

**ZARAI TARAQIATI BANK
LIMITED**

FOR THE HALF YEAR ENDED JUNE 30, 2025

ZARAI TARAQIATI BANK LIMITED
UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2025

		(Un-audited) June 30, 2025	(Audited) December 31, 2024
	Note Rupees in '000	
ASSETS			
Cash and balances with treasury banks	6	3,727,936	3,125,812
Balances with other banks	7	18,715,553	7,492,526
Lendings to financial institutions	8	16,733,904	30,950,072
Investments	9	263,292,115	376,274,453
Advances	10	113,248,679	109,121,210
Property and equipment	11	1,835,455	1,844,619
Right-of-use assets	12	897,589	857,055
Intangible assets	13	140,194	172,425
Deferred tax assets	14	10,737,843	13,272,502
Other assets	15	27,465,319	34,428,323
Total Assets		456,794,587	577,538,997
LIABILITIES			
Bills payable	17	443,007	451,707
Borrowings	18	290,646,788	408,066,969
Deposits and other accounts	19	50,352,494	56,621,831
Lease liabilities	20	1,047,149	997,225
Sub-ordinated debt		-	-
Deferred tax liabilities		-	-
Other liabilities	21	26,052,591	29,023,447
Total Liabilities		368,542,029	495,161,179
NET ASSETS		88,252,558	82,377,818
REPRESENTED BY			
Share capital		52,678,432	52,678,432
Reserves		13,260,076	12,113,062
Surplus on revaluation of assets	22	2,384,498	2,244,829
Un-appropriated profit		19,929,552	15,341,495
		88,252,558	82,377,818
CONTINGENCIES AND COMMITMENTS			
	23		

The annexed notes 1 to 43 form an integral part of these unconsolidated financial statements (un-audited).


President


Chief Financial Officer


Director


Director



Director

ZARAI TARAQIATI BANK LIMITED
UNCONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE PERIOD ENDED JUNE 30, 2025

		Quarter ended		Period ended	
	Note	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
..... Rupees in '000					
Mark-up / return / interest earned	24	15,933,144	28,274,123	33,887,709	53,821,169
Mark-up / return / interest expensed	25	9,806,831	24,632,672	21,250,475	45,632,570
Net mark-up / interest income		6,126,313	3,641,451	12,637,234	8,188,599
NON MARK-UP / INTEREST INCOME					
Fee and commission income	26	281,611	(11,202)	511,808	133,953
Dividend income		12,917	8,180	12,917	8,180
Foreign exchange income		-	-	-	-
Income from derivatives		-	-	-	-
Gain on securities	27	501,669	292,788	694,098	518,358
Net gains / (loss) on derecognition of financial assets measured at amortised cost		-	-	-	-
Other income	28	479,067	427,654	948,524	744,384
Total non-mark-up / interest income		1,275,264	717,420	2,167,347	1,404,875
Total income		7,401,577	4,358,871	14,804,581	9,593,474
NON MARK-UP / INTEREST EXPENSES					
Operating expenses	29	3,953,569	3,656,443	7,284,920	6,972,118
Workers welfare fund		-	-	-	-
Other charges	30	545	178	545	1,469
Total non mark-up / interest expenses		3,954,114	3,656,621	7,285,465	6,973,587
Profit before credit loss allowance		3,447,463	702,250	7,519,116	2,619,887
Credit loss allowance and write offs - net	31	(4,391,053)	(3,396,093)	(5,544,363)	(2,856,434)
Extra ordinary / unusual items		-	-	-	-
PROFIT BEFORE TAXATION		7,838,516	4,098,343	13,063,479	5,476,321
Taxation	32	4,771,882	2,391,716	7,328,408	2,761,588
PROFIT AFTER TAXATION		3,066,634	1,706,627	5,735,071	2,714,733
Basic earnings per share (Rupees)	33	0.58	0.28	1.09	0.52
Diluted earnings per share (Rupees)	33	0.58	0.28	1.09	0.52

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ZARAI TARAQIATI BANK LIMITED
UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE PERIOD ENDED JUNE 30, 2025

	Quarter ended		Period ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
 Rupees in '000			
Profit after taxation for the period	3,066,634	1,706,627	5,735,071	2,714,733
Other Comprehensive Income				
Items that may be reclassified to profit and loss account in subsequent periods:				
Movement in surplus on revaluation of investments - net of tax	534,435	1,019,412	139,669	104,124
Items that will not be reclassified to profit and loss account in subsequent periods:				
Remeasurement gain / (loss) on defined benefit obligations - net of tax	-	-	-	-
Total Comprehensive Income	<u>3,601,069</u>	<u>2,726,039</u>	<u>5,874,740</u>	<u>2,818,857</u>

The annexed notes 1 to 43 form an integral part of these unconsolidated financial statements (un-audited).

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ZARAI TARAQIATI BANK LIMITED
UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE PERIOD ENDED JUNE 30, 2025

	Share capital	Statutory reserve	Contingencies reserve	Surplus on revaluation of investments	Un-appropriated profit / (loss)	Total
..... Rupees in '000						
Balance as at January 1, 2024	52,678,432	9,460,922	60,000	1,622,051	10,343,276	74,164,681
Impact of adoption of IFRS 9 - net of tax	-	-	-	-	(5,498,565)	(5,498,565)
Balance as at January 01, 2024 - as restated	52,678,432	9,460,922	60,000	1,622,051	4,844,711	68,666,116
Profit after taxation for the half year ended June 30, 2024	-	-	-	-	2,714,733	2,714,733
Other comprehensive income for the half year ended June 30, 2024	-	-	-	104,124	-	104,124
Total comprehensive income for the half year ended June 30, 2024	-	-	-	104,124	2,714,733	2,818,857
Transferred to statutory reserve	-	542,947	-	-	(542,947)	-
Balance as at June 30, 2024	52,678,432	10,003,869	60,000	1,726,175	7,016,497	71,484,973
Profit after taxation for six months period ended December 31, 2024	-	-	-	-	10,245,969	10,245,969
Other comprehensive income for the half year ended December 31, 2024	-	-	-	518,654	128,222	646,876
Total comprehensive income for the half year ended December 31, 2024	-	-	-	518,654	10,374,191	10,892,845
Transferred to statutory reserve	-	2,049,193	-	-	(2,049,193)	-
Balance as at December 31, 2024	52,678,432	12,053,062	60,000	2,244,829	15,341,495	82,377,818
Profit after taxation for the half year ended June 30, 2025	-	-	-	-	5,735,071	5,735,071
Other comprehensive income for the half year ended June 30, 2025	-	-	-	139,669	-	139,669
Total comprehensive income the half year ended June 30, 2025	-	-	-	139,669	5,735,071	5,874,740
Transferred to statutory reserve	-	1,147,014	-	-	(1,147,014)	-
Balance as at June 30, 2025	52,678,432	13,200,076	60,000	2,384,498	19,929,552	88,252,558

Statutory reserves represent reserve maintained as per requirement of Section 21 of the Banking Companies Ordinance, 1962.

