total	23,214,523	20,801,298	24,335,082	21,687,048

# Notes to the Condensed Interim Unconsolidated Financial Statements (un-audited)

For the quarter ended March 31, 2025

## 12.4 Particulars of credit loss allowance against Islamic financing and related assets

	(Unaudited)				(Audited)					
	March 31, 2025				December 31, 2024					
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Specific Provision	General Provision	Total
Rupees in '000										
Opening balance	906,457	2,034,675	21,687,048	24,628,180	-	-	-	19,172,592	877,670	20,050,262
Impact of adopting IFRS 9 as of January 1,	-	-	-	-	936,972	5,264,393	20,954,552	(19,172,592)	(877,670)	7,105,655
Balance as at January 1,	906,457	2,034,675	21,687,048	24,628,180	936,972	5,264,393	20,954,552	-	-	27,155,917
Exchange adjustments	-	-	4,906	4,906	-	-	(9,663)	-	-	(9,663)
Charge for the period / year	618,474	224,940	196,370	1,039,784	529,876	990,613	3,373,969	-	-	4,894,458
Reversals during the period / year	(254,880)	(1,047,669)	(1,021,624)	(2,324,173)	(560,391)	(4,220,331)	(2,149,262)	-	-	(6,929,984)
	363,594	(822,729)	(825,254)	(1,284,389)	(30,515)	(3,229,718)	1,224,707	-	-	(2,035,526)
Amounts written off	-	-	(542)	(542)	-	-	(4,783)	-	-	(4,783)
Amounts charged-off	-	-	(64,860)	(64,860)	-	-	(477,765)	-	-	(477,765)
Closing balance	1,270,051	1,211,946	20,801,298	23,283,295	906,457	2,034,675	21,687,048	-	-	24,628,180

**12.4.1** Credit loss allowance for Stage 1 and Stage 2 represents credit loss allowance maintained against performing portfolio as required under IFRS 9.

**12.4.2** As allowed by the SBP, the Bank has availed benefit of forced sale value (FSV) of collaterals held as security of Rs 738.997 million (December 31, 2024: Rs 771.625 million) relating to financing while determining the provisioning requirement against non-performing financing and investment as at March 31, 2025. The additional profit arising from availing the FSV benefit (net of tax) as at March 31, 2025 which is not available for distribution as either cash or stock dividend to shareholders and bonus to employees approximately amounted to Rs 347.329 million (December 31, 2024: Rs 354.947 million).

## 12.5 Islamic financing and related assets - Particulars of credit loss allowance

	(Un-audited)			(Audited)		
	March 31, 2025			December 31, 2024		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Rupees in '000						
Opening balance	906,457	2,034,675	21,687,048	-	-	-
Impact of adopting IFRS 9 as at January 1	-	-	-	936,972	5,264,393	20,954,552
Restated balance as at January 1	906,457	2,034,675	21,687,048	936,972	5,264,393	20,954,552
New Financing / Increase	402,607	(262,608)	163,640	805,133	191,006	1,725,492
Financing derecognised or repaid	(273,191)	(294,974)	(1,019,863)	(241,527)	(1,670,418)	(2,147,246)
Transfer to stage 1	289,844	(289,844)	-	31	(31)	-
Transfer to stage 2	(51,322)	53,083	(1,761)	(457,946)	459,962	(2,016)
Transfer to stage 3	(4,344)	(28,386)	32,730	(16,394)	(1,872,697)	1,889,091
	363,594	(822,729)	(825,254)	89,297	(2,892,178)	1,465,321
Amounts written off	-	-	(542)	-	-	(4,783)
Amounts charged off	-	-	(64,860)	-	-	(477,765)
Changes in risk parameters	-	-	-	(119,812)	(337,540)	(240,614)
Exchange adjustments	-	-	4,906	-	-	(9,663)
Closing balance	1,270,051	1,211,946	20,801,298	906,457	2,034,675	21,687,048

# Notes to the Condensed Interim Unconsolidated Financial Statements (un-audited)

For the quarter ended March 31, 2025

## 12.6 Islamic financing and related assets - Category of classification

		(Un-audited)		(Audited)	
		March 31, 2025		December 31, 2024	
		Outstanding amount	Credit loss allowance	Outstanding amount	Credit loss allowance
----- Rupees in '000 -----					
<b>Domestic</b>					
Performing	Stage 1	529,928,457	1,270,051	556,637,934	906,457
Underperforming	Stage 2	130,617,242	1,211,946	93,985,297	2,034,675
Non-Performing	Stage 3				
Other assets especially mentioned		195,334	1,650	300,209	1,545
Substandard		866,464	398,779	1,229,356	637,774
Doubtful		2,660,654	1,623,038	2,615,793	1,593,190
Loss		19,492,071	18,777,831	20,189,724	19,454,539
Total		683,760,222	23,283,295	674,958,313	24,628,180

		(Un-audited)		(Audited)	
		March 31, 2025		December 31, 2024	
		Note			
----- Rupees in '000 -----					
<b>13 PROPERTY AND EQUIPMENT</b>					
Capital work-in-progress	13.1		7,474,238		6,661,796
Property and equipment			40,940,820		38,049,256
			48,415,058		44,711,052
<b>13.1 Capital work-in-progress</b>					
Civil works			693,267		678,866
Equipment			3,994,829		3,686,465
Furniture and fixture			889,861		787,138
Vehicles			424,735		1,188,023
Building			1,471,546		321,304
			7,474,238		6,661,796

		(Un-audited)	
		Quarter ended	
		March 31, 2025	March 31, 2024
----- Rupees in '000 -----			

## 13.2 Additions to property and equipment

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

<b>Capital work-in-progress - net</b>	812,442	1,158,687
<b>Property and equipment</b>		
Leasehold land	697,335	92,805
Building on leasehold land	110,265	1,485,599
Furniture and fixture	92,080	3,880
Electrical, office and computer equipment	863,740	126,376
Vehicles	1,338,395	438,807
Leasehold improvements	937,588	270,025
	4,039,403	2,417,492
Total	4,851,845	3,576,179

## 13.3 Disposal of property and equipment

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

Furniture and fixture	907	-
Electrical, office and computer equipment	460	18
Vehicles	36,715	-
Total	38,082	18

# Notes to the Condensed Interim Unconsolidated Financial Statements (un-audited)

For the quarter ended March 31, 2025

	Note	(Un-audited) March 31, 2025	(Audited) December 31, 2024
<b>14 RIGHT-OF-USE ASSETS</b>		<b>Buildings</b>	
		Rupees in '000	
As at January 1,			
Cost		23,344,580	18,669,210
Accumulated Depreciation		10,054,979	7,956,164
Net carrying amount		13,289,601	10,713,046
Additions during the period / year		517,398	4,891,312
Modifications during the period / year		(1,052)	2,365
Deletions during the period / year		(18,878)	(218,307)
Depreciation charge for the period / year		(588,403)	(2,098,815)
Net carrying amount at the end of the period / year		13,198,666	13,289,601
<b>15 INTANGIBLE ASSETS</b>			
Capital work-in-progress	15.1	621,267	817,657
Computer software		1,653,531	1,494,085
Customer relationship		269,617	288,616
		1,923,148	1,782,701
Total		2,544,415	2,600,358
<b>15.1 Capital work-in-progress</b>			
Computer software		621,267	817,657
		<b>(Un-audited) Quarter ended</b>	
		<b>March 31, 2025</b>	<b>March 31, 2024</b>
<b>15.2 Additions to intangible assets</b>		Rupees in '000	
The following additions have been made to intangible assets during the period:			
Computer software - directly purchased		303,616	155,168
<b>16 OTHER ASSETS</b>		Rupees in '000	
Profit / return accrued in local currency		43,016,446	35,606,612
Profit / return accrued in foreign currencies		118,667	40,309
Advances, deposits, advance rent and other prepayments		1,999,579	1,698,598
Advance taxation (provision less payments)		1,509,251	3,480,441
Non-banking assets acquired in satisfaction of claims		1,374,995	1,375,587
Mark to market gain on forward foreign exchange contracts		316,200	196,593
Prepaid employment benefit		6,409,496	5,234,138
Acceptances	22	15,086,565	24,059,259
Credit cards and other products fee receivable		2,680,506	2,186,211
Receivable from brokers against sale of shares		-	69,391
Dividend receivable		78,553	74,341
Clearing and settlement accounts		585,353	-
Deferred fair value loss	16.1	3,056,227	3,139,855
Rebate receivable - net		4,134,681	2,568,022
Others		1,307,630	1,571,334
		81,674,149	81,300,691
Less: Credit loss allowance held against other assets	16.2	(440,451)	(327,153)
Other assets - net of credit loss allowance		81,233,698	80,973,538
Surplus on revaluation of non-banking assets acquired in satisfaction of claims		1,734,105	1,734,105
Other assets - total		82,967,803	82,707,643



# Notes to the Condensed Interim Unconsolidated Financial Statements (un-audited)

For the quarter ended March 31, 2025

**16.1** This amount represents deferred fair value loss arising from the restructuring of Pakistan International Airlines Corporation Limited (PIACL). SBP through its circular BPRD/BRD/PIAHCL/733688-2024 dated August 01, 2024 has allowed staggering of such fair value impact over a period of 6 years at rates of 5%, 10%, 15%, 20%, 25%, and 25% from year 1 to year 6, accordingly, the Bank has amortized 10% during the period amounting to Rs 83.628 million.

	(Un-audited) March 31, 2025	(Audited) December 31, 2024
----- Rupees in '000 -----		
<b>16.2 Credit loss allowance held against other assets</b>		
Dividend receivable	74,341	74,341
Receivable from customers	51,173	51,173
Security deposits	22,994	22,994
Acceptances	1,359	2,206
Others	290,584	176,439
	<u>440,451</u>	<u>327,153</u>
<b>16.2.1 Movement in credit loss allowance held against other assets</b>		
Opening balance	327,153	327,580
Impact of adopting IFRS 9 as at January 1,	-	2,575
Balance as at January 1,	327,153	330,155
Charge for the period / year	114,145	-
Reversals during the period / year	(847)	(3,002)
	113,298	(3,002)
Closing balance	<u>440,451</u>	<u>327,153</u>
<b>17 BILLS PAYABLE</b>		
In Pakistan	<u>20,043,974</u>	<u>39,169,649</u>
<b>18 DUE TO FINANCIAL INSTITUTIONS</b>		
<b>Secured</b>		
To the State Bank of Pakistan (SBP) under:		
Islamic export refinance scheme - part I and II	23,749,110	25,700,039
Islamic financing for renewable energy	7,549,764	7,656,474
Islamic long term financing facility	8,786,189	9,245,606
Islamic temporary economic refinance scheme	26,144,672	27,139,072
Islamic refinance facility for combating COVID-19	82,778	99,444
Islamic refinance facility for storage of agricultural produce	727,577	641,836
Scheme of Islamic Rupee-based discounting facility under EFS / IERS	633,059	679,690
	67,673,149	71,162,161
Due to SBP under shariah compliant Open Market Operations (OMO) and Mudarabah based Financing Facility (MFF)	196,361,149	128,110,425
Due to other financial institutions	5,849,631	2,849,632
Total secured	<u>269,883,929</u>	<u>202,122,218</u>
<b>Unsecured</b>		
Overdrawn nostro accounts	451,508	839,944
Musharaka acceptances	27,487,000	85,650,000
Total unsecured	<u>27,938,508</u>	<u>86,489,944</u>
Fair value adjustment	(7,404,635)	(8,169,622)
	<u>290,417,802</u>	<u>280,442,540</u>

# Notes to the Condensed Interim Unconsolidated Financial Statements (un-audited)

For the quarter ended March 31, 2025

## 19 DEPOSITS AND OTHER ACCOUNTS

	(Un-audited)			(Audited)		
	March 31, 2025			December 31, 2024		
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
	----- Rupees in '000 -----					
Customers						
Current deposits	351,700,939	32,781,051	384,481,990	298,972,004	33,564,674	332,536,678
Savings deposits	321,431,475	20,356,063	341,787,538	326,085,655	20,015,285	346,100,940
Term deposits	126,735,438	3,074,265	129,809,703	147,345,424	2,983,343	150,328,767
Margin deposits	13,267,747	52,850	13,320,597	11,428,184	22,645	11,450,829
	813,135,599	56,264,229	869,399,828	783,831,267	56,585,947	840,417,214
Financial institutions						
Current deposits	70,420,283	3,498,706	73,918,989	63,430,479	679,223	64,109,702
Savings deposits	169,089,210	-	169,089,210	138,802,511	64,080	138,866,591
Term deposits	705,000	-	705,000	885,000	-	885,000
	240,214,493	3,498,706	243,713,199	203,117,990	743,303	203,861,293
	1,053,350,092	59,762,935	1,113,113,027	986,949,257	57,329,250	1,044,278,507
	(Un-audited)			(Audited)		
	March 31, 2025			December 31, 2024		
	----- Rupees in '000 -----					

## 20 LEASE LIABILITIES

Outstanding amount at the start of the period / year	15,546,893	12,868,103
Additions during the period / year	517,398	4,891,312
Lease payments including profit	(863,795)	(3,808,291)
Profit expense for the period / year	511,377	1,862,095
Modifications during the period / year	(1,050)	2,365
Termination / deletion during the period / year	(28,264)	(268,691)
Outstanding amount at the end of the period / year	15,682,559	15,546,893
<b>20.1 Liabilities Outstanding</b>		
Not later than one year	6,246	39,553
Later than one year and upto five years	2,929,403	2,991,272
Over five years	12,746,910	12,516,068
Total at the period / year end	15,682,559	15,546,893

**20.2** These carries average effective charge rate of 13.3% per annum (December 31, 2024: 13.7%).

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

## 21 DEFERRED TAX LIABILITIES

<b>Deductible temporary differences on</b>		
credit loss allowance investments	(322,578)	(329,087)
credit loss allowance against financing, off balance sheet etc.	(2,344,182)	(2,694,794)
fair value adjustment relating to financing	(158,226)	(134,565)
credit loss allowance against other assets	(191,661)	(135,299)
	(3,016,647)	(3,293,745)
<b>Taxable temporary differences on</b>		
surplus on revaluation of property and equipment	2,055,947	2,123,177
surplus on revaluation of non-banking assets	16,638	16,958
surplus on revaluation of investments	7,211,115	12,706,718
fair value adjustment relating to net assets acquired upon amalgamation	140,201	152,967
accelerated tax depreciation	1,246,189	1,277,885
	10,670,090	16,277,705
	7,653,443	12,983,960

# Notes to the Condensed Interim Unconsolidated Financial Statements (un-audited)

For the quarter ended March 31, 2025

	Note	(Un-audited) March 31, 2025	(Audited) December 31, 2024
		Rupees in '000	
<b>22 OTHER LIABILITIES</b>			
Profit / return payable in local currency		8,313,954	9,959,755
Profit / return payable in foreign currencies		59,031	47,730
Unearned commission and income on bills discounted		1,997,279	1,860,553
Accrued expenses		5,307,955	8,181,838
Acceptances	16	15,086,565	24,059,259
Dividend payable		4,250,979	464,961
Unclaimed dividends		4,400	4,400
Mark to market loss on forward foreign exchange contracts		145,097	945,503
Credit loss allowance against off-balance sheet obligations	22.1	207,785	187,485
Charity fund balance		-	27,926
Withholding tax payable		791,847	147,945
Federal excise duty payable		181,057	218,306
Payable to brokers against purchase of shares		849,682	105,647
Fair value of derivative contracts		733,940	982,880
Payable related to credit cards and other products		329,114	60,346
Funds held as security		361,711	361,711
Payable to defined benefit plan		94,527	94,527
Takaful payable		9,467	11,176
Clearing and settlement accounts		-	12,875,954
Others		1,221,773	1,286,819
		<u>39,946,163</u>	<u>61,884,721</u>
<b>22.1 Credit loss allowance against off-balance sheet obligations</b>			
Opening balance		187,485	91,297
Impact of adopting IFRS 9 as at January 1,		-	82,603
Balance as at January 1,		187,485	173,900
Charge for the period / year		20,300	13,585
Reversals during the period / year		-	-
		20,300	13,585
Amounts written off		-	-
Closing balance		<u>207,785</u>	<u>187,485</u>
<b>23 SURPLUS ON REVALUATION OF ASSETS - NET OF TAX</b>			
Surplus on revaluation of:			
Securities measured at FVOCI - Debt		12,810,910	22,204,489
Securities measured at FVOCI - Equity		1,056,619	1,770,451
Property and equipment		11,857,440	11,909,691
Non-banking assets acquired in satisfaction of claims		1,734,105	1,734,105
		27,459,074	37,618,736
Deferred tax on surplus on revaluation of:			
Securities measured at FVOCI - Debt		(6,661,673)	(11,768,379)
Securities measured at FVOCI - Equity		(549,442)	(938,339)
Property and equipment		(2,055,947)	(2,123,177)
Non-banking assets acquired in satisfaction of claims		(16,638)	(16,958)
		(9,283,700)	(14,846,853)
		<u>18,175,374</u>	<u>22,771,883</u>

# Notes to the Condensed Interim Unconsolidated Financial Statements (un-audited)

For the quarter ended March 31, 2025

	Note	(Un-audited) March 31, 2025	(Audited) December 31, 2024
----- Rupees in '000 -----			
<b>24 CONTINGENCIES AND COMMITMENTS</b>			
Guarantees	24.1	66,020,832	52,565,820
Commitments	24.2	477,198,495	312,113,009
Other contingent liabilities	24.3	4,122,244	4,122,244
		<u>547,341,571</u>	<u>368,801,073</u>
<b>24.1 Guarantees</b>			
Financial guarantees		4,321,215	4,266,928
Performance guarantees		14,434,400	13,608,155
Other guarantees		47,265,217	34,690,737
		<u>66,020,832</u>	<u>52,565,820</u>
<b>24.2 Commitments</b>			
Documentary credits and short-term trade-related transactions			
- letters of credit		162,638,645	95,392,494
Commitments in respect of:			
- forward foreign exchange contracts	24.2.1	107,745,108	80,620,255
- forward government securities transactions	24.2.2	197,797,750	128,375,400
- derivatives - cross currency swaps (notional principal)	24.2.3	731,054	964,082
- extending credit (irrevocable)	24.5	6,893,732	5,358,314
Commitments for acquisition of:			
- property and equipment		1,204,351	1,069,179
- intangible assets		187,855	333,285
		<u>477,198,495</u>	<u>312,113,009</u>
<b>24.2.1 Commitments in respect of forward foreign exchange contracts</b>			
Purchase		71,904,916	54,802,453
Sale		35,840,192	25,817,802
		<u>107,745,108</u>	<u>80,620,255</u>
<b>24.2.2 Commitments in respect of forward government securities transactions</b>			
Purchase		197,797,750	128,375,400
<b>24.2.3 Commitments in respect of derivatives</b>			
<b>Cross currency swaps</b>			
Sale	25.1	731,054	964,082

# Notes to the Condensed Interim Unconsolidated Financial Statements (un-audited)

For the quarter ended March 31, 2025

	Note	(Un-audited) March 31, 2025	(Audited) December 31, 2024
----- Rupees in '000 -----			

### 24.3 Other contingent liabilities

Suit filed by a customer for recovery of alleged losses suffered which is pending in the Honorable High Court of Sindh. The Bank's legal advisors are confident that the Bank has a strong case.		2,510,000	2,510,000
Indemnity issued favouring the Honorable High Court in one of the cases		457,543	457,543
Tax liability of gain on bargain purchase on the acquisition of ex-RBS Pakistan	24.3.1	1,154,701	1,154,701
		<u>4,122,244</u>	<u>4,122,244</u>

**24.3.1** Income tax assessments of the Bank have been finalised upto the tax year 2024 (accounting year ended December 31, 2023).