The Bank has set aside contingencies reserve for insurance of cash, building and vehicles.

The annexed notes 1 to 43 form an integral part of these unconsolidated financial statements (un-audited).

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ZARAI TARAQIATI BANK LIMITED
UNCONSOLIDATED CASH FLOW STATEMENT (UN-AUDITED)
FOR THE PERIOD ENDED JUNE 30, 2025

		Period ended	
	Note	June 30, 2025	June 30, 2024
	 Rupees in '000	
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating income / (loss) before working capital changes	34	822,072	(47,842)
Decrease / (increase) in operating assets:			
Lendings to financial institutions		14,217,738	1,696,530
Securities classified as FVPL		2,080,293	(1,010,415)
Advances		(3,570,076)	(2,089,696)
Other assets - net (excluding advance taxation)		(1,958,588)	(1,075,051)
		10,769,367	(2,478,632)
Increase / (decrease) in operating liabilities:			
Bills payable		(8,700)	(550,044)
Borrowings from financial institutions		(117,420,181)	133,446,343
Deposits and other accounts		(6,269,337)	(5,197,520)
Other liabilities		(681,935)	(475,339)
		(124,380,153)	127,223,440
Interest received		41,453,510	28,524,541
Interest paid		(24,508,143)	(44,344,546)
Employees' benefits paid		(576,944)	(508,019)
Income tax paid		(3,207,378)	(3,550,954)
Net cash (used in) / generated from operating activities		(99,627,669)	104,817,988
CASH FLOWS FROM INVESTING ACTIVITIES			
Net Investments in securities classified as FVOCI		111,104,874	(134,743,556)
Realised gain on sales of securities		682,755	516,410
Dividend received		12,917	8,180
Investments in property and equipment		(157,954)	(82,385)
Proceeds from sale of property and equipment		6,176	15,670
Net cash generated from / (used in) investing activities		111,648,768	(134,285,681)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of lease liability against right-of-use assets		(194,645)	(182,591)
Increase / (decrease) in cash and cash equivalents		11,826,454	(29,650,284)
Cash and cash equivalents at beginning of the period		10,619,822	35,586,752
Cash and cash equivalents at end of the period	35	22,446,276	5,936,468

The annexed notes 1 to 43 form an integral part of these unconsolidated financial statements (un-audited).

President

Chief Financial Officer

Director

Director

Director

ZARAI TARAQIATI BANK LIMITED
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED JUNE 30, 2025

1 STATUS AND NATURE OF BUSINESS

1.1 Reorganization and conversion

The Federal Government in its cabinet meeting held on August 28, 2002 decided for the reorganization and conversion of Agricultural Development Bank of Pakistan (ADBP) into a public limited company for the purposes of ensuring good governance, autonomy, delivering high quality and viable financial services to a greater number of rural clientele and adequate returns to stakeholders. Accordingly, the Agricultural Development Bank of Pakistan (Reorganization and Conversion) Ordinance, 2002 was promulgated for taking over the entire undertaking of ADBP and for matters connected therewith or incidental thereto.

1.2 Status

As required under section 3 of the Agricultural Development Bank of Pakistan (Reorganization and Conversion) Ordinance, 2002, Zarai Taraqiati Bank Limited ("the Bank") was incorporated as a public limited company under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017) on October 23, 2002. Consequently, under SRO 823(1)/2002 dated November 18, 2002, all the assets, contracts, liabilities, proceedings and undertakings of ADBP were transferred to, and vested in Zarai Taraqiati Bank Limited on December 14, 2002, the effective date specified by the Federal Government, on the basis of net worth determined at Rs. 8.7 billion. The Bank is domiciled in Pakistan and its registered office is situated at 1-Faisal Avenue (Zero Point), Islamabad. The Bank operates 501 (December 31, 2024: 501) branches including 29 (December 31, 2024: 25) Islamic banking branches in Pakistan as at the close of the period.

1.3 Nature of business

The main purpose of the Bank is to provide sustainable rural finance and services particularly to small farmers and low-income households to strengthen the rural and agricultural sector, mitigate poverty, capital market and investment activities and other banking business.

2 BASIS OF PRESENTATION

2.1 Statement of compliance

These unconsolidated condensed interim financial statements (un-audited) have been prepared in accordance with the approved accounting and reporting standards as applicable in Pakistan for interim financial reporting. These comprise of:

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

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

The SBP, vide BSD Circular Letter No. 10, dated August 26, 2002 has deferred the applicability of International Accounting Standard 40 'Investment Property' (IAS 40) for banking companies till further instructions. Moreover, SBP vide BPRD Circular No. 04, dated February 25, 2015 has deferred the applicability of Islamic Financial Accounting Standard (IFAS) 3, Profit and loss sharing on Deposits. Further, according to a notification of Securities and Exchange Commission of Pakistan (SECP) dated April 16, 2025, International Financial Reporting Standard 7 'Financial Instruments Disclosure' (IFRS 7), shall be followed by banks, for the preparation of financial statements from the annual reporting periods beginning on or after January 1, 2026. Accordingly, the requirements of these standards have not been considered in the preparation of these condensed interim financial statements (un-audited). However, investments have been classified and disclosed in accordance with the requirements prescribed by SBP through various circulars.

The disclosures made in these unconsolidated condensed interim financial statements (un-audited) have been limited based on the format prescribed by the SBP vide BPRD Circular Letter No. 2 dated February 9, 2023 and IAS 34, Interim Financial Reporting. They do not include all the information and disclosures required in preparation of annual financial statements, and should be read in conjunction with the financial statements (audited) of the Bank for the year ended December 31, 2024.

- 2.2 These unconsolidated condensed interim financial statements (un-audited) represents the separate condensed interim financial statements of the Bank. The consolidated condensed interim financial statements of the Bank and its subsidiary company is presented separately.
- 2.3 The financial results of the Islamic banking branches have been consolidated in these unconsolidated condensed interim financial statements (un-audited) for reporting purposes, after eliminating interbranch transactions / balances. Key financial figures of the Islamic banking branches are disclosed in note 40 to these unconsolidated condensed interim financial statements.