The department and the Bank has disagreement on a matter relating to taxability of gain on bargain purchase on the acquisition of ex-RBS Pakistan. The additional tax liability on the matter amounts to Rs. 1,154.701 million (December 31, 2024: Rs. 1,154.701 million). The Commissioner Inland Revenue (Appeals) [CIR(A)] had deleted the said additional tax liability, however the income tax department had filed an appeal with the Appellate Tribunal Inland Revenue (ATIR) against the order of CIR(A). During the current period, the ATIR passed an order and maintained the decision of the CIR(A) in favour of the Bank that gain on bargain purchase is not taxable. Subsequently, the department has challenged the order in Honorable High Court of Sindh. However, the management of the Bank is confident that the matter will be decided in the Bank's favour and accordingly, no provision has been recorded in these condensed interim unconsolidated financial statements in respect of this matter.

**24.4** There are certain claims against the Bank not acknowledged as debt amounting to Rs 32,633 million (December 31, 2024: Rs 32,274 million). These mainly represent counter claims filed by the borrowers for restricting the Bank from disposal of assets (such as mortgaged / pledged assets kept as security), cases where the Bank was proforma defendant for defending its interest in the underlying collateral kept by it at the time of financing, certain cases filed by ex-employees of the Bank for damages sustained by them consequent to the termination from the Bank's employment and cases for damages towards opportunity losses suffered by the customers due to non-disbursements of running finance facility as per the agreed terms. The above also includes an amount of Rs 25,299 million (December 31, 2024: Rs 25,299 million) in respect of a suit filed against the Bank for declaration, recovery of monies, release of securities, rendition of account and damages.

Based on legal advice and / or internal assessments, the management is confident that the above matters will be decided in the Bank's favour and accordingly no provision has been made in these condensed interim unconsolidated financial statements.

### 24.5 Commitments to extend credits

The Bank makes commitments to extend credit (including to related parties) in the normal course of its business but these being revocable commitments do not attract any significant penalty or expense if the facilities are unilaterally withdrawn except for Rs 6,893.732 million (December 2024: Rs. 5,358.314 million) which are irrevocable in nature.

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

### 25 DERIVATIVE INSTRUMENTS

Cross currency swaps (notional principal)	731,054	964,082
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# Notes to the Condensed Interim Unconsolidated Financial Statements (un-audited)

For the quarter ended March 31, 2025

## 25.1 Product analysis

Counterparties	March 31, 2025 (Un-audited)	
	Cross currency swaps	
	Notional principal	Mark to market loss
Rupees in '000		
<b>With banks for</b>		
Hedging	-	-
Market making	68,106	(75,349)
<b>With other entities for</b>		
Hedging	-	-
Market making	662,948	(658,591)
<b>Total</b>		
Hedging	-	-
Market making	731,054	(733,940)

Counterparties	December 31, 2024 (Audited)	
	Cross currency swaps	
	Notional principal	Mark to market loss
Rupees '000		
<b>With banks for</b>		
Hedging	-	-
Market making	140,136	(171,412)
<b>With other entities for</b>		
Hedging	-	-
Market making	823,946	(811,468)
<b>Total</b>		
Hedging	-	-
Market making	964,082	(982,880)

## 26 PROFIT / RETURN EARNED

On:	Un-audited Quarter ended	
	March 31, 2025	March 31, 2024
Rupees in '000		
Financing	19,259,519	28,097,094
Investments	22,802,289	32,118,655
Due from financial institutions	25,036	208,225
Balances with banks	105	738
	42,086,949	60,424,712

### 26.1 Profit / return recognised on:

Financial assets measured at amortised cost	1,990,898	1,304,166
Financial assets measured at FVOCI	22,521,969	31,059,430
Financial assets measured at cost	17,538,071	27,989,996
Financial assets measured at FVPL	36,011	71,120
	42,086,949	60,424,712

## 27 PROFIT / RETURN EXPENSED

On:		
Deposits	13,638,170	29,674,012
Due to financial institutions	9,844,393	9,950,208
Lease liability against right-of-use assets	511,377	393,974
Cost of foreign currency swaps against foreign currency deposits / Due to FIs	898,143	1,614,294
	24,892,083	41,632,488

# Notes to the Condensed Interim Unconsolidated Financial Statements (un-audited)

For the quarter ended March 31, 2025

		(Un-audited)	
		Quarter ended	
Note		March 31, 2025	March 31, 2024
		Rupees in '000	
<b>28</b>	<b>FEE AND COMMISSION INCOME</b>		
	Branch banking customer fees	391,473	321,227
	Consumer finance related fees	190,990	151,166
	Card related fees (debit and credit)	1,442,219	1,139,153
	Credit related fees	17,331	13,057
	Investment banking fees	136,909	98,952
	Commission on trade	280,929	327,484
	Commission on guarantees	46,733	36,648
	Commission on cash management	37,137	40,706
	Commission on remittances including home remittances	367,748	269,492
	Commission on bancatakaful	26,140	22,786
	Commission on sale of mutual fund units (associates)	127,003	137,370
	Others	32,221	16,479
		<u>3,096,833</u>	<u>2,574,520</u>
<b>29</b>	<b>GAIN ON SECURITIES - NET</b>		
	Realised	50,601	128,219
	Unrealised - Measured at FVTPL	-	206,884
		<u>50,601</u>	<u>335,103</u>
<b>29.1</b>	<b>Realised Gain on:</b>		
	Federal Government securities	46,915	34,433
	Shares	-	89,246
	Sale of mutual funds units	3,686	4,540
		<u>50,601</u>	<u>128,219</u>
<b>29.2</b>	<b>Net gain / (loss) on financial assets / liabilities</b>		
	Net gain / (loss) on financial assets / liabilities measured at FVTPL:		
	Designated upon initial recognition	-	-
	Mandatorily measured at FVTPL	(17,058)	286,045
		<u>(17,058)</u>	<u>286,045</u>
	Net gain / (loss) on financial assets / liabilities measured at amortised cost	-	-
	Net gain / (loss) on financial assets measured at FVOCI	63,973	44,518
		<u>63,973</u>	<u>44,518</u>
	Net gain on investments in associates	3,686	4,540
		<u>50,601</u>	<u>335,103</u>
<b>30</b>	<b>OTHER INCOME</b>		
	Rent on property	28,045	70,921
	Gain on disposal of property and equipment - net	4,183	24
	Gain on termination of leases (IFRS 16)	13,045	19,563
	Staff cost recoveries	2,839	3,597
	Government Grant	69,365	78,382
	Scrap income	-	6,552
		<u>117,477</u>	<u>179,039</u>

# Notes to the Condensed Interim Unconsolidated Financial Statements (un-audited)

For the quarter ended March 31, 2025

Note	(Un-audited) Quarter ended	
	March 31, 2025	March 31, 2024
	Rupees in '000	
<b>31 OPERATING EXPENSES</b>		
<b>Total compensation expense</b>	4,832,733	4,355,323
<b>Property expense</b>		
Rent and taxes	115,424	60,355
Takaful	16,748	13,233
Utilities cost	384,523	297,038
Security (including guards)	461,512	294,771
Repair and maintenance (including janitorial charges)	303,651	199,200
Depreciation on owned property and equipment	324,735	229,475
Depreciation on non-banking assets	592	786
Depreciation on right-of-use assets	588,403	485,781
Others	80,653	54,701
	2,276,241	1,635,340
<b>Information technology expenses</b>		
Software maintenance	514,243	577,529
Hardware maintenance	207,511	110,073
Depreciation	246,881	193,284
Amortisation	144,169	95,521
Network charges	102,296	99,848
	1,215,100	1,076,255
<b>Other operating expenses</b>		
Directors' fees and allowances	24,320	43,040
Legal and professional charges	166,554	106,689
Outsourced services costs - staff	296,285	222,587
Travelling and conveyance	278,846	83,092
NIFT clearing charges	29,620	43,820
Depreciation	528,207	211,939
Training and development	69,517	14,689
Postage and courier charges	68,623	59,863
Communication	311,630	313,274
Marketing, advertisement and publicity	760,092	484,947
Donations	139,275	-
Auditors' remuneration	12,000	10,643
Takaful	229,356	214,642
Stationery and printing	213,340	257,119
Bank fees and charges	866,565	759,041
Brokerage and commission	30,694	12,053
Deposit protection premium	208,939	212,780
Repair and maintenance	162,082	76,497
Subscriptions and publications	49,786	52,503
Cash handling charges	173,716	145,390
Others	170,943	370,287
	4,790,390	3,694,895
	13,114,464	10,761,813
<b>32 OTHER CHARGES</b>		
Penalties imposed by the State Bank of Pakistan	586	4,455
<b>33 CREDIT LOSS ALLOWANCE AND WRITE OFFS - NET</b>		
Credit loss allowance against cash and balances with treasury banks	313	-
Credit loss allowance against due from financial institutions	-	1
(Reversal) / credit loss allowance against investments	11.3 (1,039,157)	(109,713)
(Reversal) / credit loss allowance against Islamic financing and related assets	12.4 (1,284,389)	108,906
Credit loss allowance against other assets	16.2.1 113,298	650
Credit loss allowance against off balance sheet obligations	22.1 20,300	101,647
Bad debts written off directly	5,030	4,503
Recoveries of written off / charged off bad debts	(125,815)	(73,886)
	(2,310,420)	32,108



# Notes to the Condensed Interim Unconsolidated Financial Statements (un-audited)

For the quarter ended March 31, 2025

## 34 TAXATION

	(Un-audited)	
	Quarter ended	
	March 31, 2025	March 31, 2024
	----- Rupees in '000 -----	
Current	5,747,396	6,343,699
Prior years	-	(190,000)
Deferred	217,708	(189,022)
	<u>5,965,104</u>	<u>5,964,677</u>

## 35 BASIC EARNINGS PER SHARE

Profit after tax for the period	<u>5,147,319</u>	<u>6,512,841</u>
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	Number of shares in thousands	
Weighted average number of ordinary shares	<u>1,517,697</u>	<u>1,517,697</u>

	----- Rupees -----	
Basic earnings per share	<u>3.39</u>	<u>4.29</u>

35.1 Diluted earnings per share has not been presented as the Bank does not have any convertible instruments in issue at March 31, 2025 and March 31, 2024 which would have any effect on the earnings per share if the option to convert is exercised.

## 36 FAIR VALUE MEASUREMENTS

The fair value of quoted securities other than those classified under held to collect model, is based on quoted market price. Quoted securities classified under held to collect model are carried at amortized cost. The fair value of unquoted equity securities, other than investments in associates and subsidiaries, is determined on the basis of adjusted net asset method as per their latest available financial statements.

The fair value of unquoted debt securities, fixed term financing, 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.

### 36.1 Fair value of financial assets

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

- Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset 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).

# Notes to the Condensed Interim Unconsolidated Financial Statements (un-audited)

For the quarter ended March 31, 2025

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:

March 31, 2025 (Un-audited)				
	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	-	629,115,426	-	629,115,426
Shares	4,604,595	1,496,943	-	6,101,538
Non-Government debt securities	-	47,987,338	-	47,987,338
Financial assets - disclosed but not measured at fair value				
Investments				
Non-Government debt securities	-	6,814,895	-	6,814,895
Non-financial assets - measured at fair value				
Property and equipment (land and buildings)	-	22,194,947	-	22,194,947
Non-banking assets acquired in satisfaction of claims	-	3,109,100	-	3,109,100
Off-balance sheet financial instruments - measured at fair value				
Forward purchase of foreign exchange	-	60,417,335	-	60,417,335
Forward sale of foreign exchange	-	15,674,181	-	15,674,181
Derivatives sales	-	731,054	-	731,054

December 31, 2024 (Audited)				
	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	-	610,027,380	-	610,027,380
Shares	10,091,925	67,686	-	10,159,611
Non-Government debt securities	-	47,881,091	-	47,881,091
Financial assets - disclosed but not measured at fair value				
Investments				
Non-Government debt securities	-	6,818,118	-	6,818,118
Non-financial assets - measured at fair value				
Property and equipment (land and buildings)	-	21,478,777	-	21,478,777
Non-banking assets acquired in satisfaction of claims	-	3,116,825	-	3,116,825
Off-balance sheet financial instruments - measured at fair value				
Forward purchase of foreign exchange	-	53,913,508	-	53,913,508
Forward sale of foreign exchange	-	25,677,767	-	25,677,767
Derivatives sales	-	982,880	-	982,880

The Bank's policy is to recognise transfers into and out of the different fair value hierarchy levels at the date when the event or change in circumstances require the Bank to exercise such transfers.

# Notes to the Condensed Interim Unconsolidated Financial Statements (un-audited)

## For the quarter ended March 31, 2025

### Valuation techniques used in determination of fair values within level 2

Item	Valuation approach and input used
Ijara Sukuk	Fair values of GoP Ijara Sukuk are derived using the PKISRV rates announced by the Financial Market Association (FMA) through Reuters. These rates denote an average of quotes received from different pre-defined / approved dealers / brokers.
Unlisted ordinary shares	The fair value of unquoted equity securities is determined on the basis of adjusted net asset method as per their latest available financial statements.
Sukuk Certificates	Sukuk certificates are determined using the MUFAP or PSX rates.
Forward foreign exchange contracts	The valuation has been determined by interpolating the mark-to-market currency rates announced by the State Bank of Pakistan.
Derivative instruments	The Bank enters into derivative contracts with various counterparties. Derivatives that are valued using valuation techniques with market observable inputs are mainly cross currency swaps and forward foreign exchange contracts. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations.
Mutual funds	Units of mutual funds are valued using the net asset value (NAV) announced by the Mutual Funds Association of Pakistan (MUFAP).

The valuations, mentioned above, are conducted by the valuation experts appointed by the Bank which are also on the panel of the Pakistan Banks’ Association (PBA). The valuation experts use a market based approach to arrive at the fair value of the Bank’s properties. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable or similar properties. These values are adjusted to reflect the current condition of the properties. The effect of changes in the unobservable inputs used in the valuations cannot be determined with certainty, accordingly a quantitative disclosure of sensitivity has not been presented in these condensed interim unconsolidated financial statements.

# Notes to the Condensed Interim Unconsolidated Financial Statements (un-audited)

For the quarter ended March 31, 2025

## 37 SEGMENT INFORMATION

### 37.1 Segment details with respect to business activities

	2025					
	Retail	CIBG	Treasury	SAM	Others	Total
Rupees in '000						
<b>Statement of Profit and loss account for the quarter ended March 31, 2025 (Un-audited)</b>						
Net return / profit	(7,502,894)	10,610,670	13,343,684	80,006	663,400	17,194,866
Inter segment revenue - net	21,119,048	(9,891,901)	(12,982,640)	20,928	1,734,565	-
Other income	2,796,543	1,183,126	1,862,279	187	(893,164)	4,948,971
Total income	16,412,697	1,901,895	2,223,323	101,121	1,504,801	22,143,837
Segment direct expenses	8,013,557	470,712	148,733	92,905	4,615,927	13,341,834
Inter segment expense allocation	3,994,284	451,025	92,454	78,164	(4,615,927)	-
Total expenses	12,007,841	921,737	241,187	171,069	-	13,341,834
(Reversal) / credit loss allowance	(220,815)	(546,694)	-	(1,554,126)	11,215	(2,310,420)
Profit before tax	4,625,671	1,526,852	1,982,136	1,484,178	1,493,586	11,112,423
<b>Statement of financial position as at March 31, 2025 (Un-audited)</b>						
Cash and bank balances	41,952,320	-	67,656,829	-	-	109,609,149
Due from financial institutions	-	-	-	-	-	-
Investments	150,000	7,655,701	683,009,181	528,208	2,495,045	693,838,135
Investment - credit loss allowance	-	(800,905)	(420)	(528,208)	-	(1,329,533)
Net inter segment lending	871,295,293	-	-	-	(871,295,293)	-
Financing - performing	141,882,658	504,748,195	-	92,608	(3,044,839)	643,678,622
Financing - non-performing	3,907,596	5,067,984	-	13,960,585	278,358	23,314,523
Financing - credit loss allowance	(3,874,000)	(7,259,295)	-	(11,922,000)	(228,000)	(23,283,295)
Others	63,066,407	19,107,524	23,194,221	(321,846)	42,079,636	147,125,942
<b>Total assets</b>	<b>1,118,380,274</b>	<b>528,519,204</b>	<b>773,859,811</b>	<b>1,809,347</b>	<b>(829,715,093)</b>	<b>1,592,853,543</b>
Due to financial institutions	13,125,268	67,069,878	210,222,656	-	-	290,417,802
Subordinated sukuk	-	-	-	-	-	-
Deposits and other accounts	1,036,934,731	75,805,450	44	372,802	-	1,113,113,027
Net inter segment borrowing	-	384,357,577	554,187,167	1,435,569	(939,980,313)	-
Others	68,320,275	1,286,299	2,793,530	976	10,925,059	83,326,139
<b>Total liabilities</b>	<b>1,118,380,274</b>	<b>528,519,204</b>	<b>767,203,397</b>	<b>1,809,347</b>	<b>(929,055,254)</b>	<b>1,486,856,968</b>
Equity	-	-	6,656,414	-	99,340,161	105,996,575
<b>Total equity and liabilities</b>	<b>1,118,380,274</b>	<b>528,519,204</b>	<b>773,859,811</b>	<b>1,809,347</b>	<b>(829,715,093)</b>	<b>1,592,853,543</b>
<b>Contingencies and commitments</b>	<b>100,637,958</b>	<b>135,853,885</b>	<b>306,273,912</b>	<b>1,607,218</b>	<b>2,968,598</b>	<b>547,341,571</b>
	2024					
	Retail	CIBG	Treasury	SAM	Others	Total
Rupees in '000						
<b>Statement of Profit and loss account for the quarter ended March 31, 2024 (Un-audited)</b>						
Net return / profit	(22,444,721)	18,819,119	23,007,506	51,087	(640,767)	18,792,224
Inter segment revenue - net	40,967,661	(18,514,073)	(24,025,601)	226,578	1,345,435	-
Other income	2,423,299	935,232	2,382,224	1,381	(1,000,299)	4,741,837
Total income	20,946,239	1,240,278	1,364,129	279,046	(295,631)	23,534,061
Segment direct expenses	6,647,758	343,483	133,146	80,069	3,819,979	11,024,435
Inter segment expense allocation	3,289,934	381,847	77,767	70,431	(3,819,979)	-
Total expenses	9,937,692	725,330	210,913	150,500	-	11,024,435
Credit loss allowance	42,189	257,245	(317,741)	(419,510)	469,925	32,108
Profit before tax	10,966,358	257,703	1,470,957	548,056	(765,556)	12,477,518
<b>Statement of financial position as at December 31, 2024 (Audited)</b>						
Cash and bank balances	34,229,666	-	73,847,375	-	-	108,077,041
Due from financial institutions	-	-	-	-	-	-
Investments	150,000	8,854,179	666,675,032	1,924,405	2,495,045	680,098,661
Investment - credit loss allowance	-	(800,904)	(956)	(1,924,405)	-	(2,726,265)
Net inter segment lending	766,579,757	-	-	-	(766,579,757)	-
Financing - performing	164,573,602	461,547,691	-	(1,832,270)	9,913,623	634,202,646
Financing - non-performing	4,890,511	6,350,382	-	12,824,289	269,900	24,335,082
Financing - credit loss allowance	(4,375,818)	(7,291,863)	-	(12,748,614)	(211,885)	(24,628,180)
Others	103,461,579	13,502,169	-	196,963	26,147,943	143,308,654
<b>Total assets</b>	<b>1,069,509,297</b>	<b>482,161,654</b>	<b>740,521,451</b>	<b>(1,559,632)</b>	<b>(727,965,131)</b>	<b>1,562,667,639</b>
Due to financial institutions	11,360,310	59,456,649	209,625,581	-	-	280,442,540
Subordinated sukuk	-	-	-	-	-	-
Deposits and other accounts	984,636,217	68,594,518	-	394,284	(9,346,512)	1,044,278,507
Net inter segment borrowing	-	347,306,553	518,548,253	(1,954,873)	(863,899,933)	-
Others	73,512,770	6,803,934	1,307,507	957	47,960,055	129,585,223
<b>Total liabilities</b>	<b>1,069,509,297</b>	<b>482,161,654</b>	<b>729,481,341</b>	<b>(1,559,632)</b>	<b>(825,286,390)</b>	<b>1,454,306,270</b>
Equity	-	-	11,040,110	-	97,321,259	108,361,369
<b>Total equity and liabilities</b>	<b>1,069,509,297</b>	<b>482,161,654</b>	<b>740,521,451</b>	<b>(1,559,632)</b>	<b>(727,965,131)</b>	<b>1,562,667,639</b>
<b>Contingencies and commitments</b>	<b>70,610,584</b>	<b>83,427,173</b>	<b>209,959,737</b>	<b>1,608,047</b>	<b>3,195,532</b>	<b>368,801,073</b>

The Bank has related party transactions with its parent, subsidiary, associates, employee benefit plans and its directors and key management personnel.