3 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policy information adopted in the preparation of these unconsolidated condensed interim financial statements (un-audited) are consistent with those applied in the preparation of the unconsolidated annual financial statements (audited) of the Bank for the year ended December 31, 2024.

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

During the period, there are certain new and amended standards, interpretations and improvements to accounting standards that became effective. However, these are considered either not to be relevant or not to have any material effect on the financial statements of the Bank and, therefore, are not disclosed.

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3.2 Standards, Interpretations and amendments to approved accounting standards that are not yet effective

There are certain new standards and interpretations of and amendments to existing accounting and reporting standards that are not effective in the current period. The Bank expects that adoption of the same will not affect its financial statements in the period of initial application.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

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

5 FINANCIAL RISK MANAGEMENT

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

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	(Un-audited) June 30, 2025 ... Rupees in '000 ...	(Audited) December 31, 2024
6 CASH AND BALANCES WITH TREASURY BANKS		
In hand		
Local currency	1,330,933	1,133,799
With State Bank of Pakistan in:		
Local currency current account	1,727,597	1,621,700
With National Bank of Pakistan in:		
Local currency current account	384,602	180,216
Local currency deposit account	282,987	188,231
	667,589	368,447
Prize bonds	1,817	1,866
	3,727,936	3,125,812
Less: Credit loss allowance held against cash and balances with treasury banks	-	-
	<u>3,727,936</u>	<u>3,125,812</u>
7 BALANCES WITH OTHER BANKS		
In Pakistan		
In current accounts	164,827	111,847
In deposit accounts	18,553,513	7,382,163
	18,718,340	7,494,010
Less: Credit loss allowance held against balances with other banks	(2,787)	(1,484)
Balances with other banks - net of credit loss allowance	<u>18,715,553</u>	<u>7,492,526</u>
8 LENDINGS TO FINANCIAL INSTITUTIONS		
Call money lendings	2,000,000	14,500,000
Musharakah	7,950,000	13,650,000
Repurchase agreement lendings (Reverse Repo)	6,786,962	2,804,700
	16,736,962	30,954,700
Less: Credit loss allowance held against lending to financial institutions	(3,058)	(4,628)
Lendings to financial institutions - net of credit loss allowance	<u>16,733,904</u>	<u>30,950,072</u>

8.1 Lending to financial institutions - Particulars of credit loss allowance

		June 30, 2025 (Un-audited)		December 31, 2024 (Audited)	
		Lending	Credit loss allowance held	Lending	Credit loss allowance
Rupees in '000					
Domestic					
Performing	Stage 1	16,736,962	3,058	30,954,700	4,628
Under performing	Stage 2	-	-	-	-
Non-performing	Stage 3	-	-	-	-
Substandard		-	-	-	-
Doubtful		-	-	-	-
Loss		-	-	-	-
Total		<u>16,736,962</u>	<u>3,058</u>	<u>30,954,700</u>	<u>4,628</u>

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9 INVESTMENTS

9.1 Investments by types

	June 30, 2025 (Un-audited)				December 31, 2024 (Audited)			
	Cost / Amortised Cost	Credit Loss Allowance	Surplus / (Deficit)	Carrying value	Cost / Amortised Cost	Credit Loss Allowance	Surplus / (Deficit)	Carrying Value
Rupees in '000								
FVTPL								
Federal Government securities	1,340,096	-	11,343	1,351,439	3,404,062	-	16,327	3,420,389
	1,340,096	-	11,343	1,351,439	3,404,062	-	16,327	3,420,389
FVOCI								
Federal Government securities	254,477,392	-	2,028,746	256,506,138	365,532,619	-	1,661,390	367,194,009
Shares	99,819	(10,523)	2,944,366	3,033,662	99,819	(10,523)	3,118,309	3,207,605
Non Government Debt securities	2,306,624	(340)	(5,408)	2,300,876	2,356,271	(354)	(3,467)	2,352,450
	256,883,835	(10,863)	4,967,704	261,840,676	367,988,709	(10,877)	4,776,232	372,754,064
Subsidiary	100,000	-	-	100,000	100,000	-	-	100,000
Total investments	258,323,931	(10,863)	4,979,047	263,292,115	371,492,771	(10,877)	4,792,559	376,274,453

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

9.1.1 Investments given as collateral

Market Treasury bills	31,373,038	65,012,242
Pakistan Investment Bonds	169,377,400	199,571,000
	200,750,438	264,583,242

9.2 Credit loss allowance for diminution in value of investments

Opening balance		
Exchange adjustments	10,877	10,523
Charge / reversals	-	-
Charge for the period / year	-	354
Reversals for the period / year	-	-
Reversal on disposals	(14)	-
Transfers - net	(14)	354
Amounts written off	-	-
Closing Balance	10,863	10,877

9.3 Particulars of credit loss allowance against debt securities

Domestic

Performing	Stage 1
Under performing	Stage 2
Non-performing	Stage 3
Substandard	
Doubtful	
Loss	

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June 30, 2025 (Un-audited)		December 31, 2024 (Audited)	
Outstanding amount	Credit loss allowance held	Outstanding amount	Credit loss allowance held
Rupees in '000			
260,158,793	340	372,967,202	354
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
260,158,793	340	372,967,202	354

10 ADVANCES

Loans, cash credits, running finance, etc.
Islamic financing and related assets
Advances - gross

Credit loss allowance against advances:

- Stage 1
- Stage 2
- Stage 3
- Specific against staff advances
- General

Advances - net of credit loss allowance

10.1 Particulars of advances (gross)

In local currency

10.2 Advances include Rs. 26,052.403 million (December 31, 2024: Rs. 26,938.645 million) relating to agricultural financing which have been placed under non-performing / Stage 3 status as detailed below:

Category of classification

Domestic
Other assets especially mentioned
Substandard
Doubtful
Loss

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Performing		Non Performing		Total	
(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)
June 30, 2025	December 31, 2024	June 30, 2025	December 31, 2024	June 30, 2025	December 31, 2024
Rupees in '000					
106,045,356	101,613,315	26,097,886	26,981,173	132,143,242	128,594,488
29,354	8,032	-	-	29,354	8,032
106,074,710	101,621,347	26,097,886	26,981,173	132,172,596	128,602,520
472,084	581,916	-	-	472,084	581,916
1,665,137	2,588,742	-	-	1,665,137	2,588,742
-	-	13,743,777	13,270,932	13,743,777	13,270,932
379	387	42,540	39,333	42,919	39,720
3,000,000	3,000,000	-	-	3,000,000	3,000,000
5,137,600	6,171,045	13,786,317	13,310,265	18,923,917	19,481,310
100,937,110	95,450,302	12,311,569	13,670,908	113,248,679	109,121,210
				132,172,596	128,602,520

June 30, 2025 (Un-audited)		December 31, 2024 (Audited)	
Non performing loans	Credit loss allowance / provision	Non performing loans	Credit loss allowance / provision
Rupees in '000			
6,680,474	-	7,653,464	-
10,170,224	6,674,788	12,265,726	7,958,480
5,214,305	3,089,033	4,419,491	2,717,418
3,987,400	3,979,956	2,599,964	2,595,034
26,052,403	13,743,777	26,938,645	13,270,932

10.3 Particulars of credit loss allowance against advances

	June 30, 2025 (Un-audited)					December 31, 2024 (Audited)				
	Stage 3	Stage 2	Stage 1	General	Total	Stage 3	Stage 2	Stage 1	Specific	General
	Rupees in '000									
Opening balance	13,270,932	2,588,742	581,916	3,000,000	19,441,590	-	-	-	11,434,334	3,000,000
Impact on adoption of IFRS 9	-	-	-	-	-	14,387,176	5,171,698	1,335,082	(11,434,334)	-
Charge for the period	3,063,744	1,144,330	361,815	-	4,569,889	6,179,931	2,509,747	506,641	-	-
Reversals	(2,590,899)	(2,067,935)	(471,647)	-	(5,130,481)	(5,403,697)	(5,092,703)	(1,259,807)	-	-
	472,845	(923,605)	(109,832)	-	(560,592)	776,234	(2,582,956)	(753,166)	-	-
Amounts charged off	-	-	-	-	-	(1,892,478)	-	-	-	-
Closing balance	13,743,777	1,665,137	472,084	3,000,000	18,880,998	13,270,932	2,588,742	581,916	-	3,000,000

10.3.1 Regulations R-11, R-12, R-13 and R-15 of the Prudential Regulations for Agriculture Financing prescribe minimum standards for classification and provisioning of non-performing loans. As per the time based criteria given in the aforesaid Regulations, provision against non-performing loans is to be made at a given percentage of the difference resulting from the outstanding balance of principal less the amount of realizable liquid assets and a given percentage of the value of mortgaged lands and buildings at the time of sanction of the loans. However, the Bank has yet not availed the benefit of allowed value of mortgaged lands and buildings while computing the provision against non-performing loans.

10.3.2 In addition to the time based criteria, the Bank has further classified loans and advances amounting to Rs. 1,249.565 million (December 31, 2024: 1,899.185 million) and further de-graded the category of classified loans and advances amounting to Rs. 2,772.871 million (December 31, 2024: Rs. 4,088.474 million) on the basis of credit worthiness of the borrowers in accordance with the subjective criteria of the Prudential Regulations for Agriculture Financing.

10.4 Advances - Particulars of credit loss allowance

10.4.1 Opening Balances

New advances & Additional charge / (reversal)
Advances derecognised or repaid
Transfer to stage 1
Transfer to stage 2
Transfer to stage 3

Amounts written off / charged off
Changes in risk parameters (PDs/LGDs/EADs)
Other changes (to be specific)

Closing balance

CMC

	June 30, 2025 (Un-audited)			December 31, 2024 (Audited)		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
	Rupees in '000					
	581,916	2,588,742	13,270,932	1,335,082	5,171,698	14,387,176
	(135,562)	1,017,061	1,560,122	402,982	2,672,162	4,510,399
	(447,222)	(412,300)	(2,253,800)	(1,325,822)	(1,758,826)	(4,601,396)
	560,216	(257,329)	(302,887)	1,057,090	(617,645)	(439,445)
	(60,133)	113,001	(52,868)	(86,326)	131,154	(44,828)
	(3,951)	(1,398,696)	1,402,647	(131,376)	(2,717,198)	2,848,574
	(86,652)	(938,263)	353,214	(83,452)	(2,290,353)	2,273,304
	-	-	-	-	-	(1,892,478)
	(23,180)	14,658	119,630	(669,714)	(292,603)	(1,497,070)
	-	-	-	-	-	-
	472,084	1,665,137	13,743,776	581,916	2,588,742	13,270,932

10.4.2 Advances - Category of classification

Domestic

Performing Stage 1
Under performing Stage 2
Non-Performing Stage 3
Substandard
Doubtful
Loss

Total

cm

June 30, 2025 (Un-audited)		December 31, 2024 (Audited)	
Outstanding amount	Credit loss allowance held	Outstanding amount	Credit loss allowance held
..... Rupees in '000			
104,885,643	472,084	100,590,077	581,916
6,990,630	1,665,137	7,853,106	2,588,742
10,170,224	6,674,788	12,265,726	7,958,480
5,214,305	3,089,033	4,419,491	2,717,418
3,987,400	3,979,956	2,599,964	2,595,034
19,371,929	13,743,777	19,285,181	13,270,932
131,248,202	15,880,998	127,728,364	16,441,590

		(Un-audited) June 30, 2025 ... Rupees in '000 ...	(Audited) December 31, 2024 ... Rupees in '000 ...
11	PROPERTY AND EQUIPMENT		
	Capital work-in-progress	11.1 223,032	181,928
	Property and equipment	11.2 1,612,423	1,662,691
		<u>1,835,455</u>	<u>1,844,619</u>

11.1 Capital work-in-progress

Civil works		41,785	55,146
Equipment		170,759	116,566
Consultancy charges		10,073	9,801
Others	11.1.1	415	415
		<u>223,032</u>	<u>181,928</u>

11.1.1 This includes soil testing and other charges incurred at sites.

		(Un-audited) June 30, 2025 ... Rupees in '000 ...	
11.2	Additions to property and equipment		
	The following additions have been made during the period:		
	Capital work-in-progress	54,670	24,974
	Property and equipment:		
	Building on freehold land	499	7,826
	Building on leasehold land	30,398	9,556
	Furniture and fixture	3,869	6,028
	Electrical, office and computer equipment	63,456	35,234
	Vehicles	-	8,343
		98,222	66,987
	Total	<u>152,892</u>	<u>91,961</u>

11.3 Disposal of property and equipment

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

Furniture and fixture	23	47
Electrical, office and computer equipment	3	8
Vehicles	2,339	9,041
Total	<u>2,365</u>	<u>9,096</u>