The Bank enters into transactions with related parties in the ordinary course of business and on substantially the same terms as for comparable transactions with persons 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 year, other than those which have been disclosed elsewhere in these condensed interim unconsolidated financial statements, are as follows:

March 31, 2025 (Un-audited)					December 31, 2024 (Audited)						
Parent	Directors	Key management personnel	Subsidiary	Associates	Other related parties	Parent	Directors	Key management personnel	Subsidiary	Associates	Other related parties

Rupees in '000

Investments

Opening balance	-	-	2,139,893	355,151	157,287	-	-	-	1,139,893	1,869,660	2,009,039
Investment made during the period / year	-	-	-	-	71,561	-	-	-	1,000,000	5,600,000	138,306
Investment redeemed / sold during the period / year	-	-	-	-	(75,880)	-	-	-	-	(7,114,509)	(37,546)
Transfer in / (out) - net	-	-	-	-	-	-	-	-	-	-	(2,234,998)
Other movements	-	-	-	-	(950)	-	-	-	-	-	282,486
Closing balance	-	-	2,139,893	355,151	152,018	-	-	-	2,139,893	355,151	157,287

Islamic financing and related assets - net

Opening balance	-	278	532,539	-	-	5,042,542	-	54	652,579	-	6,884,998
Addition during the period / year	-	520	105,114	-	-	4,724,140	-	2,494	204,548	-	4,113,676
Repaid during the period / year	-	(672)	(60,411)	-	-	(4,168,711)	-	(2,270)	(324,588)	-	(5,510,760)
Transfer in / (out) - net	-	-	-	-	-	-	-	-	-	-	(245,372)
Closing balance	-	126	577,242	-	-	5,597,971	-	278	532,539	-	5,042,542

Credit loss allowance held against Islamic financing and related assets

-	3	2,291	-	-	258,700	-	20	2,720	-	-	165,057
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# Notes to the Condensed Interim Unconsolidated Financial Statements (un-audited)

For the quarter ended March 31, 2025

	March 31, 2025 (Un-audited)					December 31, 2024 (Audited)						
	Parent	Directors	Key management personnel	Subsidiary	Associates	Other related parties	Parent	Directors	Key management personnel	Subsidiary	Associates	Other related parties
Rupees in '000												
<b>Other assets</b>												
Profit / return accrued	-	-	34,712	-	-	93,091	-	-	26,283	-	-	55,970
Commission income receivable	-	-	-	79,919	-	-	-	-	-	47,012	-	-
<b>Deposits and other accounts</b>												
Opening balance	182	59,457	103,006	262,501	45,555,437	3,526,628	182	99,238	78,073	11,203	45,920,675	2,895,486
Received during the period / year	-	87,300	1,056,836	12,358,006	1,043,759,587	49,504,813	-	545,472	2,506,651	37,698,785	1,914,650,050	333,656,879
Withdrawn during the period / year	-	(81,035)	(867,018)	(12,416,635)	(1,038,999,431)	(48,008,048)	-	(585,253)	(2,481,718)	(37,447,487)	(1,915,015,288)	(332,946,011)
Transfer in / (out) - net	-	-	(11,056)	-	-	(116)	-	-	-	-	-	(79,726)
Closing balance	182	65,722	281,768	203,872	50,314,593	5,023,277	182	59,457	103,006	262,501	45,555,437	3,526,628
<b>Other liabilities</b>												
Profit / return payable	-	286	400	779	442,409	10,480	-	474	134	1,607	501,225	21,953
Dividend payable	1,823,419	64,528	-	-	-	710,265	-	-	-	-	-	-
Payable to defined benefit plan	-	-	-	-	-	94,527	-	-	-	-	-	94,527
Other payable	-	-	-	19,167	-	-	-	-	-	9,593	-	-
<b>Contingencies and commitments</b>												
Trade related commitments	-	-	-	-	-	104,286	-	-	-	-	-	129,689

**38.1** Balances pertaining to parties that were related at the beginning of the period but ceased to be so related during any part of the current period are not reflected as part of the closing balance. The same are accounted for through the movement presented above.

# Notes to the Condensed Interim Unconsolidated Financial Statements (un-audited)

For the quarter ended March 31, 2025

## RELATED PARTY TRANSACTIONS

	March 31, 2025 (Un-audited)					March 31, 2024 (Un-audited)						
	Parent	Directors	Key management personnel	Subsidiary	Associates	Other related parties	Parent	Directors	Key management personnel	Subsidiary	Associates	Other related parties
<b>Income</b>												
Profit / return earned	-	-	3,596	-	-	76,529	-	-	5,939	-	-	124,889
Fee and commission income	-	8	30	127,037	239	56,850	-	49	26	137,389	752	2,451
Net gain on sale of securities	-	-	4,882	-	3,686	16,623	-	-	106	-	4,541	239
Maintenance income	-	-	-	2,383	-	-	-	-	-	2,588	-	-
Rent on property	-	-	-	8,797	-	-	-	-	-	9,553	-	-
Other income	-	-	-	1,635	-	-	-	-	-	1,387	-	-
<b>Expense</b>												
Profit / return expensed	-	809	1,087	2,654	1,357,806	23,013	-	2,610	687	9,788	1,519,163	83,330
Director's fee and allowances	-	24,320	-	-	-	-	-	43,040	-	-	-	-
Compensation expense	-	-	689,795	-	-	2,234	-	-	621,300	-	-	1,900
Fee and subscription	-	-	-	-	-	2,145	-	-	-	-	-	312
Commission expense	-	-	-	8,333	-	-	-	-	-	8,333	-	-
Charge for defined benefit plan	-	-	-	-	-	145,692	-	-	-	-	-	88,347
Donations made during the period	-	-	-	-	-	139,275	-	-	-	-	-	-
Contribution to defined contribution plan	-	-	-	-	-	134,183	-	-	-	-	-	104,649
<b>Others</b>												
Shares / units purchased during the period (in thousand)	-	-	-	-	-	1,180	-	-	-	10,000	36,279	-
Shares / units sold during the period (in thousand)	-	-	-	-	33	1,122	-	-	-	-	36,881	-
Government securities purchased during the period	-	-	60,607	53,446	-	24,947	-	-	49,824	-	-	334,734
Government securities sold during the period	-	-	51,932	-	-	172,915	-	-	30,000	-	-	48,700
Contribution to defined benefit plan	-	-	-	-	-	130,692	-	-	-	-	-	-

Rupees in '000

# Notes to the Condensed Interim Unconsolidated Financial Statements (un-audited)

For the quarter ended March 31, 2025

## 39 CAPITAL ADEQUACY, LEVERAGE RATIO AND LIQUIDITY REQUIREMENTS

(Un-audited)  
March 31,  
2025

(Audited)  
December 31,  
2024

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

### Minimum capital requirement (MCR)

Paid-up capital (net of losses)

15,176,965

15,176,965

### Capital adequacy ratio (CAR)

Eligible common equity tier 1 (CET 1) capital

86,157,299

84,304,346

Eligible additional tier 1 (ADT 1) capital

-

-

Total eligible tier 1 capital

86,157,299

84,304,346

Eligible tier 2 capital

17,220,908

21,353,226

Total eligible capital (tier 1 + tier 2)

103,378,207

105,657,572

### Risk weighted assets (RWAs)

Credit risk

416,501,275

420,380,649

Market risk

61,910,684

73,324,362

Operational risk

145,242,197

145,242,197

Total

623,654,156

638,947,208

### Common equity tier 1 capital adequacy ratio (in %)

13.81%

13.19%

### Tier 1 Capital adequacy ratio (in %)

13.81%

13.19%

### Total Capital adequacy ratio (in %)

16.58%

16.54%

The Bank has applied the transitional arrangement on Regulatory Capital. Had the transitional arrangement not been applied then CAR would have been higher by 15 bps from 16.58% to 16.73%.

### Leverage ratio (LR)

Eligible tier-1 capital

86,157,299

84,304,346

Total exposures

2,014,928,941

1,795,066,750

Leverage ratio (in %)

4.28%

4.70%

The Bank has applied the transitional arrangement on Regulatory Capital. Had the transitional arrangement not been applied then Leverage Ratio would have been lower by 4 bps from 4.28% to 4.24%.

### Liquidity coverage ratio (LCR)

Total high quality liquid assets

558,649,684

694,009,852

Total net cash outflow

407,808,811

436,826,211

Liquidity coverage ratio (Ratio)

1.370

1.589

### Net stable funding ratio (NSFR)

Total available stable funding

939,211,163

902,289,025

Total required stable funding

566,722,562

543,341,887

Net stable funding ratio (in %)

165.73%

166.06%



# Notes to the Condensed Interim Unconsolidated Financial Statements (un-audited)

For the quarter ended March 31, 2025

**40      GENERAL**

Comparative information has been re-classified, re-arranged or additionally incorporated in these condensed interim unconsolidated financial statements, wherever necessary, to facilitate comparison and to conform with changes in presentation in the current period. There have been no significant reclassifications during the period.

**41      NON-ADJUSTING EVENTS AFTER THE BALANCE SHEET DATE**

The Board of Directors in its meeting held on April 24, 2025 has announced a interim cash dividend of Rs 1.5 (i.e. 15%) (March 31, 2024: Rs 1). These condensed interim unconsolidated financial statements for the quarter ended March 31, 2025 do not include the effect of these appropriations which will be accounted for subsequent to the quarter end.

**42      DATE OF AUTHORISATION FOR ISSUE**

These condensed interim unconsolidated financial statements were authorised for issue on April 24, 2025 by the Board of Directors of the Bank.

**CONDENSED INTERIM CONSOLIDATED  
FINANCIAL STATEMENTS**

# DIRECTORS' REVIEW

## Consolidated Financial Statements

On behalf of the Board of Directors, we are pleased to present the Directors' Report of Faysal Bank Limited Group, along with unaudited condensed interim consolidated financial statements for the quarter ended March 31, 2025.

### Group Profile

Faysal Bank Limited (FBL) Group structure is as follows:

- Holding Company : Faysal Bank Limited
- Subsidiaries : Faysal Asset Management Limited  
Faysal Islami Currency Exchange Company (Private) Limited

### Subsidiaries

#### Faysal Asset Management Limited

FBL has 99.9% shareholding in Faysal Asset Management Limited (FAML). FAML is an unlisted public limited company registered as a Non-Banking Finance Company (NBFC), licensed to carry out asset management and investment advisory services under the Non-Banking Finance Companies (Establishment & Regulations) Rules, 2003 and the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

FBL also has significant influence based on its holding in the following open-ended mutual funds managed by FAML.

Open-ended Mutual Fund
Faysal Halal Amdani Fund
Faysal Islamic Pension Fund - Debt
Faysal Islamic Pension Fund - Equity
Faysal Islamic Pension Fund - Money Market
Faysal Islamic Savings Growth Fund
Faysal Islamic Special Income Fund - FISIP-I
Faysal Islamic Cash Fund
Faysal Islamic Financial Growth Fund - (FIFGP-II)
Faysal Islamic KPK Government Pension Fund - Money Market Sub Fund
Faysal Islamic KPK Government Pension Fund - Equity Sub Fund
Faysal Islamic KPK Government Pension Fund - Debt Sub Fund
Faysal Islamic KPK Government Pension Fund - Equity Index Sub Fund
Faysal Khushal Mustaqbil Fund- Faysal Barak'ah Women Savers Plan
Faysal Khushal Mustaqbil Fund- Faysal Ujala Women Savers Plan
Faysal Islamic Mehdood Muddat Plan-I

Faysal Islami Currency Exchange Company (Private) Limited (FICECL)

FICECL operates as a wholly owned subsidiary. It was incorporated on January 16, 2024 under the Companies Act, 2017. The company received its “Certification of Incorporation” from SECP on January 16, 2024 and obtained an operating license from State Bank of Pakistan on March 26, 2024. The principal activities of the Company are dealing in foreign exchange and facilitating remittances.

Financial Highlights

Key Balance Sheet Numbers

	Rs in million		
	March '25	December '24	Growth %
Investment	693,448	678,255	2.2
Financing	643,689	633,990	1.5
Total Assets	1,594,873	1,564,615	1.9
Deposits	1,112,910	1,044,016	6.6

Profit & Loss Account

	Rs in million		
	March '25	March '24	Growth %
Total Revenue	23,021	23,872	(3.6)
Total Expenses	(13,889)	(11,224)	23.7
Profit before tax and provisions	9,132	12,648	(27.8)
Net provision reversal / (charge)	2,310	(36)	6,516.7
Share of profit of associates	47	102	(53.9)
Profit before tax	11,489	12,714	(9.6)
Tax	(6,080)	(6,105)	(0.4)
Profit after tax	5,409	6,609	(18.2)
Earnings per share (Rupees)	3.56	4.35	(18.2)
Gain on equity securities directly realized in equity (net of tax)	860	201	327.9

As we reflect on our journey, we first and foremost thank Allah (SWT) for His Blessings without which none of our achievements would have been possible. On a consolidated basis, Profit Before Tax (PBT) is at PKR 11 billion, reflecting resilient performance despite a challenging macro-economic environment. Profit After Tax (PAT) stood at PKR 5.4 billion, impacted by an increase in the tax rate from 49% to 53%. Earnings Per Share decreased from PKR 4.35 to PKR 3.56.

FAML demonstrated continued improvement in performance, with Assets Under Management (AUMs) reaching PKR 239 billion as of March 31, 2025, reflecting 50.3% increase from PKR 159 billion last year. FAML made Profit After Tax of PKR 282 million during Q1'25 registering a 69.9% increase over same period last year. The commendable financial performance of FAML underscores its resilience and effectiveness in navigating current economic conditions.

Credit Rating

VIS Credit Rating Company Limited (VIS) and Pakistan Credit Rating Agency Limited (PACRA) have re-affirmed the following entity ratings issued in 2024:

Long-Term	AA
Short-Term	A1+

PACRA has assigned a ‘Stable’ outlook, while VIS has upgraded the outlook to ‘Positive’.

VIS has assigned Management Quality rating of AM1 to FAML in 2024. The rating signifies asset manager exhibiting very good management characteristics.

Holding Company

Ithmaar Bank B.S.C (closed), a banking entity regulated by the Central Bank of Bahrain, is the parent company holding directly and indirectly 66.78% (2024: 66.78%) of the Bank’s shares. Ithmaar Bank B.S.C. (closed) is a wholly owned subsidiary of Ithmaar Holdings B.S.C. Dar Al-Maal Al-Islami Trust (DMIT) is the holding entity of Ithmaar Holding B.S.C. and the ultimate parent Company of the Bank. DMIT was formed by an indenture under the laws of the Commonwealth of The Bahamas for the purpose of conducting business affairs in conformity with Islamic law, principles, and traditions.

Dividend

The Board of Directors, in their meeting held on April 24, 2025 declared an interim cash dividend of Rs 1.5 per share (15%) for the quarter ended March 31, 2025.

Heartfelt Thanks: Acknowledging Our Pillars of Strength

On behalf of the Board and the Management, we extend gratitude to our esteemed shareholders for their unwavering support. We are indebted to our customers for their continuous confidence and trust. We would also like to place on record our appreciation for the Government of Pakistan, the State Bank of Pakistan and the Securities and Exchange Commission of Pakistan for their continued support and guidance and for developing and strengthening the banking and financial services sector through continuous improvement in the regulatory and governance framework.

As always, we would also like to express sincere appreciation for the Shariah Board. We would also like to take this opportunity to recognize and commend the unwavering commitment and exceptional efforts extended by our employees in driving the growth of FBL. We extend our heartfelt thanks to them for their relentless dedication and hard work.

Approval

In compliance with the requirement of the Companies Act, 2017, this Directors' Report with the recommendations of the Board Audit and Corporate Governance Committee has been approved by the Directors in their meeting held on April 24, 2025 and signed by the Chief Executive Officer and a director.

President & CEO

Chairman

Karachi

Dated: April 24, 2025

## ہماری طاقت کے ستونوں کے لیے دلی اظہارِ تشکر

بورڈ اور انتظامیہ کی جانب سے، ہم اس موقع پر شیئر ہولڈرز کا شکریہ ادا کرتے ہیں کہ انہوں نے ہم پر غیر متزلزل اعتماد کیا ہے۔ ہم اپنے صارفین کے تہہ دل سے مشکور ہیں، جنہوں نے اپنے کاروبار اور پختہ یقین کے ساتھ ہم پر اعتماد کو مسلسل جاری رکھا۔ ہم ریگولیٹری اور گورننس فریم ورک میں مسلسل بہتری کے ذریعے بینکنگ اور فنانشل سروسز سیکٹر کے فروغ کے لیے اُن کے مسلسل تعاون اور رہنمائی پر اپنے ریگولیٹرز اور حکومت پاکستان، بالخصوص اسٹیٹ بینک آف پاکستان اور سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے بھی شکر گزار ہیں۔

ہمیشہ کی طرح، ہم شریعہ بورڈ کے مشکور ہیں اور فیصل بینک لمیٹڈ کی ترقی کے لیے اپنے ملازمین کی کوششوں کو تسلیم کرتے ہیں اور ان کی انتھک لگن اور محنت کو دل سے سراہتے ہیں۔

## منظوری

کمپنیز ایکٹ 2017 کے تقاضوں کے مطابق، بورڈ کی آڈٹ اور کارپوریٹ گورننس کمیٹی کی سفارش کے ساتھ ڈائریکٹرز کی اس رپورٹ کو ڈائریکٹرز نے 24 اپریل 2025 کو ہونیوالے اپنے اجلاس میں منظور کیا اور اس پر چیف ایگزیکٹو آفیسر اور ڈائریکٹر نے دستخط ثبت کئے ہیں۔

چیئر مین

صدر اور سی ای او

کراچی

تاریخ: 24 اپریل 2025

## کریڈٹ ریٹنگ:

VIS کریڈٹ ریٹنگ کمپنی لمیٹڈ (VIS) اور پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے فیصل بینک لمیٹڈ کے لیے درج ذیل درجہ بندیوں کی 2024 میں دوبارہ تصدیق کی ہے:

طویل المدتی	AA
قلیل المدتی	A1+

PACRA نے درجہ بندیوں کو 'مستحکم' قرار دیا جبکہ VIS نے 'مثبت' آئوٹ لک کے ساتھ اپ گریڈ کیا ہے۔

VIS نے 2024 میں FAML کی مینجمنٹ کو الٹی ریٹنگ کو AM1 ریٹنگ سے نوازا ہے۔ یہ درجہ بندی نشاندہی کرتی ہے کہ اثاثہ منیجر بہت اچھی انتظامی خصوصیات کا مظاہرہ کر رہا ہے۔

## ہولڈنگ کمپنی

اتمار بینک بی۔ ایس۔ سی (کلوزڈ)، جو کہ سینٹرل بینک آف بحرین کالائسنس یافتہ ادارہ ہے، جو بالواسطہ اور بلاواسطہ طور پر بینکنگ کے 66.78 فیصد (2024 میں 66.78 فیصد) حصص کے ساتھ بینک کا سربراہ ادارہ ہے۔ اتمار بینک بی۔ ایس۔ سی (کلوزڈ)، اتمار ہولڈنگ بی۔ ایس۔ سی کی مکمل ملکیت کا ذیلی ادارہ ہے اور دارالمال الاسلامی ٹرسٹ (ڈی ایم آئی ٹی) فیصل بینک کا اعلیٰ ترین سربراہی ادارہ ہے۔ ڈی ایم آئی ٹی کا قیام کامن ویلتھ آف بہاماس کے قوانین کے تحت عمل میں آیا تاکہ اسلامی قوانین، اصولوں اور روایات کے مطابق کاروباری امور سرانجام دیئے جائیں۔