12 RIGHT-OF-USE ASSETS

	(Un-audited) June 30, 2025			(Audited) December 31, 2024		
	Buildings	Others	Total	Buildings	Others	Total
..... Rupees in '000						
At January 1						
Cost	1,546,930	-	1,546,930	1,450,311	-	1,450,311
Accumulated Depreciation	689,875	-	689,875	593,372	-	593,372
Net opening carrying amount	857,055	-	857,055	856,939	-	856,939
Additions during the period / year	224,498	-	224,498	324,882	-	324,882
Deletions during the period / year	44,664	-	44,664	49,311	-	49,311
Depreciation charge for the period / year	139,300	-	139,300	275,455	-	275,455
Net closing carrying amount	897,589	-	897,589	857,055	-	857,055

cm

		(Un-audited) June 30, 2025 ... Rupees in '000 ...	(Audited) December 31, 2024
13 INTANGIBLE ASSETS			
Computer Software		140,194	172,425
		(Un-audited) June 30, 2025 ... Rupees in '000 ...	(Audited) June 30, 2024
13.1 Additions to intangible assets			
Additions made during the period:			
Directly purchased		18,666	6,100
	Note	(Un-audited) June 30, 2025 ... Rupees in '000 ...	(Audited) December 31, 2024
14 DEFERRED TAX ASSETS			
Deductible temporary differences on:			
Credit loss allowance against non-performing loans and advances		16,137,122	18,742,145
		16,137,122	18,742,145
Taxable temporary differences on:			
Accelerated tax depreciation		(153,185)	(275,352)
Defined benefit plans		(2,662,888)	(2,662,888)
Surplus on revaluation of investments		(2,583,206)	(2,531,403)
		(5,399,279)	(5,469,643)
		10,737,843	13,272,502
15 OTHER ASSETS			
Income / mark-up accrued in local currency on :			
- advances		9,351,522	13,421,515
- securities		8,653,239	12,218,003
- deposits		103,272	34,316
Amount recoverable from Federal Government		2,856,194	2,887,888
Tax recoverable		422,652	422,652
Branch adjustment account		2,415,393	1,625,809
Taxation (payments less provision)		-	1,453,883
Receivable from gratuity scheme - SR 2005		1,280,742	1,184,271
Non banking assets acquired in satisfaction of claims		399,641	407,301
Due from Islamic Banking		-	3,655
Stationery and stamps in hand		152,423	163,445
Stock of farm machinery		11,237	11,237
Advances against salary and expenses		68,115	60,882
Security deposits		7,938	7,899
Advances and other prepayments		1,856,101	1,656,453
Clearing and settlement		1,128,528	160,566
Others		234,864	173,621
		28,941,861	35,893,396
Credit loss allowance held against other assets		(1,476,542)	(1,465,073)
Other assets - net of credit allowance	15.1	27,465,319	34,428,323
15.1 Credit loss allowance held against other assets			
Tax recoverable		422,652	422,652
Non banking assets acquired in satisfaction of claims		399,641	407,301
Amount recoverable from Federal Government		551,140	551,140
Stock of farm machinery		11,237	11,237
Accrued interest on advances of ex-employees		16,801	16,070
Amount deposited with courts / legal charges recoverable		75,071	56,673
<i>CAC</i>		1,476,542	1,465,073

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

15.1.1 Movement in credit loss allowance held against other assets

Opening balance
Charge for the period / year
Reversals

1,465,073	988,669
34,025	521,703
(22,556)	(45,299)
11,469	476,404
<u>1,476,542</u>	<u>1,465,073</u>

Closing balance

16 CONTINGENT ASSETS

16.1 There is a contingency of an amount of Rs. 297.149 million and Rs. 54.828 million on account of minimum income tax levied by the Income Tax authorities under section 80-D of the Income Tax Ordinance, 1979, and various tax refunds pertaining to assessment years 1991-92 to 1998-99 and assessment year 1999-2000 respectively despite the income of the Bank being exempt from tax up to income year ended 30 June 1999. The Bank paid, under protest, these disputed tax demands and also filed writ petition in this respect in the Honorable Lahore High Court, Rawalpindi Bench, Rawalpindi. Later on, the Bank withdrew the said petition on the directions of the Federal Government and the case was referred to the Law and Justice Division of the Government of Pakistan (GoP) which decided the reference in the Bank's favor. The Federal Board of Revenue (FBR), disagreed with the aforesaid decision, further took up the matter with Federal Cabinet for its review. Federal Cabinet referred the case to the Attorney General of Pakistan (AGP) for final decision which was received on March 12, 2011 whereby the AGP decided that Section 27-A of the ADBP Ordinance should prevail over the said section 80-D of the Income Tax Ordinance, 1979.

16.2 Assistant Commissioner, Sindh Revenue Board (SRB) passed the order on May 11, 2019 for the period January 2012 to December 2012 creating a demand of Rs 6.42 million (Principle + Penalty). On June 3, 2019, payment of impugned tax amounting Rs. 6.6 million (Principle + 10% Surcharge) has been made, under protest, to avail the SRB Amnesty Scheme. Bank has filed appeal before Commissioner (Appeals), SRB. Main Appeal heard and further adjourned to August 12, 2022 but remained undecided and appeal/case has been transferred to Appellate Tribunal by the Commissioner (Appeals-I) on June 30, 2022, being time barred at the Commissioner Appeals. The AT (SRB) remanded the case to CIR (A) for passing Order-in-Appeal within 60 days. The Bank is expecting a favorable decision.

16.3 Assistant Commissioner, Sindh Revenue Board (SRB) passed the order on July 11, 2019 for the period January 2013 to December 2013 creating a demand of Rs 2.75 million. On June 3, 2019, payment of impugned tax amounting to Rs. 2.75 million was made, under protest, to avail the SRB Amnesty Scheme. Bank filed appeal before Commissioner (Appeals), SRB. Main Appeal heard and further adjourned to August 12, 2022 but remained undecided and appeal/case has been transferred to Appellate Tribunal by the Commissioner (Appeals-I) on June 30, 2022, being time barred at the Commissioner Appeals. The AT (SRB) remanded the case to CIR (A) for passing Order-in-Appeal within 60 days. The Bank is expecting a favorable decision.