## ڈیویڈنڈ

بورڈ آف ڈائریکٹرز نے 24 اپریل 2025 کو منعقد ہونے والے اجلاس میں 31 مارچ 2025 کو ختم ہونے والی سہ ماہی کے لیے 1.5 روپے فی شیئر (15%) کے عبوری نقد منافع کی منظوری کی ہے۔



(ملین روپے)			نفع اور نقصان اکاؤنٹ
نمو %	مارچ ۲۰۲۴ء	مارچ ۲۰۲۵ء	
(3.6)	23,872	23,021	مجموعی آمدنی
23.7	(11,224)	(13,889)	آپریٹنگ اور دیگر اخراجات
(27.8)	12,648	9,132	منافع قبل از ٹیکس اور پروویژن
6,516.7	(36)	2,310	نیٹ پروویژن
(53.9)	102	47	ایسوسی ایٹس کے منافع کا حصہ
(9.6)	12,714	11,489	منافع قبل از ٹیکس
(0.4)	(6,105)	(6,080)	ٹیکسز
(18.2)	6,609	5,409	منافع بعد از ٹیکس
(18.2)	4.35	3.56	فی حصص آمدن (روپے)
327.9	201	860	ایکویٹی سیکیورٹیز سے حاصل ڈائریکٹ ایکویٹی منافع (بعد از ٹیکس)

جب ہم اپنے سفر پر غور کرتے ہیں تو ہم سب سے پہلے اللہ (SWT) کا شکر ادا کرتے ہیں کہ اس کی نعمتوں کے بغیر ہماری کوئی کامیابی ممکن نہ تھی۔ مشترکہ بنیادوں پر، قبل از ٹیکس منافع (PBT) 11 ارب روپے ہے، جو ایک چیلنجنگ میکرو اکنامک ماحول کے باوجود مستحکم کارکردگی کی عکاسی کرتا ہے۔ بعد از ٹیکس منافع (PAT) 5.4 ارب روپے رہا، جو ٹیکس کی شرح میں 49% سے 53% تک اضافے سے متاثر ہوا۔ فی شیئر آمدنی 4.35 روپے سے کم ہو کر 3.56 روپے ہو گئی۔

FAML نے کارکردگی میں مسلسل بہتری کا مظاہرہ کیا، 31 مارچ 2025 تک ایسیٹس انڈر مینجمنٹ (AUMs) 239 ارب روپے تک پہنچ گئے، جو گزشتہ سال کے 159 ارب روپے سے 50.3 فیصد اضافے کی عکاسی کرتے ہیں۔ FAML نے Q1'25 کے دوران 282 ملین روپے کا بعد از ٹیکس منافع کمایا جس میں گزشتہ سال کی اسی مدت کے مقابلے میں 69.9 فیصد اضافہ ہوا۔ FAML کی قابل ستائش مالی کارکردگی موجودہ معاشی حالات سے فائدہ اٹھانے میں اس کی پائیداری اور تاثیر کو واضح کرتی ہے۔

فیصل اسلامک سیونگ گروتھ فنڈ

فیصل اسلامک اسپیشل انکم فنڈ-I-FISIP

فیصل اسلامک کیش فنڈ

فیصل اسلامک فنانشل گروتھ فنڈ-II-FIFGP

فیصل اسلامی KPK گورنمنٹ پنشن فنڈ-مینی مارکیٹ سب فنڈ

فیصل اسلامی KPK گورنمنٹ پنشن فنڈ-ایکویٹی سب فنڈ

فیصل اسلامی KPK گورنمنٹ پنشن فنڈ-ڈیٹ سب فنڈ

فیصل اسلامی KPK گورنمنٹ پنشن فنڈ-ایکویٹی انڈیکس سب فنڈ

فیصل خوشحال مستقبل فنڈ-فیصل برکہ دو مین سیورز پلان

فیصل خوشحال مستقبل فنڈ-فیصل اجالا دو مین سیورز پلان

فیصل اسلامی محدود مدت پلان-I

## فیصل اسلامی کرنسی ایکسیج کمپنی (پرائیویٹ) لمیٹڈ (FICECL)

فیصل اسلامی کرنسی ایکسیج کمپنی (پرائیویٹ) لمیٹڈ (FICECL) کی مکمل ملکیتی ذیلی کمپنی کے طور پر کام کرتی ہے۔ اسے پاکستان میں کمپنیز ایکٹ 2017 کے تحت 16 جنوری 2024 کو شامل کیا گیا۔ کمپنی نے 16 جنوری 2024 کو SECP سے اپنا ”انکارپوریشن سرٹیفکیٹ“ حاصل کیا اور 26 مارچ 2024 کو اسٹیٹ بینک سے آپریشنل لائسنس بھی حاصل کیا۔ کمپنی فارن ایکسیج (غیر ملکی کرنسی کا کاروبار) کر رہی ہے اور ریگیمینٹسز (ترسیلات زر) کی سہولت فراہم کر رہی ہے۔

## مالیاتی جھلکیاں:

### بیلنس شیٹ

(ملین روپے)			
مارچ ۲۰۲۵ء	دسمبر ۲۰۲۴ء	نمو %	
693,448	678,255	2.2	سر مایہ کاری
643,689	633,990	1.5	فنانسنگ
1,594,873	1,564,615	1.9	کل اثاثہ جات
1,112,910	1,044,016	6.6	ڈپازٹس

## ڈائریکٹرز کا جائزہ

کنسولیڈیٹڈ مالیاتی گوشوارے

ہم بورڈ آف ڈائریکٹرز کی جانب سے، فیصل بینک لمیٹڈ گروپ کے 31 مارچ 2025 کو ختم شدہ سہ ماہی کے لیے ڈائریکٹرز کے جائزہ کے ساتھ غیر آڈٹ شدہ مختصر عبوری کنسولیڈیٹڈ مالیاتی گوشوارے پیش کرتے ہوئے اظہار مسرت کرتے ہیں۔

### گروپ پروفائل

فیصل بینک لمیٹڈ (FBL) گروپ اسٹرکچر درج ذیل ہے:

ہولڈنگ کمپنی : فیصل بینک لمیٹڈ

ذیلی ادارے : فیصل ایسیٹ مینجمنٹ لمیٹڈ  
فیصل اسلامی کرنسی ایکسچینج کمپنی (پرائیویٹ) لمیٹڈ

### ذیلی ادارے

فیصل ایسیٹ مینجمنٹ لمیٹڈ

فیصل بینک لمیٹڈ (FBL) فیصل ایسیٹ مینجمنٹ لمیٹڈ (FAML) میں 99.9% حصص کا شراکت دار ہے۔ FAML ایک ان لسٹڈ پبلک لمیٹڈ کمپنی ہے جو ایک نان بینکنگ فنانس کمپنی (NBFC) کے طور پر رجسٹرڈ ہے، جسے نان بینکنگ فنانس کمپنیز (اسٹبلشمنٹ اینڈ ریگولیشنز) رولز، 2003 اور نان بینکنگ فنانس کمپنیز اور نوٹیفائیڈ انٹرنیشنل ریگولیشنز 2008 کے تحت اثاثہ کے انتظام اور سرمایہ کاری کی مشاورتی خدمات سرانجام دینے کا لائسنس دیا گیا ہے۔

فیصل بینک لمیٹڈ، FAML کے زیر انتظام مندرجہ ذیل ”اوپن اینڈیڈ میوچل فنڈز“ میں ہولڈنگ کی بنیاد پر نمایاں اثر و رسوخ کا حامل ہے۔

اوپن اینڈیڈ میوچل فنڈ

فیصل حلال آمدنی فنڈ

فیصل اسلامی پنشن فنڈ - ڈیٹ

فیصل اسلامی پنشن فنڈ - ایکویٹی

فیصل اسلامی پنشن فنڈ - مٹی مارکیٹ

# Condensed Interim Consolidated Statement of Financial Position

As at March 31, 2025

	Note	(Un-audited) March 31, 2025	(Audited) December 31, 2024
----- Rupees in '000 -----			
<b>ASSETS</b>			
Cash and balances with treasury banks	10	100,926,383	102,600,657
Balances with other banks	11	8,780,278	5,539,562
Due from financial institutions		-	-
Investments	12	693,448,450	678,254,964
Islamic financing and related assets	13	643,688,781	633,990,216
Property and equipment	14	48,830,822	45,009,778
Right-of-use assets	15	13,203,966	13,297,784
Intangible assets	16	2,683,421	2,739,091
Deferred tax assets		-	-
Other assets	17	83,310,615	83,183,034
		1,594,872,716	1,564,615,086
<b>LIABILITIES</b>			
Bills payable	18	20,043,974	39,169,649
Due to financial institutions	19	290,417,802	280,442,540
Deposits and other accounts	20	1,112,909,734	1,044,015,748
Lease liabilities	21	15,714,634	15,582,671
Subordinated sukuk		-	-
Deferred tax liabilities	22	7,738,424	13,101,335
Other liabilities	23	40,225,742	62,378,109
		1,487,050,310	1,454,690,052
<b>NET ASSETS</b>		107,822,406	109,925,034
<b>REPRESENTED BY</b>			
Share capital		15,176,965	15,176,965
Reserves		18,374,854	17,866,357
Surplus on revaluation of assets - net	24	18,175,374	22,771,883
Unappropriated profit		56,094,844	54,109,488
Total equity attributable to the equity holders of the Bank		107,822,037	109,924,693
Non-controlling interest		369	341
		107,822,406	109,925,034

## CONTINGENCIES AND COMMITMENTS

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

PRESIDENT & CEO

CHIEF FINANCIAL OFFICER

CHAIRMAN

DIRECTOR

DIRECTOR

# Condensed Interim Consolidated Statement of Profit and Loss Account (Un-audited)

For the quarter ended March 31, 2025

		Quarter ended	
	Note	March 31, 2025	March 31, 2024
		----- Rupees in '000 -----	
Profit / return earned	27	42,107,331	60,425,974
Profit / return expensed	28	24,891,971	41,608,497
Net profit / return		17,215,360	18,817,477
<b>OTHER INCOME</b>			
Fee and commission income	29	3,950,229	3,000,836
Dividend income		35,163	70,572
Foreign exchange income		1,730,862	1,600,558
Income / (loss) from derivatives		15,486	(17,955)
Gain on securities - net	30	46,394	227,238
Net loss on derecognition of financial assets measured at amortised cost	17.1	(83,628)	-
Other income	31	110,460	172,957
Total other income		5,804,966	5,054,206
Total income		23,020,326	23,871,683
<b>OTHER EXPENSES</b>			
Operating expenses	32	13,661,645	10,955,015
Workers welfare fund		226,784	264,278
Other charges	33	586	4,455
Total other expenses		13,889,015	11,223,748
Share of profit of associates	12.5	47,259	101,956
Profit before credit loss allowance		9,178,570	12,749,891
(Reversal) / credit loss allowance and write offs - net	34	(2,310,420)	36,079
Extra ordinary / unusual items		-	-
<b>PROFIT BEFORE TAXATION</b>		11,488,990	12,713,812
Taxation	35	6,079,505	6,104,500
<b>PROFIT AFTER TAXATION</b>		5,409,485	6,609,312
<b>Attributable to:</b>			
Equity holders of the Bank		5,409,457	6,609,302
Non-controlling interest		28	10
		5,409,485	6,609,312
----- Rupees -----			
<b>Basic / diluted earnings per share</b>	36	3.56	4.35

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

PRESIDENT & CEO

CHIEF FINANCIAL OFFICER

CHAIRMAN

DIRECTOR

DIRECTOR

# Condensed Interim Consolidated Statement of Comprehensive Income (Un-audited)

For the quarter ended March 31, 2025

	Quarter ended	
	March 31, 2025	March 31, 2024
	Rupees in '000	
Profit after taxation for the period	5,409,485	6,609,312
<b>Other comprehensive income / (loss)</b>		
<b>Items that may be reclassified to the profit and loss account in subsequent periods:</b>		
Movement in deficit on revaluation of debt investments through FVOCI - net of tax	(4,286,873)	(712,720)
<b>Items that will not be reclassified to the profit and loss account in subsequent periods:</b>		
Movement in (deficit) / surplus on revaluation of equity investments - net of tax	(150,664)	225,247
Movement in surplus on revaluation of property and equipment - net of tax	39,537	-
Movement in surplus on revaluation of non-banking assets - net of tax	320	-
	(110,807)	225,247
<b>Total comprehensive income</b>	<b>1,011,805</b>	<b>6,121,839</b>
<b>Attributable to:</b>		
Equity holders of the Bank	1,011,777	6,121,829
Non-controlling interest	28	10
	<b>1,011,805</b>	<b>6,121,839</b>

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

PRESIDENT & CEO

CHIEF FINANCIAL OFFICER

CHAIRMAN

DIRECTOR

DIRECTOR

# Condensed Interim Consolidated Statement of Changes in Equity

## For the quarter ended March 31, 2025

	Share capital	Reserves				Surplus / (deficit) on revaluation of			Unappropriated profit	Non-controlling interest	Total	
		Capital reserves		Statutory reserve*	Total	Investments	Property and equipment / non-banking assets	Total				
		Share premium	Non-distributable capital reserve (NCR) - gain on bargain purchase									
Rupees in '000												
Restated balance as at January 1, 2024 (Audited)	15,176,965	10,131	188,301	23,952	15,393,804	15,616,188	2,453,924	11,821,788	14,275,712	42,102,243	258	87,171,366
Profit after taxation for the quarter ended March 31, 2024	-	-	-	-	-	-	-	-	-	6,609,302	10	6,609,312
Other comprehensive income - net of tax												
Movement in surplus on revaluation of equity investments through FVOCI - net of tax	-	-	-	-	-	-	225,247	-	225,247	-	-	225,247
Movement in deficit on revaluation of debt investments through FVOCI - net of tax	-	-	-	-	-	-	(712,720)	-	(712,720)	-	-	(712,720)
Total other comprehensive loss - net of tax	-	-	-	-	-	-	(487,473)	-	(487,473)	-	-	(487,473)
Gain on sale of equity instruments classified as FVOCI - net of tax	-	-	-	-	-	-	(201,273)	-	(201,273)	201,273	-	-
Transfer to statutory reserve	-	-	-	-	651,285	651,285	-	-	-	(651,285)	-	-
Transfer from surplus on revaluation of property and equipment to unappropriated profit - net of tax	-	-	-	-	-	-	-	(35,934)	(35,934)	35,934	-	-
Amortisation of intangible assets - customer relationship - net of tax	-	-	(10,472)	-	-	(10,472)	-	-	-	-	-	(10,472)
Transaction with owners, recorded directly in equity												
Final cash dividend declared on February 7, 2024 at Rs 2 per share	-	-	-	-	-	-	-	-	-	(3,035,394)	-	(3,035,394)
Restated balance as at March 31, 2024 (Un-audited)	15,176,965	10,131	177,829	23,952	16,045,089	16,297,001	1,765,178	11,785,854	13,551,032	45,262,073	268	90,247,339
Profit after taxation for the nine months period ended December 31, 2024	-	-	-	-	-	-	-	-	-	17,282,347	73	17,282,420
Other comprehensive income - net of tax												
Movement in surplus on revaluation of debt of investments - net of tax	-	-	-	-	-	-	8,442,715	-	8,442,715	-	-	8,442,715
Movement in surplus on revaluation of equity investments through FVOCI - net of tax	-	-	-	-	-	-	1,067,904	-	1,067,904	-	-	1,067,904
Remeasurement gain / (loss) on defined benefit obligations - net of tax	-	-	-	-	-	-	-	-	-	(51,530)	-	(51,530)
Movement in deficit on revaluation of property and equipment - net of tax	-	-	-	-	-	-	-	(190,176)	(190,176)	-	-	(190,176)
Movement in deficit on revaluation of non-banking assets - net of tax	-	-	-	-	-	-	-	(1,824)	(1,824)	-	-	(1,824)
Total other comprehensive income / (loss) - net of tax	-	-	-	-	-	9,510,619	(192,000)	9,318,619	(51,530)	-	-	9,267,089
Gain on sale of equity instruments classified as FVOCI - net of tax	-	-	-	-	-	-	(7,575)	-	(7,575)	7,575	-	-
Transfer to statutory reserve	-	-	-	-	1,651,534	1,651,534	-	-	-	(1,651,534)	-	-
Transfer from surplus on revaluation of property and equipment to unappropriated profit - net of tax	-	-	-	-	-	-	-	(90,193)	(90,193)	90,193	-	-
Amortisation of intangible assets - customer relationship - net of tax	-	-	(42,178)	-	-	(42,178)	-	-	-	-	-	(42,178)
Transaction with owners recorded directly in equity												
First interim cash dividend declared on April 25, 2024 at Re 1 per share	-	-	-	-	-	-	-	-	-	(1,517,697)	-	(1,517,697)
Second interim cash dividend declared on August 28, 2024 at Rs 2 per share	-	-	-	-	-	-	-	-	-	(3,035,394)	-	(3,035,394)
Third interim cash dividend declared on October 24, 2024 at Rs 1.5 per share	-	-	-	-	-	-	-	-	-	(2,276,545)	-	(2,276,545)
Balance as at December 31, 2024 (Audited)	15,176,965	10,131	135,651	23,952	17,696,623	17,866,357	11,289,222	11,503,861	22,771,883	54,109,488	341	109,925,034
Impact of adopting IFRS 9 as at January 1, 2025 - net of tax	-	-	-	-	-	-	686,043	-	686,043	-	-	686,043
Restated balance as at January 1, 2025	15,176,965	10,131	135,651	23,952	17,696,623	17,866,357	11,954,265	11,503,861	23,457,926	54,109,488	341	110,611,077
Profit after taxation for the quarter ended March 31, 2025	-	-	-	-	-	-	-	-	-	5,409,457	28	5,409,485
Other comprehensive income - net of tax												
Movement in deficit on revaluation of equity investments through FVOCI - net of tax	-	-	-	-	-	-	(150,664)	-	(150,664)	-	-	(150,664)
Movement in deficit on revaluation of debt investments through FVOCI - net of tax	-	-	-	-	-	-	(4,286,873)	-	(4,286,873)	-	-	(4,286,873)
Movement in surplus on revaluation of property and equipment - net of tax	-	-	-	-	-	-	-	39,537	39,537	-	-	39,537
Movement in surplus on revaluation of non-banking assets - net of tax	-	-	-	-	-	-	-	320	320	-	-	320
Total other comprehensive (loss) / income - net of tax	-	-	-	-	-	(4,437,537)	39,857	(4,397,680)	-	-	-	(4,397,680)
Gain on sale of equity instruments classified as FVOCI - net of tax	-	-	-	-	-	-	(860,314)	-	(860,314)	860,314	-	-
Transfer to statutory reserve	-	-	-	-	514,732	514,732	-	-	-	(514,732)	-	-
Transfer from surplus on revaluation of property and equipment to unappropriated profit - net of tax	-	-	-	-	-	-	-	(24,558)	(24,558)	24,558	-	-
Amortisation of intangible assets - customer relationship - net of tax	-	-	(6,235)	-	-	(6,235)	-	-	-	-	-	(6,235)
Transaction with owners, recorded directly in equity												
Final cash dividend declared on February 20, 2025 at Rs 2.5 per share	-	-	-	-	-	-	-	-	-	(3,794,241)	-	(3,794,241)
Balance as at March 31, 2025 (Un-audited)	15,176,965	10,131	129,416	23,952	18,211,355	18,374,854	6,656,414	11,518,960	18,175,374	56,094,844	369	107,822,406

\* This represents reserve created under section 21(i)(b) of the Banking Companies Ordinance, 1962.

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

# Condensed Interim Consolidated Cash Flow Statement (Un-audited)

For the quarter ended March 31, 2025

	Note	March 31, 2025	March 31, 2024
		----- Rupees in '000 -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before taxation		11,488,990	12,713,812
Less: dividend income		(35,163)	(70,572)
Less: share of profit of associates		(47,259)	(101,956)
		11,406,568	12,541,284
<b>Adjustments:</b>			
Net profit / return income		(17,215,360)	(18,710,546)
Depreciation on owned property and equipment	32	1,122,456	637,538
Depreciation on right-of-use assets	32	595,132	485,781
Amortisation of intangible assets	32	146,480	95,717
Depreciation on non-banking assets	32	592	786
Amortisation of lease liability against right-of-use-assets		511,377	393,973
Workers welfare fund		226,784	264,278
(Reversal) / credit loss allowance and write offs - net		(2,310,420)	36,080
Unrealised gain - FVTPL - net	30	-	(206,884)
Net loss on derecognition of financial assets measured at amortised cost		83,628	-
Gain on sale of property and equipment - net	31	(4,183)	(4,770)
Gain on termination of leases (IFRS 16)	31	(13,045)	(19,563)
Charge for defined benefit plan		145,692	88,347
(Income) / loss from derivative contracts		(15,486)	17,955
		(16,726,353)	(16,921,308)
		(5,319,785)	(4,380,024)
<b>(Increase) / decrease in operating assets</b>			
Due from financial institutions		-	(10,999,999)
Securities classified as FVTPL		1,396,156	(2,642,290)
Islamic financing and related assets		(8,293,391)	4,358,494
Others assets (excluding advance taxation)		5,236,153	(1,901,833)
		(1,661,082)	(11,185,628)
<b>Increase / (decrease) in operating liabilities</b>			
Bills Payable		(19,125,675)	(4,175,595)
Due to financial institutions		9,975,262	80,374,307
Deposits		68,893,986	30,386,838
Other liabilities (excluding current taxation)		(23,799,270)	(1,461,066)
		35,944,303	105,124,484
Income tax paid		(5,060,525)	(8,751,837)
Net profit / return received		33,994,307	36,349,051
Net profit / return paid		(25,115,003)	(37,683,109)
Contribution to gratuity fund		(145,692)	(88,347)
<b>Net cash generated from operating activities</b>		32,636,523	79,384,590
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Net divestment in amortized cost securities		1,396,156	1,921
Net investment in securities classified as FVOCI		(26,563,573)	(54,537,133)
Net Investment in associates		(54,897)	18,795
Dividends received		30,951	56,110
Investment in property and equipment		(4,938,960)	(3,592,234)
Investment in intangible assets		(110,005)	(167,885)
Sale proceeds on disposal of property and equipment		42,265	42
<b>Net cash used in from investing activities</b>		(30,198,063)	(58,220,384)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Payment of lease liability against right-of-use assets		(863,795)	(627,441)
Dividend paid		(8,223)	(6,113,986)
<b>Net cash used in financing activities</b>		(872,018)	(6,741,427)
<b>Increase in cash and cash equivalents during the period</b>			
		1,566,442	14,422,779
Cash and cash equivalents at the beginning of the period		108,140,219	83,720,662
<b>Cash and cash equivalents at the end of the period</b>		109,706,661	98,143,441

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

PRESIDENT & CEO

CHIEF FINANCIAL OFFICER

CHAIRMAN

DIRECTOR

DIRECTOR



# Notes to the Condensed Interim Consolidated Financial Statements (un-audited)

## For the quarter ended March 31, 2025

### 1 STATUS AND NATURE OF BUSINESS

#### 1.1 The "Group" consists of:

- (i) Faysal Bank Limited - Holding Company
- (ii) Faysal Asset Management Limited - Subsidiary Company
- (iii) Faysal Islami Currency Exchange Company (Private) Limited - Subsidiary Company

##### 1.1.1 Holding Company - Faysal Bank Limited

Faysal Bank Limited (the Bank or the Holding Company) was incorporated in Pakistan on October 3, 1994 as a public limited company under the provisions of the repealed Companies Ordinance, 1984 (now the Companies Act, 2017). Its shares are listed on the Pakistan Stock Exchange Limited. The Holding Company is engaged in Corporate, Commercial and Consumer banking activities. The Holding Company is operating through 855 branches (December 31, 2024: 855) including 2 sub-branches (December 31, 2024: 2).

The Registered Office of the Bank is located at Faysal House, ST-02, Shahra-e-Faisal, Karachi.

Ithmaar Bank B.S.C (closed), a fully owned subsidiary of Ithmaar Holdings B.S.C is the parent company of the Bank, holding directly and indirectly 66.78% (December 31, 2024: 66.78%) of the shareholding of the Bank. Dar Al-Maal Al-Islami Trust (DMIT), (ultimate parent of the Bank) is the holding company of Ithmaar Holdings B.S.C.

The Pakistan Credit Rating Agency Limited (PACRA) and VIS Credit Rating Company Limited have determined the Holding Company's long-term rating as 'AA' (December 31, 2024: 'AA') and the short term rating as 'A1+' (December 31, 2024: 'A1+') on June 24, 2024 and June 28, 2024 respectively.

##### 1.1.2 Subsidiary Company - Faysal Islami Currency Exchange Company (Private) Limited

During the year, the Holding Company established a wholly owned subsidiary, Faysal Islami Currency Exchange Company (Private) Limited (FICEC). FICEC is a private limited company, incorporated in Pakistan with the objective of dealing in foreign exchange and facilitating remittances. The registered office of FICEC is at ST-02, Faysal House, Shahrah-e-Faisal, Karachi.

##### 1.1.3 Subsidiary Company - Faysal Asset Management Limited

	Percentage of holding	
	March 31, 2025	December 31, 2024
Faysal Asset Management Limited - Subsidiary	99.99%	99.99%

Faysal Asset Management Limited (the Subsidiary Company) was incorporated in Pakistan under the provisions of the repealed Companies Ordinance, 1984 (now Companies Act, 2017) on August 6, 2003 as an unlisted public limited company. The Subsidiary Company commenced its operations on November 14, 2003. The registered office of the Subsidiary Company is located at 7th Floor, West Wing, Faysal House, ST-02, Shahra-e-Faisal, Karachi.

The Subsidiary Company is a Non-Banking Finance Company (NBFC), licensed to carry out asset management and investment advisory services under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations).

VIS Credit Rating Company Limited has assigned Asset Management rating of AM1 (December 31, 2024: Am2++) on September 10, 2024.

### 2 BASIS OF PRESENTATION

- 2.1 The Group provides financing mainly through Murabaha, Musawammah, Istisna and other Islamic modes as briefly explained in note 6.8 to in the annual audited consolidated financial statements for the year ended December 31, 2024.

# Notes to the Condensed Interim Consolidated Financial Statements (un-audited)

For the quarter ended March 31, 2025

The purchases and sales arising under these arrangements are not reflected in these consolidated financial statements as such but are restricted to the amount of facility actually utilized and the appropriate portion of profit thereon. The income on such financing is recognised in accordance with the principles of Islamic Shariah. However, income, if any, received which does not comply with the principles of Islamic Shariah is recognised as charity payable if so directed by the Shariah Board of the Group.

## 3 BASIS OF CONSOLIDATION

The consolidated financial statements incorporate the financial statements of the Bank and the financial statements of the Subsidiary Company from the date from which control of the Subsidiary Company by the Group commences until the date on which control ceases. The assets and liabilities of the subsidiaries have been consolidated on a line-by-line basis and the investments held by the Holding Company is eliminated against the corresponding share capital of the subsidiaries in these condensed interim consolidated financial statements.

The financial statements of the Subsidiary Company are prepared for the same reporting period as the Holding Company, using accounting policies that are generally consistent with those of the Holding Company.

Material intra-group balances and transactions are eliminated.

Investments in associates are accounted for under the equity method of accounting and are initially recognised at cost, thereafter for the post acquisition change in the Group's share of net assets of the associates. The consolidated profit and loss account reflects the Group's share of the results of operations of the associate. These consolidated financial statements include the Group's share of income and expenses of associates from the date that significant influence commences until the date that such influence ceases. Non-controlling interest is that part of the net results of operations and of net assets of the subsidiary attributable to interests which are not owned by the Holding Company.

## 4 STATEMENT OF COMPLIANCE

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Islamic Financial Accounting standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as are notified under the Companies Act, 2017;
- Provisions of, and directives issued under the Banking Companies Ordinance, 1962 and the Companies Act, 2017; and
- Directives issued by the State Bank of Pakistan (SBP) and the Securities and Exchange Commission of Pakistan (SECP).

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

The State Bank of Pakistan (SBP) has adopted requirements of IFRS 9 along with the application instructions through BPRD Circular No. 07 of 2023, dated April 13, 2023, but deferred certain requirements. Islamic banking institutions have been allowed to follow Islamic Financial Accounting Standards (IFAS) 1 & 2 where applicable and continue existing accounting practices for other Islamic products until further instructions. The impact of profit of financing in advance stage is Rs. 1,551 million excluding any Effective yield rate (EIR) effect as the Holding Company has received deferment of recording income and expense at EIR via letter from SBP till December 31, 2025. Consequently, these deferred requirements of IFRS 9 have not been considered in the preparation of these condensed interim consolidated financial statements.

**4.2** As per the directive of the SBP through its letter BPRD (R&P-02)/625-99/2011/3744 dated March 28, 2011, gain arising on bargain purchase of Pakistan operations of Royal Bank of Scotland (ex-RBS Pakistan) was

# Notes to the Condensed Interim Consolidated Financial Statements (un-audited)

## For the quarter ended March 31, 2025

credited directly into equity as Non-distributable Capital Reserve (NCR). The SBP allowed the Group to adjust the amortisation of intangible assets against the portion of reserve which arose on account of such assets identified as a result of such acquisition. Accordingly, during the period ended March 31, 2025, the Group has adjusted amortisation of intangible assets net of tax amounting to Rs. 6.235 million (period ended March 31, 2024: Rs. 10.472 million) from the NCR.

- 4.3
- These condensed interim consolidated financial statements do not include all the information and disclosures required in the annual audited consolidated financial statements, and are limited based on the format prescribed by the State Bank of Pakistan through BPRD Circular Letter No. 2 of 2023 dated February 9, 2023 and IAS 34 and should be read in conjunction with the annual consolidated financial statements for the financial year ended December 31, 2024.
- 4.4
- Standards, interpretations of and amendments to the published accounting and reporting standards that are effective in the current period:
- 4.4.1
- There are certain new and amended standards, interpretations and amendments that are mandatory for the Group's accounting periods beginning on January 1, 2025 but are considered not to be relevant or do not have any significant effect on the Group's operations are therefore not detailed in these condensed interim consolidated financial statements.
- 4.5
- Standards, interpretations of and amendments to the published accounting and reporting standards that are not yet effective:**
- 4.5.1
- The following revised standards, amendments and interpretations with respect to the accounting and reporting standards would be effective from the dates mentioned below against the respective standards, amendments or interpretations:

Standards, interpretations or amendments	Effective date (annual periods beginning on or after)
- IFRS S1 - General Requirements for Disclosure of Sustainability - related Financial Information	January 1, 2026
- IFRS S2 - Climate-related Disclosures	January 1, 2026
- Amendments to IFRS 9 Financial Instruments	January 1, 2026
- Amendments to IFRS 10 and IAS 28 - Sale or contribution of assets between an investor and its associates or joint venture	not yet announced

The management of the Group is assessing the impact of the changes in the above mentioned standards on the consolidated financial statements.

- 4.5.2
- As required under SBP Letter No. BPRD/LD-01/850/28853/2022-13054, the details of the net conventional funded portfolio as at March 31, 2025 are as follows:

	Note	Rupees in '000
<b>Assets</b>		
Investments		1,590,449
Financing - net		490,349
<b>Liabilities</b>		
Deposits and other accounts		2,354,757
Other Liabilities	26.1	733,940

All efforts are being put in to convert or dispose-off the residual portfolio and appropriate monitoring mechanisms are in place. Quarterly progress report on the status of the residual portfolio is shared with the Bank's Board of Directors, the Shariah Board and the State Bank of Pakistan.

### 5 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in preparation of these condensed interim consolidated financial statements are the same as applied in the preparation of annual consolidated financial statements of the Group for the year ended December 31, 2024 except for the following.

# Notes to the Condensed Interim Consolidated Financial Statements (un-audited)

For the quarter ended March 31, 2025

## 5.1 Fair valuation of unquoted equity securities

The fair value of unquoted equity instruments is determined by applying the adjusted net assets method, as no quoted market prices or reliable valuation inputs are available. All fair value adjustments are recognized in Other Comprehensive Income (OCI) and accumulated within equity, in accordance with IFRS 9.

## 6 BASIS OF MEASUREMENT

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

## 7 FUNCTIONAL AND PRESENTATION CURRENCY

7.1 Items included in these condensed interim consolidated financial statements are measured using the currency of the primary economic environment in which the Group operates. These condensed interim consolidated financial statements are presented in Pakistani Rupees, which is the Group's functional and presentation currency.

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

## 8 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The basis for accounting estimates adopted in the preparation of these condensed interim consolidated financial statements is the same as that applied in the preparation of the consolidated financial statements of the Group for the year ended December 31, 2024 except for fair valuation of unlisted equity securities.

## 9 FINANCIAL RISK MANAGEMENT

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

Note	Un-audited March 31, 2025	Audited December 31, 2024
----- Rupees '000 -----		

## 10 CASH AND BALANCES WITH TREASURY BANKS

In hand		
- local currency	32,980,997	28,965,475
- foreign currencies	4,504,440	3,287,756
	37,485,437	32,253,231
With State Bank of Pakistan in		
- local currency current accounts	53,764,519	62,834,372
- foreign currency current accounts	2,409,416	2,367,675
- foreign currency deposit accounts	4,966,369	3,841,612
	61,140,304	69,043,659
With National Bank of Pakistan in		
- local currency current accounts	2,302,642	1,304,011
Prize bonds	-	1,443
Less: Credit loss allowance	(2,000)	(1,687)
Cash and balances with treasury banks - net of credit loss allowance	100,926,383	102,600,657

# Notes to the Condensed Interim Consolidated Financial Statements (un-audited)

For the quarter ended March 31, 2025

- 10.1** These include local and foreign currency amounts required to be maintained by the Bank with SBP under the Banking Companies Ordinance, 1962 and / or stipulated by the SBP. These accounts are non-remunerative in nature.
- 10.2** These represent the notional prize bonds received from customers for onward surrendering to SBP. The Group as in the matter of Shariah principle, does not deal in prize bonds.

	(Un-audited) March 31, 2025	(Audited) December 31, 2024
	----- Rupees in '000 -----	
<b>11 BALANCES WITH OTHER BANKS</b>		
In Pakistan		
- in current accounts	9,710	13,918
- in saving accounts	86	86
	9,796	14,004
Outside Pakistan		
- in current account	8,770,485	5,525,561
- in deposit account		
Less: Credit loss allowance	(3)	(3)
Balances with other banks - net of credit loss allowance	8,780,278	5,539,562

## 12 INVESTMENTS

### 12.1 Investments by type:

		(Un-audited) March 31, 2025			
		Cost / amortised cost	Credit loss allowance	Surplus / (deficit)	Carrying value
		----- Rupees in '000 -----			
<b>FVTPL</b>					
Federal Government securities		1,259,446	-	-	1,259,446
		1,259,446	-	-	1,259,446
<b>FVOCI</b>					
Federal Government securities	12.2	617,209,063	-	11,073,910	628,282,973
Shares		5,044,919	-	1,056,619	6,101,538
Non Government debt securities		47,570,932	(1,320,594)	1,737,000	47,987,338
		669,824,914	(1,320,594)	13,867,529	682,371,849
<b>Amortised Cost</b>					
Federal Government securities		150,015	-	-	150,015
Non Government debt securities		6,818,195	(8,939)	-	6,809,256
		6,968,210	(8,939)	-	6,959,271
<b>Associates</b>	12.5	2,857,884	-	-	2,857,884
<b>Total Investments</b>		680,910,454	(1,329,533)	13,867,529	693,448,450

# Notes to the Condensed Interim Consolidated Financial Statements (un-audited)

For the quarter ended March 31, 2025

(Audited)			
December 31, 2024			
Cost / amortised cost	Credit loss allowance	Surplus / (deficit)	Carrying value
----- Rupees in '000 -----			
<b>Classified / Measured at FVPL</b>			
Federal Government securities	2,624,853	-	-
	2,624,853	-	-
<b>Classified / Measured at FVOCI</b>			
Federal Government securities	587,301,250	-	20,573,146
Shares	8,389,160	-	1,770,451
Non Government debt securities	47,570,932	(1,321,184)	1,631,343
	643,261,342	(1,321,184)	23,974,940
<b>Classified / Measured at amortised cost</b>			
Federal Government securities	150,015	-	-
Non Government debt securities	8,214,351	(1,405,081)	-
	8,364,366	(1,405,081)	-
<b>Associates</b>	2,755,728	-	-
<b>Total Investments</b>	657,006,289	(2,726,265)	23,974,940
			678,254,964

(Un-audited)  
March 31,  
2025

(Audited)  
December 31,  
2024

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

## 12.2 Investments given as collateral - at market value

### Federal Government Securities

- Ijarah Sukuk

197,920,950	128,477,500
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## 12.3 Credit loss allowance for diminution in value of investments

Opening balance  
Impact of adopting IFRS 9 as at January 1,  
Restated balance as at January 1,

2,726,265	3,834,242
-	(920,972)
2,726,265	2,913,270

Charge / reversals

- Charge for the year  
- Reversals for the year  
- Reversals on disposals

-	99
(577)	(182,783)
(1,038,580)	(4,321)

Transfers - net  
Amounts written off  
Closing Balance

(1,039,157)	(187,005)
(357,575)	-
-	-
1,329,533	2,726,265

# Notes to the Condensed Interim Consolidated Financial Statements (un-audited)

For the quarter ended March 31, 2025

## 12.4 Particulars of credit loss allowance against debt securities

		(Un-audited)		(Audited)	
		March 31, 2025		December 31, 2024	
		Outstanding amount	Credit loss allowance	Outstanding amount	Credit loss allowance
Rupees in '000					
<b>Category of classification</b>					
<b>Domestic</b>					
Performing	Stage 1	669,855,847	420	640,098,049	996
Underperforming	Stage 2	-	-	-	-
Non-performing	Stage 3	-	-	-	-
- Substandard		-	-	-	-
- Doubtful		-	-	1,214,135	800,905
- Loss		1,742,343	1,329,113	1,924,364	1,924,364
		1,742,343	1,329,113	3,138,499	2,725,269
Total		671,598,190	1,329,533	643,236,548	2,726,265