16.4 Assistant Commissioner, Sindh Revenue Board (SRB) passed the order on January 24, 2020 for the period of January 2014 to December 2014 which created a demand of Rs.54.6 million. On June 3, 2019 payment of impugned tax was made for Rs. 2.86 million, under protest, to avail the SRB Amnesty Scheme. Bank filed appeal before Commissioner (Appeals), SRB. Main Appeal heard and further adjourned to August 12, 2022 but remained undecided and appeal/case has been transferred to Appellate Tribunal by the Commissioner (Appeals-I) on June 30, 2022, being time barred at the Commissioner Appeals. The AT (SRB) remanded the case to CIR (A) for passing Order-in-Appeal within 60 days. The Bank is expecting a favorable decision.

CMC

	Note	(Un-audited) June 30, 2025 ... Rupees in '000 ...	(Audited) December 31, 2024
17	BILLS PAYABLE		
	In Pakistan	443,007	451,707
18	BORROWINGS		
	Secured		
	Borrowing from State Bank of Pakistan (SBP):		
	Redeemable preference shares	18.1 -	54,461,536
	Repurchase agreement borrowings	195,270,534	251,568,896
	Repurchase agreement borrowings - others	5,479,904	13,014,346
	Borrowings from other banks	-	19,385,015
	Total secured	200,750,438	338,429,793
	Unsecured		
	Borrowing from Federal Government:		
	Preference shares	18.1 54,461,536	-
	Call borrowings	35,434,814	69,637,176
		290,646,788	408,066,969

- 18.1** In pursuance of Finance Division (Internal Finance Wing), Government of Pakistan letter dated May 30, 2025 the SBP shareholding of ordinary shares and redeemable preference shares carrying markup of 7.5% per annum in the bank had been purchased by the Federal Government. Accordingly, the bank transferred SBP ordinary shares of Rs. 40,155.992 million and preference shares of Rs. 54,461.536 million to the Federal Government. Related contractual / legal formalities are in process.

	(Un-audited) June 30, 2025	(Audited) December 31, 2024	
	... Rupees in '000 ...		
19	DEPOSITS AND OTHER ACCOUNTS		
	Customers - local currency		
	Current deposits	9,327,553	10,175,082
	Saving deposits	10,972,586	11,950,511
	Term deposits	28,807,283	33,230,903
	Others	394,434	187,903
		49,501,856	55,544,399
	Financial Institutions - local currency		
	Current deposits	228,439	126,063
	Saving deposits	622,199	951,369
	Term deposits	-	-
		850,638	1,077,432
		50,352,494	56,621,831

	(Un-audited) June 30, 2025 ... Rupees in '000 ...	(Audited) December 31, 2024
20 LEASE LIABILITIES		
Outstanding amount at the start of the period / year	997,225	983,391
Additions during the period / year	206,930	270,098
Lease payments including interest	(173,006)	(336,217)
Interest expense	64,735	126,658
Remeasurement	(48,735)	(46,705)
Outstanding amount at the end of the period / year	<u>1,047,149</u>	<u>997,225</u>
20.1 Liabilities Outstanding		
Short-term lease liabilities - within one year	84,614	82,572
Long-term lease liabilities		
- 1 to 5 years	522,216	425,336
- 5 to 10 years	373,322	429,234
- More than 10 years	66,997	60,083
Total lease liabilities	<u>962,535</u>	<u>914,653</u>
	<u>1,047,149</u>	<u>997,225</u>
21 OTHER LIABILITIES		
Mark-up / return / interest payable in local currency on:		
- borrowings	602,723	3,407,005
- deposits and other accounts	2,194,303	2,647,689
Accrued expenses	664,659	1,746,765
Taxation (provisions less payments)	184,291	-
Net liabilities relating to Bangladesh	189	189
Payable to Ministry of Food Agriculture & Livestock	168,000	168,000
Provision for:		
- pension scheme	6,744,858	6,344,733
- employees' post retirement medical benefits	10,853,045	10,439,311
- employees' compensated absences	2,124,753	2,153,930
Payable to subsidiary company	174,275	162,044
Due to Islamic Banking	3,596	-
Security deposits	24,891	21,559
Deferred income	8,832	9,058
Others	2,304,176	1,923,164
<i>CM</i>	<u>26,052,591</u>	<u>29,023,447</u>

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

22 SURPLUS ON REVALUATION OF ASSETS

Surplus on revaluation of:

- securities measured at FVOCI - Equity
- securities measured at FVOCI - Debt

2,944,366	3,118,309
2,023,338	1,657,923
4,967,704	4,776,232

Deferred tax on surplus on revaluation of:

- securities measured at FVOCI - Equity
- securities measured at FVOCI - Debt

(1,531,070)	(1,652,704)
(1,052,136)	(878,699)
(2,583,206)	(2,531,403)
2,384,498	2,244,829

23 CONTINGENCIES AND COMMITMENTS

23.1 Contingent liabilities

In respect of cases filed against the Bank:

23.1.1 by borrowers; 470 (December 31, 2024: 402) cases

324,905	338,547
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23.1.2 by employees; 384 (December 31, 2024: 417) cases

229,638	276,281
---------	---------

23.2.1 This include employees pension related litigations for addition of certain allowances in pensionable pay. These cases are under adjudication in the Honorable Supreme Court of Pakistan. The financial impact of these cases are not quantifiable at this point of time. In the opinion of the legal advisor favorable outcomes of these contingencies is expected, hence, no provision is incorporated in these financial statements.

23.2 Tax related contingencies

23.2.1 Income tax

The Bank faces cumulative contingent liabilities amounting to Rs. 90,990.72 million under various sections of the Income Tax Ordinance, 2001, for tax years 2002 to 2024, which are under litigation at various forums including the Appellate Tribunal Inland Revenue, the Alternate Dispute Resolution Committee, the Honorable Islamabad High Court, and the Honorable Supreme Court of Pakistan. Key cases include Rs. 669.768 million u/s 161/205 for tax years 2009-2012, Rs. 19.528 million u/s 155 for tax year 2014-2015, Rs. 77,783.97 million u/s 122(5A) for tax years 2010-2024, Rs. 0.619 million u/s 153 for tax year 2015, Rs. 170.675 million u/s 149 for tax years 2015-2016, Rs. 81.797 million u/s 151 for tax years 2015-2016, Rs. 1,565.379 million u/s 122(1) for tax year 2018, Rs. 737.38 million u/s 122(4) for tax years 2019 and 2022 and Rs. 43.75 million u/s 4(B) for tax year 2022. Rs. 9,917.854 million from disputes covering assessment years 2002-2003 and tax years 2003-2009. In the opinion of the legal advisor favorable outcomes of these contingencies are expected, hence, no provision is incorporated in these financial statements.

CAC

23.2.2 Federal excise duties / Sales tax

For the tax years 2008-2016, the Bank is facing total contingent liabilities amounting to Rs. 2,698.10 million related to Federal Excise Duties and Sales Tax matters. These cases are currently under litigation at various forums, including the Honorable Islamabad High Court, the Appellate Tribunal Inland Revenue, and other relevant tribunals and authorities. For the years 2008-2012, contingent liabilities amounting to Rs. 825.121 million were contested, with Rs. 343 million decided in favor of the Bank, leaving Rs. 482.121 million still under dispute. For the periods January 2013 to December 2014, demands of Rs. 738.892 million and Rs. 681.109 million were raised for Federal Excise Duties, and Rs. 4.470 million and Rs. 13.396 million for Sales Tax. For December 2016, a demand of Rs. 10.25 million by the Punjab Revenue Authority was partially contested. The Sindh Revenue Board raised demands for July 2011 to December 2011 and January 2015 to December 2016, totaling Rs. 26.61 million. Other cases include a demand of Rs. 712.135 million for tax year 2015/-2016, Rs. 29.121 million for tax year 2019. In the opinion of the legal advisor favorable outcomes of these contingencies are expected, hence, no provision is incorporated in these financial statements.

	(Un-audited) June 30, 2025 ... Rupees in '000 ...	(Audited) December 31, 2024 ... Rupees in '000 ...
23.3 Commitments against		
Capital expenditure	1,263,413	1,253,127
Consultancy Expenditure	7,064	7,770
	(Un-audited) June 30, 2025 ... Rupees in '000 ...	(Un-audited) June 30, 2024 ... Rupees in '000 ...
24 MARK-UP / RETURN / INTEREST EARNED		
Loans and advances	11,974,285	13,146,406
Investments	20,536,961	38,044,090
Securities purchased under resale agreement	208,890	206,544
Call money lendings	265,628	400,673
Balances with banks	901,945	2,023,456
	33,887,709	53,821,169
24.1 Interest income recognised on:		
Financial assets measured at amortised cost	13,350,748	15,777,079
Financial assets measured at FVOCI	18,973,669	36,615,527
	32,324,417	52,392,606
25 MARK-UP / RETURN / INTEREST EXPENSED		
Deposits	3,115,299	4,969,538
Redeemable preference shares - SBP	1,689,800	2,042,308
Securities sold under repurchased agreement	14,313,782	35,853,168
Call borrowings	2,041,574	2,697,912
Bank commission and other charges	25,285	11,041
On lease liability against right-of-use assets	64,735	58,603
<i>etc</i>	21,250,475	45,632,570

		(Un-audited)	
		June 30,	June 30,
		2025	2024
		Rupees in '000	
26	FEE & COMMISSION INCOME		
	Branch banking customer fees	21,803	28,722
	Credit related fees	487,658	103,429
	Commission on remittances including home remittances	2,347	1,802
		<u>511,808</u>	<u>133,953</u>
27	GAIN ON SECURITIES		
	Realised	682,755	516,410
	Unrealised - Measured at FVPL	11,343	1,948
		<u>694,098</u>	<u>518,358</u>
27.1	Realised gain on: Federal Government Securities	<u>682,755</u>	<u>516,410</u>
28	OTHER INCOME		
	Rent on property - KSSL - subsidiary company	945	3,347
	Rent on property - others	19,636	16,218
		<u>20,581</u>	<u>19,565</u>
	Gain on sale of fixed assets - net	3,811	6,574
	Gain on sale of non banking assets - net	13,090	19,849
	Deferred income amortization	226	239
	Discount income	899,657	642,748
	Others	11,159	55,409
		<u>948,524</u>	<u>744,384</u>
28.1	Other includes sale of scrap, sale of tender forms, recoveries against penalties imposed by SBP and private use of vehicles etc. <i>CAC</i>		

29 **OPERATING EXPENSES**

Total compensation expense

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

4,142,258 4,115,306

Property expense

Rent & taxes

Insurance

Utilities cost

Repair and maintenance (including janitorial charges)

Depreciation

Depreciation - right of use assets

10,014	5,985
46,482	40,541
176,274	188,144
125,544	143,000
18,012	17,187
139,300	129,362
515,626	524,219

Information technology expenses

Software maintenance

Hardware maintenance

Depreciation

Amortisation

Network charges

224,441	172,528
94,997	33,658
69,840	25,196
50,897	60,904
72,225	45,597
512,400	337,883

Other operating expenses

Directors' fees and allowances

Legal & professional charges

Outsourced services costs

Travelling & conveyance

NIFT clearing charges

Depreciation

Training & development

Postage & courier charges

Communication

Stationery & printing

Marketing, advertisement & publicity

Motor vehicle expenses

Auditors Remuneration

Others

10,346	7,358
67,904	106,267
1,324,658	1,236,025
63,002	43,529
21,912	9,776
58,235	53,606
19,029	14,222
15,331	16,731
11,585	12,886
40,493	34,269
17,040	7,783
346,725	346,252
431	431
117,945	105,575
7,284,920	6,972,118

30 **OTHER CHARGES**

Penalties imposed by SBP

CM

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

545 1,469

		(Un-audited)	
		June 30,	June 30,
		2025	2024
		Rupees in '000	
		Note	
31	CREDIT LOSS ALLOWANCE AND WRITE-OFFS - NET		
	Credit loss allowance against balances with other banks		1,303 -
	Credit loss reversal against lending to financial institutions		(1,570) -
	Credit loss reversal for diminution in value of investments		(14) -
	Credit loss reversal against loans & advances	10.3	(557,393) 1,365,740
	Fixed assets charged-off		- 2,524
	Credit loss allowance / (reversal) against other asset	15.1.1	11,469 (2,194)
	Recovery of written off / charged off bad debts		(4,998,158) (4,222,504)
			<u>(5,544,363) (2,856,434)</u>
32	TAXATION		
	Current		4,662,490 1,766,479
	Prior year		183,062 -
	Deferred		2,482,856 995,109
			<u>7,328,408 2,761,588</u>
33	EARNINGS PER SHARE - BASIC AND DILUTED		
	Profit after tax for the period		5,735,071 2,714,733
	Weighted average number of ordinary shares		<u>5,267,843,241 5,267,843,241</u>
	Earnings per share - basic and diluted (Rupees)		<u>1.09 0.52</u>
33.1	There is no dilutive effect on the basic earnings per share of the Bank.		