## 12.5 Movement of investment in associates

March 31, 2025 (Unaudited)							
Country of incorporation	% Holding	Investment at the beginning of the period	Investment / (redemption) during the period	Share of profit / (loss)	Dividend received	Investment at the end of the year	
Rupees in '000							
Associates							
Faysal Halal Amdani Fund	Pakistan	0.31	680,762	(530,727)	(4,444)	-	145,591
Faysal Islamic Pension Fund - Debt	Pakistan	43.04	48,318	-	680	-	48,998
Faysal Islamic Pension Fund - Equity	Pakistan	64.76	66,496	-	4,109	-	70,605
Faysal Islamic Pension Fund - Money Market	Pakistan	14.64	49,203	-	988	-	50,191
Faysal Islamic Savings Growth Fund	Pakistan	20.34	511,918	-	10,148	-	522,066
Faysal Islamic Special Income Fund - FISIP-I	Pakistan	63.85	82,671	1,000	1,024	-	84,695
Faysal Islamic Cash Fund	Pakistan	1.48	272,401	914,990	26,078	-	1,213,469
Faysal Islamic Financial Growth Fund - FIFGP-I	Pakistan	-	3,448	(3,448)	-	-	-
Faysal Islamic Financial Growth Fund-(FIFGP-II)	Pakistan	2.47	-	576,219	3,208	-	579,427
Faysal Islamic KPK Government Pension Fund - Money Market Sub Fund	Pakistan	95.65	35,472	1	749	-	36,222
Faysal Islamic KPK Government Pension Fund - Equity Sub Fund	Pakistan	100.00	590	(1)	18	-	607
Faysal Islamic KPK Government Pension Fund - Debt Sub Fund	Pakistan	100.00	592	-	18	-	610
Faysal Islamic KPK Government Pension Fund – Equity Index Sub Fund	Pakistan	100.00	594	1	18	-	613
Faysal Khushal Mustaqbil Fund- Faysal Barak'ah Women Savers Plan	Pakistan	80.54	-	50,000	682	-	50,682
Faysal Khushal Mustaqbil Fund- Faysal Ujala Women Savers Plan	Pakistan	100.00	-	50,000	651	-	50,651
Faysal Financial Sector Opportunity Fund	Pakistan	-	61	(61)	-	-	-
Faysal Special Savings Plan- I	Pakistan	-	1,387	(1,379)	(8)	-	-
Faysal Special Savings Plan- II	Pakistan	-	205	(202)	(3)	-	-
Faysal Pension Fund-Debt Sub Fund	Pakistan	-	46,872	(47,056)	184	-	-
Faysal Pension Fund-Equity Sub Fund	Pakistan	-	75,766	(73,506)	(2,260)	-	-
Faysal Pension Fund-Money Market Sub Fund	Pakistan	-	47,786	(47,961)	175	-	-
Faysal Islamic Financial Growth Fund-(FIFGP-I)	Pakistan	-	-	(50)	50	-	-
Faysal Islamic Sovereign Fund-Faysal Islamic Sovereign Plan-I	Pakistan	-	821,716	(826,219)	4,503	-	-
Faysal Islamic Sovereign Fund-Faysal Islamic Sovereign Plan-II	Pakistan	-	1,116	(1,126)	10	-	-
Faysal Khushal Mustaqbil Fund- Faysal Nu'umah Women Savers Plan	Pakistan	-	-	(373)	373	-	-
Faysal Islamic Stock Fund	Pakistan	-	4,949	(5,205)	256	-	-
Faysal Islamic Mehdood Muddat Plan-I	Pakistan	0.11	3,405	-	52	-	3,457
			2,755,728	54,897	47,259	-	2,857,884

# Notes to the Condensed Interim Consolidated Financial Statements (un-audited)

For the quarter ended March 31, 2025

December 31, 2024 (Audited)							
Country of incorporation	% Holding	Investment at the beginning of the period	Investment / (redemption) during the period	Share of profit	Dividend received	Investment at the end of the year	
----- Rupees in '000 -----							
<b>Associates</b>							
Faysal Financial Sector Opportunity Fund	Pakistan	0.03	-	(180)	241	-	61
Faysal Halal Amdani Fund	Pakistan	1.02	1,560,101	(914,617)	39,515	(4,237)	680,762
Faysal Islamic Pension Fund - Debt	Pakistan	54.95	40,178	-	8,140	-	48,318
Faysal Islamic Pension Fund - Equity	Pakistan	74.11	43,254	(10,000)	33,242	-	66,496
Faysal Islamic Pension Fund - Money Market	Pakistan	17.49	40,893	1	8,309	-	49,203
Faysal Islamic Savings Growth Fund	Pakistan	36.84	1,289,001	(855,927)	131,639	(52,795)	511,918
Faysal Islamic Special Income Fund - FISIP-I	Pakistan	58.75	1,702	74,444	12,707	(6,182)	82,671
Faysal Islamic Stock Fund	Pakistan	0.84	125,253	(122,038)	1,734	-	4,949
Faysal Islamic Cash Fund	Pakistan	0.52	-	241,955	31,514	(1,068)	272,401
Faysal Islamic Financial Growth Fund - FIFGP-I	Pakistan	0.02	114,230	(115,486)	8,767	(4,063)	3,448
Faysal Islamic Financial Growth Fund-(FIFGP-II)	Pakistan	-	-	(2,676)	2,676	-	-
Faysal Islamic Sovereign Fund - Fisp-I	Pakistan	2.12	3,046	743,855	117,783	(42,968)	821,716
Faysal Islamic Sovereign Plan - Ii	Pakistan	0.00	-	(3,124)	4,242	(2)	1,116
Faysal Pension Fund - Debt	Pakistan	95.77	39,562	-	7,310	-	46,872
Faysal Pension Fund - Equity	Pakistan	98.28	42,204	-	33,562	-	75,766
Faysal Islamic KPK Government Pension Fund - Money Market Sub Fund	Pakistan	96.11	30,201	-	5,271	-	35,472
Faysal Islamic KPK Government Pension Fund - Equity Sub Fund	Pakistan	100.00	503	1	86	-	590
Faysal Islamic KPK Government Pension Fund - Debt Sub Fund	Pakistan	100.00	503	1	88	-	592
Faysal Islamic KPK Government Pension Fund – Equity Index Sub Fund	Pakistan	100.00	503	-	91	-	594
Faysal Special Savings Fund - FSSP-I	Pakistan	99.98	13,170	(12,401)	676	(58)	1,387
Faysal Special Savings Fund - FSSP-II	Pakistan	77.41	12,672	(12,054)	827	(1,240)	205
Faysal Special Savings Fund - FSSP-III	Pakistan	-	15,739	(16,799)	1,060	-	-
Faysal Pension Fund - Money Market	Pakistan	85.20	39,972	(1)	7,815	-	47,786
Faysal Stock Fund	Pakistan	-	6,845	3,305	(10,150)	-	-
Faysal Islamic Mehdoon Muddat Plan-I	Pakistan	0.11	-	3,081	419	(95)	3,405
			3,419,532	(998,660)	447,564	(112,708)	2,755,728

**12.5.1** The Group's pre-tax share of profit from Associates of Rs 47.259 million (March 2024: Rs 101.956 million).



# Notes to the Condensed Interim Consolidated Financial Statements (un-audited)

For the quarter ended March 31, 2025

## 13 ISLAMIC FINANCING AND RELATED ASSETS - NET

Note	Performing		Non performing		Total	
	Un-audited March 31, 2025	Audited December 31, 2024	Un-audited March 31, 2025	Audited December 31, 2024	Un-audited March 31, 2025	Audited December 31, 2024
----- Rupees in '000 -----						
<b>Murabaha financing and related assets</b>						
Murabaha financing	102,398,150	16,772,851	138,585	128,898	102,536,735	16,901,749
Advance against Murabaha financing	4,921,072	8,809,831	5,000	14,687	4,926,072	8,824,518
Inventory related to Murabaha	1,271,559	2,558,743	-	-	1,271,559	2,558,743
	108,590,781	28,141,425	143,585	143,585	108,734,366	28,285,010
<b>Running Musharaka financing</b>						
Running Musharaka	160,258,585	235,138,286	-	-	160,258,585	235,138,286
<b>Istisna financing and related assets</b>						
Istisna	39,426,748	34,068,949	1,839,296	1,896,048	41,266,044	35,964,997
Advance against Istisna	15,503,545	23,683,828	261,742	298,335	15,765,287	23,982,163
Inventory related to Istisna	29,655,916	30,242,203	1,180,326	1,122,330	30,836,242	31,364,533
	84,586,209	87,994,980	3,281,364	3,316,713	87,867,573	91,311,693
<b>Tijarah financing and related assets</b>						
Tijarah	4,376,053	3,928,174	409,720	409,720	4,785,773	4,337,894
Advance against Tijarah	3,534,951	3,810,688	-	88,000	3,534,951	3,898,688
Inventory related to Tijarah	9,030,507	10,780,109	88,000	-	9,118,507	10,780,109
	16,941,511	18,518,971	497,720	497,720	17,439,231	19,016,691
<b>Musawamah financing and related assets</b>						
Musawamah	5,078,253	4,559,401	209,425	184,088	5,287,678	4,743,489
Advance against Musawamah	735	735	102	-	837	735
Inventory related to Musawamah	345	345	-	-	345	345
	5,079,333	4,560,481	209,527	184,088	5,288,860	4,744,569
<b>Salam financing and related assets</b>						
Salam	-	-	1,200	1,200	1,200	1,200
Advance against Salam	1,467,691	10,100,000	-	-	1,467,691	10,100,000
Inventory related to Salam	8,632,309	-	-	-	8,632,309	-
	10,100,000	10,100,000	1,200	1,200	10,101,200	10,101,200
<b>Diminishing Musharaka financing and related assets</b>						
Diminishing Musharaka	240,631,946	230,680,412	6,777,939	6,616,512	247,409,885	237,296,924
Advance against Diminishing Musharaka	8,488,903	9,064,745	35,000	335,000	8,523,903	9,399,745
	249,120,849	239,745,157	6,812,939	6,951,512	255,933,788	246,696,669
<b>Wakala Istithmar financing and related assets</b>						
Wakala Istithmar	6,302,669	6,302,669	-	-	6,302,669	6,302,669
	6,302,669	6,302,669	-	-	6,302,669	6,302,669
<b>Tawwaruq</b>	18,950,153	18,880,445	154,488	248,336	19,104,641	19,128,781
<b>Musharaka</b>	-	7,473	562	731	562	8,204
<b>Bai salam</b>	37,289	579,527	-	-	37,289	579,527
	659,967,379	649,969,414	11,101,385	11,343,885	671,068,764	661,313,299
Other financing	657,251	734,485	12,113,138	12,991,197	12,770,389	13,725,682
Gross Financing	660,624,630	650,703,899	23,214,523	24,335,082	683,839,153	675,038,981
Credit loss allowance against islamic financing and related assets						
- Stage 1	(1,270,051)	(906,457)	-	-	(1,270,051)	(906,457)
- Stage 2	(1,211,946)	(2,034,675)	-	-	(1,211,946)	(2,034,675)
- Stage 3	-	-	(20,801,298)	(21,687,048)	(20,801,298)	(21,687,048)
	(2,481,997)	(2,941,132)	(20,801,298)	(21,687,048)	(23,283,295)	(24,628,180)
Fair value loss	(16,867,077)	(16,420,585)	-	-	(16,867,077)	(16,420,585)
Islamic financing and related assets						
- net of credit loss allowance	641,275,556	631,342,182	2,413,225	2,648,034	643,688,781	633,990,216

Notes to the Condensed Interim Consolidated Financial Statements (un-audited)  
For the quarter ended March 31, 2025

	Note	(Un-audited) March 31, 2025	(Audited) December 31, 2024
		Rupees in '000	
13.1	Murabaha receivable - gross	13.1.2 104,803,217	17,675,934
	Less: Deferred murabaha income	13.1.3 (535,165)	(474,640)
	Profit receivable shown in other assets	(1,731,317)	(299,545)
	Murabaha financings	13.1.1 102,536,735	16,901,749
13.1.1	The movement in Murabaha financing during the period / year is as follows:		
	Opening balance	16,901,749	38,451,305
	Sales during the period / year	111,790,389	158,526,120
	Adjusted during the period / year	(26,155,403)	(180,075,676)
	Closing balance	102,536,735	16,901,749
13.1.2	Murabaha sale price	104,644,969	17,675,934
	Murabaha purchase price	(102,378,487)	(16,901,749)
		2,266,482	774,185
13.1.3	Deferred murabaha income		
	Opening balance	474,640	29,223
	Arising during the period / year	2,502,686	5,058,731
	Less: recognised during the period / year	(2,442,161)	(4,613,314)
	Closing balance	535,165	474,640
13.2	Particulars of Islamic financing and related assets (gross)		
	- in local currency	675,173,771	663,519,222
	- in foreign currencies	8,665,382	11,519,759
		683,839,153	675,038,981
13.3	Islamic financing and related assets include Rs. 23,214.523 million (December 31, 2024: Rs. 24,335.082 million) which have been placed under non-performing / Stage 3 status as detailed below:		

Category of classification	(Un-audited) March 31, 2025		(Audited) December 31, 2024	
	Non-performing financing	Credit loss allowance	Non-performing financing	Credit loss allowance
Rupees in '000				
Domestic				
other assets especially mentioned	195,334	1,650	300,209	1,545
substandard	866,464	398,779	1,229,356	637,774
doubtful	2,660,654	1,623,038	2,615,793	1,593,190
loss	19,492,071	18,777,831	20,189,724	19,454,539
Total	23,214,523	20,801,298	24,335,082	21,687,048

# Notes to the Condensed Interim Consolidated Financial Statements (un-audited)

For the quarter ended March 31, 2025

## 13.4 Particulars of credit loss allowance against Islamic financing and related assets

	(Unaudited)				(Audited)					
	March 31, 2025				December 31, 2024					
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Specific Provision	General Provision	Total
Rupees in '000										
Opening balance	906,457	2,034,675	21,687,048	24,628,180	-	-	-	19,172,592	877,670	20,050,262
Impact of adopting IFRS 9 as of January 1,	-	-	-	-	936,972	5,264,393	20,954,552	(19,172,592)	(877,670)	7,105,655
Balance as at January 1,	906,457	2,034,675	21,687,048	24,628,180	936,972	5,264,393	20,954,552	-	-	27,155,917
Opening Balance	906,457	2,034,675	21,687,048	24,628,180	936,972	5,264,393	20,954,552	-	-	27,155,917
Exchange adjustments	-	-	4,906	4,906	-	-	(9,663)	-	-	(9,663)
Charge for the period / year	618,474	224,940	196,370	1,039,784	529,876	990,613	3,373,969	-	-	4,894,458
Reversals during the period / year	(254,880)	(1,047,669)	(1,021,624)	(2,324,173)	(560,391)	(4,220,331)	(2,149,262)	-	-	(6,929,984)
	363,594	(822,729)	(825,254)	(1,284,389)	(30,515)	(3,229,718)	1,224,707	-	-	(2,035,526)
Amounts written off	-	-	(542)	(542)	-	-	(4,783)	-	-	(4,783)
Amounts charged-off	-	-	(64,860)	(64,860)	-	-	(477,765)	-	-	(477,765)
Closing balance	1,270,051	1,211,946	20,801,298	23,283,295	906,457	2,034,675	21,687,048	-	-	24,628,180

**13.4.1** Credit loss allowance for Stage 1 and Stage 2 represents credit loss allowance maintained against performing portfolio as required under IFRS 9.

**13.4.2** As allowed by the SBP, the Group has availed benefit of forced sale value (FSV) of collaterals held as security of Rs 738.997 million (December 31, 2024: Rs 771.625 million) relating to financing while determining the provisioning requirement against non-performing financing and investment as at March 31, 2025. The additional profit arising from availing the FSV benefit (net of tax) as at March 31, 2025 which is not available for distribution as either cash or stock dividend to shareholders and bonus to employees approximately amounted to Rs 347.329 million (December 31, 2024: Rs 354.947 million).

## 13.5 Islamic financing and related assets - Particlurs of credit loss allowance

	(Un-audited)			(Audited)		
	March 31, 2024			December 31, 2024		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Rupees in '000						
Opening balance	906,457	2,034,675	21,687,048	-	-	-
Impact of adopting IFRS 9 as at January 1,	-	-	-	936,972	5,264,393	20,954,552
Restated balance as at January 1,	906,457	2,034,675	21,687,048	936,972	5,264,393	20,954,552
New Financing / Increase	402,607	(262,608)	163,640	805,133	191,006	1,725,492
Financing derecognised or repaid	(273,191)	(294,974)	(1,019,863)	(241,527)	(1,670,418)	(2,147,246)
Transfer to stage 1	289,844	(289,844)	-	31	(31)	-
Transfer to stage 2	(51,322)	53,083	(1,761)	(457,946)	459,962	(2,016)
Transfer to stage 3	(4,344)	(28,386)	32,730	(16,394)	(1,872,697)	1,889,091
	363,594	(822,729)	(825,254)	89,297	(2,892,178)	1,465,321
Amounts written off	-	-	(542)	-	-	(4,783)
Charged off	-	-	(64,860)	-	-	(477,765)
Change in Risk Parameters	-	-	-	(119,812)	(337,540)	(240,614)
Exchange adjustment	-	-	4,906	-	-	(9,663)
Closing Balance	1,270,051	1,211,946	20,801,298	906,457	2,034,675	21,687,048

# Notes to the Condensed Interim Consolidated Financial Statements (un-audited)

For the quarter ended March 31, 2025

## 13.6 Islamic financing, related assets and advances - Category of classification

		(Un-audited)		(Audited)	
		March 31, 2024		December 31, 2024	
		Outstanding amount	Credit loss allowance	Outstanding amount	Credit loss allowance
<b>Domestic</b>		Rupees in '000			
Performing	Stage 1	530,007,388	1,270,051	556,637,934	906,457
Underperforming	Stage 2	130,617,242	1,211,946	93,985,297	2,034,675
Non-Performing	Stage 3				
Other assets especially mentioned		195,334	1,650	300,209	1,545
Substandard		866,464	398,779	1,229,356	637,774
Doubtful		2,660,654	1,623,038	2,615,793	1,593,190
Loss		19,492,071	18,777,831	20,189,724	19,454,539
Total		683,839,153	23,283,295	674,958,313	24,628,180

	Note	(Un-audited) March 31, 2025	(Audited) December 31, 2024
Rupees in '000			

## 14 PROPERTY AND EQUIPMENT

Capital work-in-progress	14.1	7,474,238	6,661,796
Property and equipment		41,356,584	38,347,982
		48,830,822	45,009,778

### 14.1 Capital work-in-progress

Civil works	693,267	678,866
Equipment	3,994,829	3,686,465
Furniture and fixture	889,861	787,138
Vehicles	424,735	1,188,023
Land and building	1,471,546	321,304
	7,474,238	6,661,796

	(Un-audited) Quarter ended	
	March 31, 2025	March 31, 2024
Rupees in '000		

### 14.2 Additions to property and equipment

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

<b>Capital work-in-progress - net</b>	812,442	1,158,687
<b>Property and equipment</b>		
Leasehold land	697,335	438,807
Building on leasehold land	110,265	126,376
Furniture and fixture	92,231	94,242
Electrical, office and computer equipment	864,450	1,493,897
Vehicles	1,424,649	3,880
Leasehold improvements	937,588	276,345
	4,126,518	2,433,547
<b>Total</b>	4,938,960	3,592,234

# Notes to the Condensed Interim Consolidated Financial Statements (un-audited)

For the quarter ended March 31, 2025

## 14.3 Disposal of property and equipment

The net book value of fixed assets disposed off during the period is as follows:

	<b>(Un-audited)</b> <b>Quarter ended</b>	
	<b>March 31, 2025</b>	<b>March 31, 2024</b>
	----- Rupees in '000 -----	
Furniture and fixture	907	-
Electrical, office and computer equipment	460	18
Vehicles	36,715	-
<b>Total</b>	<b>38,082</b>	<b>18</b>

<b>Note</b>	<b>(Un-audited) March 31, 2025</b>	<b>(Audited) December 31, 2024</b>
	<b>Buildings</b>	
	----- Rupees in '000 -----	

## 15 RIGHT-OF-USE ASSETS

As at January 1,		
Cost	23,432,234	18,790,212
Accumulated Depreciation	10,134,450	8,018,697
Net carrying amount	13,297,784	10,771,515
Additions during the period / year	517,398	4,891,312
Modifications during the period / year	(1,052)	2,365
Deletions during the period / year	(18,878)	(251,655)
Depreciation Charge for the period / year	(591,286)	(2,115,753)
Net carrying amount	13,203,966	13,297,784

## 16 INTANGIBLE ASSETS

Capital work-in-progress	16.1	624,859	819,499
Computer softwares		1,674,345	1,516,376
Customer relationship		269,617	288,616
Management rights		114,600	114,600
		2,058,562	1,919,592
<b>Total</b>		<b>2,683,421</b>	<b>2,739,091</b>

### 16.1 Capital work-in-progress

Computer software	624,859	819,499
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<b>(Un-audited)</b> <b>Quarter ended</b>	
<b>March 31, 2025</b>	<b>March 31, 2024</b>
----- Rupees in '000 -----	

### 16.2 Additions to intangible assets

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

Computer software - directly purchased	304,645	163,137
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# Notes to the Condensed Interim Consolidated Financial Statements (un-audited)

For the quarter ended March 31, 2025

	Note	(Un-audited) March 31, 2025	(Audited) December 31, 2024
----- Rupees in '000 -----			
<b>17 OTHER ASSETS</b>			
Profit/ return accrued in local currency		43,050,505	35,623,116
Profit / return accrued in foreign currencies		118,667	40,309
Advances, deposits, advance rent and other prepayments		2,412,610	2,177,180
Advance taxation (payments less provisions)		1,438,396	3,470,731
Non-banking assets acquired in satisfaction of claims		1,374,995	1,375,587
Mark to market gain on forward foreign exchange contracts		316,200	196,593
Acceptances	23	15,086,565	24,059,259
Credit cards and other products fee receivable		2,680,506	2,186,211
Receivable from brokers against sale of shares		-	69,391
Dividend receivable		78,553	74,341
Clearing and settlement accounts		585,353	-
Deferred fair value loss	17.1	3,056,227	3,139,855
Prepaid employment benefit		6,409,496	5,234,138
Rebate receivable - net		4,134,681	2,568,022
Others		1,275,590	1,562,732
		<u>82,018,344</u>	<u>81,777,465</u>
Less: Credit loss allowance held against other assets	17.2	(441,834)	(328,536)
Other assets - net of credit loss allowance		<u>81,576,510</u>	<u>81,448,929</u>
Surplus on revaluation of non-banking assets acquired in satisfaction of claims		1,734,105	1,734,105
Other assets - total		<u><u>83,310,615</u></u>	<u><u>83,183,034</u></u>

**17.1** This amount represents deferred fair value loss arising from the restructuring of Pakistan International Airlines Corporation Limited (PIACL). SBP through its circular BPRD/BRD/PIAHCL/733688-2024 dated August 01, 2024 has allowed staggering of such fair value impact over a period of 6 years at rates of 5%, 10%, 15%, 20%, 25%, and 25% from year 1 to year 6, accordingly, the Holding Company has amortized 10% during the period amounting to Rs 83.628 million.

	(Un-audited) March 31, 2025	(Audited) December 31, 2024
----- Rupees in '000 -----		
<b>17.2 Credit loss allowance held against other assets</b>		
Dividend receivable	74,341	74,341
Receivable from customers	51,173	51,173
Security deposits	22,994	22,994
Acceptances	1,359	2,206
Others	291,967	177,822
	<u>441,834</u>	<u>328,536</u>

## 17.2.1 Movement in Credit loss allowance held against other assets

Opening balance	328,536	328,963
Impact of adopting IFRS 9 as at January 1,	-	2,575
Restated balance as at January 1,	328,536	331,538
Charge for the period / year	114,145	-
Reversals during the period / year	(847)	(3,002)
	<u>113,298</u>	<u>(3,002)</u>
Closing balance	<u>441,834</u>	<u>328,536</u>

## 18 BILLS PAYABLE

In Pakistan	<u>20,043,974</u>	<u>39,169,649</u>
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# Notes to the Condensed Interim Consolidated Financial Statements (un-audited)

For the quarter ended March 31, 2025

## 19 DUE TO FINANCIAL INSTITUTIONS

### Secured

To the State Bank of Pakistan (SBP) under;  
Islamic export refinance scheme - part I and II  
Islamic financing for renewable energy  
Islamic long term financing facility  
Islamic temporary economic refinance scheme  
Islamic refinance facility for combating COVID-19  
Islamic refinance facility for storage of agricultural produce  
Scheme of Islamic Rupee-based discounting facility under EFS/IFRS

Due to SBP under shariah compliant Open Market Operations (OMO)  
and Mudarabah based Financing Facility (MFF)

Due to other financial institutions

Total secured

### Unsecured

Overdrawn nostro accounts

Musharaka acceptances

Total unsecured

Fair value adjustment

(Un-audited)  
March 31,  
2025

(Audited)  
December 31,  
2024

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

23,749,110	25,700,039
7,549,764	7,656,474
8,786,189	9,245,606
26,144,672	27,139,072
82,778	99,444
727,577	641,836
633,059	679,690
67,673,149	71,162,161
196,361,149	128,110,425
5,849,631	2,849,632
269,883,929	202,122,218
451,508	839,944
27,487,000	85,650,000
27,938,508	86,489,944
(7,404,635)	(8,169,622)
290,417,802	280,442,540

## 20 DEPOSITS AND OTHER ACCOUNTS

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

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

### Customers

Current deposits

Savings deposits

Term deposits

Margin deposits

351,700,939	32,781,051	384,481,990	298,972,004	33,564,674	332,536,678
321,431,475	20,356,063	341,787,538	326,085,655	20,015,285	346,100,940
126,735,438	3,074,265	129,809,703	147,345,424	2,983,343	150,328,767
13,267,747	52,850	13,320,597	11,428,184	22,645	11,450,829
813,135,599	56,264,229	869,399,828	783,831,267	56,585,947	840,417,214

### Financial institutions

Current deposits

Savings deposits

Term deposits

70,420,283	3,498,706	73,918,989	63,430,479	679,223	64,109,702
168,885,917	-	168,885,917	138,539,752	64,080	138,603,832
705,000	-	705,000	885,000	-	885,000
240,011,200	3,498,706	243,509,906	202,855,231	743,303	203,598,534
1,053,146,799	59,762,935	1,112,909,734	986,686,498	57,329,250	1,044,015,748

(Un-audited)  
March 31,  
2025

(Audited)  
December 31,  
2024

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

## 21 LEASE LIABILITIES

Outstanding amount at the start of the period / year

Additions during the period / year

Lease payments including profit

Profit expense for the period / year

Modifications during the period / year

Termination / deletion during the period / year

Outstanding amount at the end of the period / year

15,582,671	12,865,125
517,398	4,891,312
(863,795)	(3,769,535)
511,377	1,862,095
(1,050)	2,365
(31,967)	(268,691)
15,714,634	15,582,671

# Notes to the Condensed Interim Consolidated Financial Statements (un-audited)

For the quarter ended March 31, 2025

	(Un-audited) March 31, 2025	(Audited) December 31, 2024
	Rupees in '000	
<b>21.1 Liabilities Outstanding</b>		
Not later than one year	6,246	39,553
Later than one year and upto five years	2,929,403	14,174,664
Over five years	12,778,985	1,368,454
Total at the period / year end	<u>15,714,634</u>	<u>15,582,671</u>

**21.2** These carries average effective charge rate of 13.3% per annum (December 31, 2024: 13.7%).

	Note	(Un-audited) March 31, 2025	(Audited) December 31, 2024
		Rupees in '000	
<b>22 DEFERRED TAX LIABILITIES</b>			
<b>Taxable temporary differences on</b>			
- surplus on revaluation of property and equipment		2,087,212	2,123,177
- surplus on revaluation of non-banking assets		16,638	16,958
- surplus on revaluation of investments		7,218,227	12,706,718
- fair value adjustment relating to net assets acquired upon amalgamation		140,201	173,964
- fair value adjustment relating to net assets acquired upon business combination		52,496	52,496
- accelerated tax depreciation		1,246,189	1,277,885
- fair valuation of previously held equity interest in the Subsidiary Company		13,118	13,118
- Others		(19,010)	30,764
		<u>10,755,071</u>	<u>16,395,080</u>
<b>Deductible temporary differences on</b>			
- credit loss allowance investments		(322,578)	(329,087)
- credit loss allowance against advances, off balance sheet etc.		(2,344,182)	(2,694,794)
- fair value adjustment relating to financing		(158,226)	(134,565)
- credit loss allowance against other assets		(191,661)	(135,299)
		<u>(3,016,647)</u>	<u>(3,293,745)</u>
		<u>7,738,424</u>	<u>13,101,335</u>

<b>23 OTHER LIABILITIES</b>			
Profit / return payable in local currency		8,356,902	9,957,066
Profit / return payable in foreign currencies		15,342	47,730
Unearned commission and income on bills discounted		1,993,427	1,856,701
Accrued expenses		5,405,826	8,485,056
Acceptances	17	15,086,565	24,059,259
Dividend payable		4,250,979	464,961
Unclaimed dividends		4,400	4,400
Mark to market loss on forward foreign exchange contracts		145,097	945,503
Charity fund balance		-	27,926
Credit loss allowance off-balance sheet obligations	23.1	210,682	190,382
Security deposits against leases		93,727	-
Withholding tax payable		879,179	220,833
Federal excise duty payable		181,057	218,306
Payable to brokers against purchase of shares		849,682	105,647
Fair value of derivative contracts		733,940	982,880
Payable related to credit cards and other products		334,269	65,500
Funds held as security		361,711	361,711
Takaful payable		9,467	11,176
Clearing and settlement accounts		-	12,866,371
Payable to defined benefit plan		105,922	105,922
Others		1,207,568	1,400,779
		<u>40,225,742</u>	<u>62,378,109</u>



# Notes to the Condensed Interim Consolidated Financial Statements (un-audited)

For the quarter ended March 31, 2025

	Note	(Un-audited) March 31, 2025	(Audited) December 31, 2024
Rupees in '000			
<b>23.1 Credit loss allowance against off-balance sheet obligations</b>			
Opening balance		190,382	126,297
Impact of adopting IFRS 9 at January 1,		-	82,603
Adjusted balance at January 1,		190,382	208,900
Charge for the period / year		20,300	15,360
Reversals during the period / year		-	-
		20,300	15,360
Amounts written off		-	(33,878)
Closing balance		210,682	190,382
<b>24 SURPLUS ON REVALUATION OF ASSETS - NET OF TAX</b>			
Surplus on revaluation of:			
- Securities measured at FVOCI-Debt		12,810,911	22,204,489
- Securities measured at FVOCI-Equity		1,056,619	1,770,451
- Property and equipment		11,857,440	11,909,691
- non-banking assets acquired in satisfaction of claims		1,734,105	1,734,105
		27,459,075	37,618,736
Deferred tax on surplus on revaluation of:			
- Securities measured at FVOCI-Debt		(6,661,674)	(11,768,379)
- Securities measured at FVOCI-Equity		(549,442)	(938,339)
- Property and equipment		(2,055,947)	(2,123,177)
- non-banking assets acquired in satisfaction of claims		(16,638)	(16,958)
		(9,283,701)	(14,846,853)
		18,175,374	22,771,883
<b>25 CONTINGENCIES AND COMMITMENTS</b>			
Guarantees	25.1	66,020,832	52,565,820
Commitments	25.2	477,198,495	312,113,009
Other contingent liabilities	25.3	4,122,244	4,122,244
		547,341,571	368,801,073
<b>25.1 Guarantees:</b>			
Financial guarantees		4,321,215	4,266,928
Performance guarantees		14,434,400	13,608,155
Other guarantees		47,265,217	34,690,737
		66,020,832	52,565,820
<b>25.2 Commitments:</b>			
Documentary credits and short-term trade-related transactions			
- letters of credit		162,638,645	95,392,494
Commitments in respect of:			
- forward foreign exchange contracts	25.2.1	107,745,108	80,620,255
- forward government securities transactions	25.2.2	197,797,750	128,375,400
- derivatives - cross currency swaps (notional principal)	25.2.3	731,054	964,082
- extending credit (irrevocable)	25.4	6,893,732	5,358,314
Commitments for acquisition of:			
property and equipment		1,204,351	1,069,179
intangible assets		187,855	333,285
		477,198,495	312,113,009

# Notes to the Condensed Interim Consolidated Financial Statements (un-audited)

For the quarter ended March 31, 2025

	Note	(Un-audited) March 31, 2025	(Audited) December 31, 2024
----- Rupees in '000 -----			
<b>25.2.1 Commitments in respect of forward foreign exchange contracts</b>			
Purchase		71,904,916	54,802,453
Sale		35,840,192	25,817,802
		<u>107,745,108</u>	<u>80,620,255</u>
<b>25.2.2 Commitments in respect of forward government securities transactions</b>			
Purchase		<u>197,797,750</u>	<u>128,375,400</u>
<b>25.2.3 Commitments in respect of derivatives</b>			
<b>Cross currency swaps</b>			
Sale	26.1	<u>731,054</u>	<u>964,082</u>
<b>25.3 Other contingent liabilities</b>			
<b>25.3.1 Holding Company:</b>			
Suit filed by a customer for recovery of alleged losses suffered which is pending in the Honorable High Court of Sindh. The Bank's legal advisors are confident that the Bank has a strong case.		2,510,000	2,510,000
Indemnity issued favouring the Honorable High Court in one of the cases		457,543	457,543
Tax liability of gain on bargain purchase on the acquisition of ex-RBS Pakistan	(i)	<u>1,154,701</u>	<u>1,154,701</u>
		<u>4,122,244</u>	<u>4,122,244</u>

- (i) Income tax assessments of the Bank have been finalised upto the tax year 2024 (accounting year ended December 31, 2023).

The department and the Bank has disagreement on a matter relating to taxability of gain on bargain purchase on the acquisition of ex-RBS Pakistan. The additional tax liability on the matter amounts to Rs. 1,154.701 million (December 31, 2024: Rs. 1,154.701 million). The Commissioner Inland Revenue (Appeals) [CIR(A)] had deleted the said additional tax liability, however the income tax department had filed an appeal with the Appellate Tribunal Inland Revenue (ATIR) against the order of CIR(A). During the current period, the ATIR passed an order and maintained the decision of the CIR(A) in favour of the Bank that gain on bargain purchase is not taxable. Subsequently, the department has challenged the order in Honorable High Court of Sindh. However, the management of the Bank is confident that the matter will be decided in the Bank's favour and accordingly, no provision has been recorded in these condensed interim unconsolidated financial statements in respect of this matter.

- (ii) There are certain claims against the Group not acknowledged as debt amounting to Rs 32,633 million (December 31, 2024: Rs 32,274 million). These mainly represent counter claims filed by the borrowers for restricting the Group from disposal of assets (such as mortgaged / pledged assets kept as security), cases where the Group was proforma defendant for defending its interest in the underlying collateral kept by it at the time of financing, certain cases filed by ex-employees of the Group for damages sustained by them consequent to the termination from the Group's employment and cases for damages towards opportunity losses suffered by the customers due to non-disbursements of running finance facility as per the agreed terms. The above also includes an amount of Rs 25,299 million (December 31, 2024: Rs 25,299 million) in respect of a suit filed against the Group for declaration, recovery of monies, release of securities, rendition of account and damages.

Based on legal advice and / or internal assessments, the management is confident that the above matters will be decided in the Group's favour and accordingly no provision has been made in these condensed interim consolidated financial statements.

# Notes to the Condensed Interim Consolidated Financial Statements (un-audited)

For the quarter ended March 31, 2025

## 25.3.2 Subsidiary Company - Faysal Asset Management Limited

There is no change in the status of contingencies as disclosed in the annual audited consolidated financial statements for the year ended December 31, 2024.

## 25.4 Commitments to extend credits

The Holding Company makes commitments to extend credit (including to related parties) in the normal course of its business but these being revocable commitments do not attract any significant penalty or expense if the facilities are unilaterally withdrawn except for Rs 6,893.732 million (December 2024: Rs. 5,358.314 million) which are irrevocable in nature.

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

## 26 DERIVATIVE INSTRUMENTS

Cross currency swaps (notional principal)	731,054	964,082
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### 26.1 Product analysis

Counterparties	March 31, 2025 (Un-audited)	
	Cross currency swaps	
	Notional principal	Mark to market loss
	----- Rupees in '000 -----	
<b>With banks for</b>		
Hedging	-	-
Market making	68,106	(75,349)
<b>With other entities for</b>		
Hedging	-	-
Market making	662,948	(658,591)
<b>Total</b>		
Hedging	-	-
Market making	731,054	(733,940)

  

Counterparties	December 31, 2024 (Audited)	
	Cross currency swaps	
	Notional principal	Mark to market loss
	----- Rupees in '000 -----	
<b>With banks for</b>		
Hedging	-	-
Market making	140,136	(171,412)
<b>With other entities for</b>		
Hedging	-	-
Market making	823,946	(811,468)
<b>Total</b>		
Hedging	-	-
Market making	964,082	(982,880)

# Notes to the Condensed Interim Consolidated Financial Statements (un-audited)

For the quarter ended March 31, 2025

	Note	(Un-audited)	
		Quarter ended	
		March 31, 2025	March 31, 2024
----- Rupees in '000 -----			
<b>27 PROFIT / RETURN EARNED</b>			
On:			
Financing		19,260,254	28,098,356
Investments		22,821,936	32,118,655
Due from financial institutions		25,036	208,226
Balances with banks		105	737
		<u>42,107,331</u>	<u>60,425,974</u>
<b>27.1 Profit / return recognised on:</b>			
Financial assets measured at amortised cost		1,990,898	1,304,166
Financial assets measured at FVOCI		22,542,350	31,060,692
Financial assets measured at cost		17,538,072	27,989,996
Financial assets measured at FVPL		36,011	71,120
		<u>42,107,331</u>	<u>60,425,974</u>
<b>28 PROFIT / RETURN EXPENSED</b>			
On:			
Deposits		13,638,058	29,650,023
Due to financial institutions		9,844,393	9,950,206
Lease liability against right-of-use assets		511,377	393,973
Cost of foreign currency swaps against foreign currency deposits / Due to FIs		898,143	1,614,295
		<u>24,891,971</u>	<u>41,608,497</u>
<b>29 FEE AND COMMISSION INCOME</b>			
Branch banking customer fees		391,473	321,227
Consumer finance related fees		190,990	151,166
Card related fees (debit and credit)		1,442,219	1,139,153
Credit related fees		17,331	13,057
Investment banking fees		136,909	98,952
Commission on trade		280,929	327,484
Commission on guarantees		46,733	36,648
Commission on cash management		37,137	40,706
Commission on remittances including home remittances		367,748	269,492
Commission on bancatakaful		26,140	22,786
Commission on sale of funds unit		127,003	137,370
Management fee		757,276	336,400
Sales load		96,120	89,837
Others		32,221	16,558
		<u>3,950,229</u>	<u>3,000,836</u>
<b>30 GAIN ON SECURITIES - NET</b>			
Realised - net	30.1	46,394	20,354
Unrealised - Measured at FVTPL		-	206,884
		<u>46,394</u>	<u>227,238</u>
<b>30.1 Realised Gain / (loss) on:</b>			
Federal Government securities		46,394	34,433
Shares		-	(14,079)
		<u>46,394</u>	<u>20,354</u>

# Notes to the Condensed Interim Consolidated Financial Statements (un-audited)

For the quarter ended March 31, 2025

		(Un-audited)	
		Quarter ended	
		March 31, 2025	March 31, 2024
30.2	Net gain / loss on financial assets / liabilities	Rupees in '000	
	Net gain / loss on financial assets / liabilities measured at FVPL:		
	Designated upon initial recognition		
	Mandatorily measured at FVPL		
12		-	-
		(17,058)	286,045
		(17,058)	286,045
	Net gain / (loss) on financial assets / liabilities measured at amortised cost	-	-
	Net gain / (loss) on financial assets measured at FVOCI	63,452	44,518
		63,452	44,518
		46,394	330,563
31	OTHER INCOME		
	Rent on property	20,814	60,092
	Gain on disposal of property and equipment - net	4,183	4,770
	Gain on termination of leases (IFRS 16)	13,045	19,563
	Staff cost recoveries	2,839	3,598
	Government Grant	69,365	78,382
	Scrap income	-	6,552
	Others	214	-
		110,460	172,957
32	OPERATING EXPENSES		
	Total compensation expense	5,121,404	4,455,753
	Property expense		
	Rent and taxes	118,573	61,013
	Takaful	17,038	13,514
	Utilities cost	386,118	298,513
	Security (including guards)	461,649	294,771
	Repair and maintenance (including janitorial charges)	306,807	202,445
	Depreciation on owned property and equipment	329,785	229,940
	Depreciation on non-banking assets	592	786
	Depreciation on right-of-use assets	595,132	485,781
	Others	81,123	54,908
		2,296,817	1,641,671
	Information technology expenses		
	Software maintenance	517,379	580,104
	Hardware maintenance	210,141	112,545
	Depreciation	252,448	195,046
	Amortisation	146,480	95,717
	Network charges	102,296	99,848
		1,228,744	1,083,260
	Other operating expenses		
	Directors' fees and allowances	24,320	43,040
	Legal and professional charges	172,391	122,971
	Outsourced services costs - staff	318,985	234,951
	Travelling and conveyance	280,739	91,701
	NIFT clearing charges	29,620	43,820
	Depreciation	540,223	212,552
	Training and development	71,123	15,032
	Postage and courier charges	69,708	59,893
	Communication	313,320	313,811
	Marketing, advertisement and publicity	784,076	499,947
	Donations	139,275	-
	Auditors' remuneration	13,271	11,243
	Takaful	238,186	216,988
	Stationery and printing	213,399	257,168
	Bank fees and charges	860,129	759,180
	Brokerage and commission	165,210	15,423
	Deposit protection premium	208,939	212,780
	Repair and maintenance	162,441	76,497
	Subscriptions and publications	49,786	52,503
	Cash handling charges	173,716	145,390
	Others	185,823	389,441
		5,014,680	3,774,331
		13,661,645	10,955,015

## For the quarter ended March 31, 2025

**36.1** Diluted earnings per share has not been presented as the Group does not have any convertible instruments in issue at March 31, 2025 and March 31, 2024 which would have any effect on the earnings per share if the option to convert is exercised.

The fair value of quoted securities other than those classified under held to collect model, is based on quoted market price. Quoted securities classified under held to collect model are carried at amortized cost. The fair value of unquoted equity securities, other than investments in associates and subsidiaries, is determined on the basis of adjusted net asset method as per their latest available financial statements.

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

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

# Notes to the Condensed Interim Consolidated Financial Statements (un-audited)

For the quarter ended March 31, 2025

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 asset 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:

March 31, 2025 (Un-audited)				
	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	-	629,542,419	-	629,542,419
Shares / units of mutual funds	7,462,479	1,496,943	-	8,959,422
Non-Government debt securities	-	47,987,338	-	47,987,338
Financial assets - disclosed but not measured at fair value				
Investments				
Federal Government securities	-	151,635	-	151,635
Non-Government debt securities	-	6,814,895	-	6,814,895
Non-financial assets - measured at fair value				
Property and equipment (land and buildings)	-	22,173,694	-	22,173,694
Non-banking assets acquired in satisfaction of claims	-	3,109,100	-	3,109,100
Off-balance sheet financial instruments - measured at fair value				
Forward purchase of foreign exchange	-	60,417,335	-	60,417,335
Forward sale of foreign exchange	-	15,674,181	-	15,674,181
Derivatives sales	-	731,054	-	731,054

December 31, 2024 (Audited)				
	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	-	610,499,250	-	610,499,250
Shares / units of mutual funds	12,847,653	67,686	-	12,915,339
Non-Government debt securities	-	47,881,091	-	47,881,091
Financial assets - disclosed but not measured at fair value				
Investments				
Federal Government securities	-	154,335	-	154,335
Non-Government debt securities	-	6,818,118	-	6,818,118
Non-financial assets - measured at fair value				
Property and equipment (land and buildings)	-	21,457,524	-	21,457,524
Non-banking assets acquired in satisfaction of claims	-	3,116,825	-	3,116,825
Off-balance sheet financial instruments - measured at fair value				
Forward purchase of foreign exchange	-	53,913,508	-	53,913,508
Forward sale of foreign exchange	-	25,677,767	-	25,677,767
Derivatives sales	-	982,880	-	982,880

The Group's policy is to recognise transfers into and out of the different fair value hierarchy levels at the date when the event or change in circumstances require the Bank to exercise such transfers.

# Notes to the Condensed Interim Consolidated Financial Statements (un-audited)

For the quarter ended March 31, 2025

## Valuation techniques used in determination of fair values within level 2

Item	Valuation approach and input used
Ijara Sukuk	Fair values of GoP Ijara Sukuk are derived using the PKISRV rates announced by the Financial Market Association (FMA) through Reuters. These rates denote an average of quotes received from different pre-defined / approved dealers / brokers.
Unlisted ordinary shares	The fair value of unquoted equity securities is determined on the basis of adjusted net asset method as per their latest available financial statements.
Sukuk Certificates	Sukuk certificates are determined using the MUFAP or PSX rates.
Forward foreign exchange contracts	The valuation has been determined by interpolating the mark-to-market currency rates announced by the State Bank of Pakistan.
Derivative instruments	The Bank enters into derivative contracts with various counterparties. Derivatives that are valued using valuation techniques with market observable inputs are mainly cross currency swaps and forward foreign exchange contracts. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations.
Mutual funds	Units of mutual funds are valued using the net asset value (NAV) announced by the Mutual Funds Association of Pakistan (MUFAP).

The valuations, mentioned above, are conducted by the valuation experts appointed by the Bank which are also on the panel of the Pakistan Banks' Association (PBA). The valuation experts use a market based approach to arrive at the fair value of the Bank's properties. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable or similar properties. These values are adjusted to reflect the current condition of the properties. The effect of changes in the unobservable inputs used in the valuations cannot be determined with certainty, accordingly a quantitative disclosure of sensitivity has not been presented in these condensed interim consolidated financial statements.



# Notes to the Condensed Interim Consolidated Financial Statements (un-audited)

## For the quarter ended March 31, 2025

### 38 SEGMENT INFORMATION

#### 38.1 Segment details with respect to business activities

##### Statement of Profit and loss account for the quarter ended March 31, 2025

	2025				
	Retail	CIBG	Treasury	SAM	Others
	Rupees in '000				
Net return / profit	(7,502,894)	10,610,670	13,343,684	80,006	731,153
Inter segment revenue - net	21,119,048	(9,891,901)	(12,982,640)	20,928	1,734,565
Other income	2,796,543	1,183,126	1,862,279	187	(37,169)
Total Income	16,412,697	1,901,895	2,223,323	101,121	2,428,549
Segment direct expenses	8,013,557	470,712	148,733	92,905	5,163,108
Inter segment expense allocation	3,994,284	451,025	92,454	78,164	(4,615,927)
Total expenses	12,007,841	921,737	241,187	171,069	547,181
(Reversal) / credit loss allowance	(220,815)	(546,694)	-	(1,554,126)	11,215
Profit before tax	4,625,671	1,526,852	1,982,136	1,484,178	1,870,153

##### Consolidated Statement of financial position as at March 31, 2025

Cash and bank balances	41,952,320	-	67,656,829	-	97,512
Due from financial institutions	-	-	-	-	-
Investments - net	150,000	7,655,701	683,009,181	528,208	3,434,893
- Investment - credit loss allowance	-	(800,905)	(420)	(528,208)	-
Net inter segment lending	871,295,293	-	-	-	(871,295,293)
Financing - performing	141,882,658	504,748,195	-	92,608	(2,965,908)
Financing - non-performing	3,907,596	5,067,984	-	13,960,585	278,358
- Financing - credit loss allowance	(3,874,000)	(7,259,295)	-	(11,922,000)	(228,000)
Others	63,066,407	19,107,524	23,194,221	(321,646)	42,982,518
<b>Total assets</b>	<b>1,118,380,274</b>	<b>528,519,204</b>	<b>773,859,811</b>	<b>1,809,347</b>	<b>(827,695,920)</b>
Due to financial institutions	13,125,268	67,069,878	210,222,656	-	-
Subordinated sukuk	-	-	-	-	-
Deposits and other accounts	1,036,934,731	75,805,450	44	372,802	(203,293)
Net inter segment borrowing	-	384,357,577	554,187,167	1,435,569	(939,980,313)
Others	68,320,275	1,286,299	2,793,530	976	11,321,694
<b>Total liabilities</b>	<b>1,118,380,274</b>	<b>528,519,204</b>	<b>767,203,397</b>	<b>1,809,347</b>	<b>(928,861,912)</b>
Equity	-	-	6,656,414	-	101,165,992
<b>Total equity and liabilities</b>	<b>1,118,380,274</b>	<b>528,519,204</b>	<b>773,859,811</b>	<b>1,809,347</b>	<b>(827,695,920)</b>
<b>Contingencies and commitments</b>	<b>100,637,958</b>	<b>135,853,885</b>	<b>306,273,912</b>	<b>1,607,218</b>	<b>2,968,598</b>

##### Statement of Profit and loss account for the quarter ended March 31, 2024

	2024				
	Retail	CIBG	Treasury	SAM	Others
	Rupees in '000				
External funded revenue	(22,444,721)	18,819,119	23,007,506	51,087	(513,558)
Inter segment revenue - net	40,967,661	(18,514,073)	(24,025,601)	226,578	1,345,435
External non-funded revenue	2,423,299	935,232	2,382,224	1,381	(687,930)
Total income	20,946,239	1,240,278	1,364,129	279,046	143,947
Segment direct expenses	6,647,758	343,483	133,146	80,069	4,019,292
Inter segment expense allocation	3,289,934	381,847	77,767	70,431	(3,819,979)
Total expenses	9,937,692	725,330	210,913	150,500	199,313
Credit loss allowance	42,189	257,245	(317,741)	(419,510)	473,896
Profit before tax	10,966,358	257,703	1,470,957	548,056	(529,262)

##### Consolidated Statement of financial position as at December 31, 2024

Cash and bank balances	34,229,666	-	73,847,375	-	63,178
Due from financial institutions	-	-	-	-	-
Investments	150,000	8,854,179	666,675,032	1,924,405	3,377,613
- Investment credit loss allowance	-	(800,904)	(956)	(1,924,405)	-
Net inter segment lending	766,579,757	-	-	-	(766,579,757)
Financing - performing	164,573,602	461,547,691	-	(1,832,270)	9,994,291
Financing - non-performing	4,890,511	6,350,382	-	12,824,289	269,900
- Financing - credit loss allowance	(4,375,818)	(7,291,863)	-	(12,748,614)	(211,885)
Others	103,461,579	13,502,169	-	196,963	27,068,976
<b>Total assets</b>	<b>1,069,509,297</b>	<b>482,161,654</b>	<b>740,521,451</b>	<b>(1,559,632)</b>	<b>(726,017,684)</b>
Due to financial institutions	11,360,310	59,456,649	209,625,581	-	-
Subordinated Sukuk	-	-	-	-	-
Deposits and other accounts	984,636,217	68,594,518	-	394,284	(9,609,271)
Net inter segment borrowing	-	347,306,553	518,548,253	(1,954,873)	(863,899,933)
Others	73,512,770	6,803,934	1,307,507	957	48,606,596
<b>Total liabilities</b>	<b>1,069,509,297</b>	<b>482,161,654</b>	<b>729,481,341</b>	<b>(1,559,632)</b>	<b>(824,902,608)</b>
Equity	-	-	11,040,110	-	98,884,924
<b>Total Equity and liabilities</b>	<b>1,069,509,297</b>	<b>482,161,654</b>	<b>740,521,451</b>	<b>(1,559,632)</b>	<b>(726,017,684)</b>
<b>Contingencies and commitments</b>	<b>70,610,584</b>	<b>83,427,173</b>	<b>209,959,737</b>	<b>1,608,047</b>	<b>3,195,532</b>

The Group has related party transactions with its parent, employee benefit plans, its directors and key management personnel.

The Group enters into transactions with related parties in the ordinary course of business and on substantially the same terms as for comparable transactions with persons 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 condensed interim consolidated financial statements are as follows:

	March 31, 2025 (Un-audited)					December 31, 2024 (Audited)				
	Parent	Directors	Key management personnel	Associates	Other related parties	Parent	Directors	Key management personnel	Associates	Other related parties
Rupees in '000										
<b>Investments</b>										
Opening balance	-	-	-	2,755,728	157,287	-	-	-	3,419,532	2,009,039
Investment made during the year	-	-	-	2,558,671	71,561	-	-	-	12,685,872	138,306
Investment redeemed / sold during the year	-	-	-	(2,503,774)	(75,880)	-	-	-	(13,684,532)	(37,546)
Other movements	-	-	-	-	(950)	-	-	-	-	282,486
Transfer in / (out) - net	-	-	-	-	-	-	-	-	-	(2,234,998)
Equity method adjustment	-	-	-	47,259	-	-	-	-	334,856	-
Closing balance	-	-	-	2,857,884	152,018	-	-	-	2,755,728	157,287
Credit loss allowance for diminution in value of investments	-	-	-	-	-	-	-	-	-	1,951,094
<b>Islamic financing and related assets - net</b>										
Opening balance	-	278	532,539	-	5,042,542	-	54	652,579	-	6,684,998
Addition during the period / year	-	520	105,114	-	4,724,140	-	2,494	204,548	-	4,113,676
Repaid during the period / year	-	(672)	(60,411)	-	(4,168,711)	-	(2,270)	(324,588)	-	(5,510,760)
Transfer in / (out) - net	-	-	-	-	-	-	-	-	-	(245,372)
Closing balance	-	126	577,242	-	5,597,971	-	278	532,539	-	5,042,542
Credit loss allowance held against Islamic financing and related assets	-	3	2,291	-	258,700	-	20	2,720	-	165,057

# Notes to the Condensed Interim Consolidated Financial Statements (un-audited)

For the quarter ended March 31, 2025

	March 31, 2025 (Un-audited)					December 31, 2024 (Audited)				
	Parent	Directors	Key management personnel	Associates	Other related parties	Parent	Directors	Key management personnel	Associates	Other related parties
Rupees in '000										
<b>Other assets</b>										
Profit / return accrued	-	-	34,712	-	93,091	-	-	26,283	-	55,970
Commission income receivable	-	-	-	362,868	-	-	-	-	346,279	-
Receivable from defined benefit plan asset	-	-	-	11,395	-	-	-	-	-	-
Receivable against reimbursement of expenses	-	-	-	18,128	-	-	-	-	73,026	-
Receivable from defined contribution plan	-	-	-	610	-	-	-	-	-	610
Preliminary expenses and flotation costs receivable	-	-	-	15,121	-	-	-	-	15,687	-
	-	-	34,712	408,122	93,091	-	-	26,283	434,992	56,580
<b>Deposits and other accounts</b>										
Opening balance	182	59,457	103,006	45,555,437	3,526,628	182	99,238	78,073	45,920,675	2,895,486
Received during the period / year	-	87,300	1,056,836	1,043,758,587	49,504,813	-	545,472	2,506,651	1,914,650,050	333,656,878
Withdrawn during the period / year	-	(81,035)	(867,018)	(1,038,999,431)	(48,008,048)	-	(585,253)	(2,481,718)	(1,915,015,288)	(332,946,011)
Transfer in / (out) - net	-	-	(11,056)	-	(116)	-	-	-	-	(79,726)
Closing balance	182	65,722	281,768	50,314,593	5,023,277	182	59,457	103,006	45,555,437	3,526,628
<b>Other liabilities</b>										
Profit / return payable	-	286	400	442,409	10,480	-	474	134	501,225	21,953
Dividend Payable	1,823,419	64,528	-	-	710,265	-	-	-	-	-
Payable to defined benefit plan asset	-	-	-	-	94,527	-	-	-	-	105,922
	1,823,419	64,814	400	442,409	815,272	-	474	134	501,225	127,875
<b>Contingencies and commitments</b>										
Trade related commitments	-	-	-	-	104,286	-	-	-	-	129,689
	-	-	-	-	104,286	-	-	-	-	129,689

Rupees in '000

**39.1** Balances pertaining to parties that were related at the beginning of the period but ceased to be so related during any part of the current period are not reflected as part of the closing balance. The same are accounted for through the movement presented above.

# Notes to the Condensed Interim Consolidated Financial Statements (un-audited)

For the quarter ended March 31, 2025

	March 31, 2025 (Un-audited)				March 31, 2024 (Un-audited)					
	Parent	Directors	Key management personnel	Associates	Other related parties	Parent	Directors	Key management personnel	Associates	Other related parties
Rupees in '000										
<b>Income</b>										
Profit / return earned	-	-	3,596	-	76,529	-	-	6,854	-	124,889
Fee and commission income	-	8	30	886,935	56,850	-	46	26	385,374	2,451
Dividend income	-	-	-	-	-	-	-	-	7,543	-
Gain on sale of securities - net	-	-	4,882	20,371	16,623	-	-	106	4,541	239
<b>Expense</b>										
Profit / return expensed	-	809	1,087	1,357,806	23,013	-	2,610	930	1,519,163	83,330
Reimbursement of expenses	-	-	-	432	-	-	-	-	74,653	-
Director's fee and allowances	-	24,320	-	-	-	-	46,240	-	-	-
Compensation expense	-	-	689,795	-	185,140	-	-	662,836	-	1,900
Fee and subscription	-	-	-	-	2,145	-	-	-	-	312
Charge for defined benefit plan	-	-	-	-	150,767	-	-	-	-	92,278
Contribution to defined contribution plan	-	-	-	-	141,611	-	-	-	-	109,073
Donations made during the period	-	-	-	-	139,275	-	-	-	-	-
<b>Others</b>										
Shares / units purchased during the period (in thousand)	-	-	-	23,951	1,180	-	-	-	173,641	-
Shares / units sold during the period (in thousand)	-	-	-	22,039	1,122	-	-	-	179,444	-
Government securities purchased during the period	-	-	60,607	-	24,947	-	-	49,824	-	334,734
Government securities sold during the period	-	-	51,932	-	172,915	-	-	30,000	-	48,700
Contribution to defined benefit plan	-	-	-	-	130,692	-	-	-	-	-

# Notes to the Condensed Interim Consolidated Financial Statements (un-audited)

For the quarter ended March 31, 2025

## 40 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

(Un-audited)  
March 31,  
2025

(Audited)  
December 31,  
2024

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

### Minimum capital requirement (MCR)

Paid-up capital (net of losses)	15,176,965	15,176,965
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### Capital adequacy ratio (CAR)

Eligible common equity tier 1 (CET 1) capital	87,664,553	85,475,286
Eligible additional tier 1 (ADT 1) capital	-	-
Total eligible tier 1 capital	87,664,553	85,475,286
Eligible tier 2 capital	17,220,923	21,353,240
Total eligible capital (tier 1 + tier 2)	104,885,477	106,828,526

### Risk weighted assets (RWAs)

Credit risk	412,044,467	415,882,351
Market risk	62,723,368	74,199,776
Operational risk	148,121,128	148,121,128
Total	622,888,963	638,203,255

### Common equity tier 1 capital adequacy ratio

14.07%	13.39%
--------	--------

### Tier 1 Capital adequacy ratio

14.07%	13.39%
--------	--------

### Total Capital adequacy ratio

16.84%	16.74%
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The Group has applied the transitional arrangement on Regulatory Capital. Had the transitional arrangement not been applied then CAR would have been higher by 15 bps from 16.84% to 16.99%.

### Leverage ratio (LR)

Eligible tier-1 capital	87,664,553	85,475,286
Total exposures	2,069,259,130	1,886,632,252
Leverage ratio (in %)	4.24%	4.53%

The Group has applied the transitional arrangement on Regulatory Capital. Had the transitional arrangement not been applied then Leverage Ratio would have been lower by 04 bps from 4.24% to 4.20%.

### Liquidity coverage ratio (LCR)

Total high quality liquid assets	558,739,578	693,948,071
Total net cash outflow	407,907,222	437,310,512
Liquidity coverage ratio (Ratio)	1.370	1.587

### Net stable funding ratio (NSFR)

Total available stable funding	940,938,715	903,707,027
Total required stable funding	568,632,432	545,226,206
Net stable funding ratio (in %)	165.47%	165.75%

# Notes to the Condensed Interim Consolidated Financial Statements (un-audited)

For the quarter ended March 31, 2025

**41    GENERAL**

Comparative information has been re-classified, re-arranged or additionally incorporated in these condensed interim consolidated financial statements, wherever necessary, to facilitate comparison and to conform with changes in presentation in the current period. There have been no significant reclassifications during the period.

**42    NON-ADJUSTING EVENTS AFTER THE BALANCE SHEET DATE**

The Board of Directors in its meeting held on April 24, 2025 has announced a interim cash dividend of Rs 1.5 (i.e. 15%) (March 31, 2024: Rs 1. These condensed interim consolidated financial statements for the quarter ended March 31, 2025 do not include the effect of these appropriations which will be accounted for subsequent to the quarter end.

**43    DATE OF AUTHORISATION FOR ISSUE**

These condensed interim consolidated financial statements were authorised for issue on April 24, 2025 by the Board of Directors of the Holding company.

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