cm

		(Un-audited)	
		June 30, 2025	June 30, 2024
		Rupees in '000	
34	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	Note	
	Profit before taxation		13,063,479
	Less: Dividend income		5,476,321
			(12,917)
			(8,180)
			13,050,562
			5,468,141
	Adjustments:		
	Net mark-up / interest income		(12,637,234)
	Depreciation		(8,188,599)
	Depreciation on right-of-use assets		146,087
	Amortization	29	95,989
	Amortization of deferred income	29	139,300
	Markup on lease liability on right-of-use assets	28	129,362
	Credit loss allowance and write-offs - net	25	50,897
	Provision for employees post retirement	31	60,904
	medical benefits		(226)
	Charge for defined benefit plans - net		(239)
	Gain on sale of non banking assets acquired in		64,735
	satisfaction of claims - net	28	58,603
	Gain on securities	27	1,366,070
	Gain on sale of operating fixed assets	28	(546,205)
			664,054
			808,058
			601,101
			698,650
			(13,090)
			(19,849)
			(694,098)
			(518,358)
			(3,811)
			(6,574)
			(12,228,490)
			(5,515,983)
			822,072
			(47,842)
35	CASH AND CASH EQUIVALENTS		
	Cash and balances with treasury banks	6	3,727,936
	Balances with other banks	7	3,742,483
			18,718,340
			2,193,985
			22,446,276
			5,936,468

36 FAIR VALUE MEASUREMENT

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction.

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 assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

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

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

	June 30, 2025 (Un-audited)			
	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	-	257,857,577	-	257,857,577
- Shares	3,033,662	-	-	3,033,662
- Debt securities (TFCs, Sukuk)	2,300,876	-	-	2,300,876
	5,334,538	257,857,577	-	263,192,115
Financial assets not measured at fair value				
- Subsidiary company	-	100,000	-	100,000
<i>CM</i>	5,334,538	257,957,577	-	263,292,115

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	-	370,614,398	-	370,614,398
- Shares	3,207,605	-	-	3,207,605
- Debt securities (TFCs, Sukuk)	2,352,450	-	-	2,352,450
	5,560,055	370,614,398	-	376,174,453
Financial assets not measured at fair value				
- Subsidiary company	-	100,000	-	100,000
	5,560,055	370,714,398	-	376,274,453

36.2 Valuation technique used & key inputs

Revaluation rates for Treasury Bills and Pakistan Investment Bonds are contributed by money market brokers on daily basis while for listed securities daily prices are shared by Pakistan Stock Exchange. Investments in non Government debt securities are valued on the basis of the rates announced by the Mutual Funds Association of Pakistan (MUFAP).

Investment in subsidiary and other unlisted securities have not been carried out at fair value in accordance with the SBP guidelines.

36.3 Fair value of non-financial assets

Property and equipment as well as non-banking assets, are measured at fair value under Level 2 of the fair value hierarchy.

36.4 There were no transfers between levels 1 and 2 during the period.

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37 SEGMENT INFORMATION

37.1 Segment Details with respect to Business Activities:

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

	June 30, 2025 (Un-audited)			
	Branch Banking & Agri Financing	Treasury	Islamic Banking	Total
 Rupees in '000			
Profit & Loss				
Net mark-up/return/profit	6,523,283	6,008,541	105,410	12,637,234
Inter segment revenue - net	1,786,532	(1,786,532)	-	-
Non mark-up / return / interest income	1,455,191	707,015	5,141	2,167,347
Total Income	9,765,006	4,929,024	110,551	14,804,581
Segment direct expenses	7,088,120	44,069	153,276	7,285,465
Inter segment expense allocation	-	-	-	-
Total expenses	7,088,120	44,069	153,276	7,285,465
Credit loss allowance	(5,544,363)	-	-	(5,544,363)
Profit / (loss) before tax	8,221,249	4,884,955	(42,725)	13,063,479
Balance Sheet				
Cash & Bank balances	4,539,942	17,501,364	402,183	22,443,489
Investments	-	261,736,151	1,555,964	263,292,115
Net inter segment lendings	65,999,224	-	-	65,999,224
Lendings to financial institutions	-	8,783,904	7,950,000	16,733,904
Advances - performing	106,045,356	-	29,354	106,074,710
- non-performing (net of provision)	7,173,969	-	-	7,173,969
Others	28,815,721	10,499,033	1,761,646	41,076,400
Total Assets	212,574,212	298,520,452	11,699,147	522,793,811
Borrowings	54,461,536	230,075,252	6,110,000	290,646,788
Subordinated debt	-	-	-	-
Deposits & other accounts	46,676,256	-	3,676,238	50,352,494
Net inter segment borrowing	-	65,499,224	500,000	65,999,224
Others	25,568,360	605,075	1,369,312	27,542,747
Total Liabilities	126,706,152	296,179,551	11,655,550	434,541,253
Equity	85,868,060	2,340,901	43,597	88,252,558
Total Equity & Liabilities	212,574,212	298,520,452	11,699,147	522,793,811
Contingencies & Commitments	95,513,840	-	-	95,513,840

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June 30, 2024 (Un-Audited)				
Branch				
Banking & Agri	Treasury	Islamic Banking	Total	
Financing				
..... Rupees in '000				
Profit & Loss				
Net mark-up/return/profit	5,799,289	2,232,058	157,252	8,188,599
Inter segment revenue - net	2,215,444	(2,215,444)	-	-
Non mark-up / return / interest income	876,322	526,538	2,015	1,404,875
Total Income	8,891,055	543,152	159,267	9,593,474
Segment direct expenses	6,822,281	34,469	116,837	6,973,587
Inter segment expense allocation	-	-	-	-
Total expenses	6,822,281	34,469	116,837	6,973,587
Credit loss allowance	(2,856,434)	-	-	(2,856,434)
Profit before tax	4,925,208	508,683	42,430	5,476,321

December 31, 2024 (Audited)				
Branch				
Banking & Agri	Treasury	Islamic Banking	Total	
Financing				
..... Rupees in '000				
Balance Sheet				
Cash & Bank balances	3,800,292	6,550,505	267,541	10,618,338
Investments	-	374,617,656	1,656,797	376,274,453
Net inter segment lending	68,561,115	-	-	68,561,115
Lendings to financial institutions	-	17,300,072	13,650,000	30,950,072
Advances - performing	101,613,315	-	8,032	101,621,347
- non-performing (net of provision)	7,499,863	-	-	7,499,863
Others	35,496,738	13,737,680	1,340,506	50,574,924
Total Assets	216,971,323	412,205,913	16,922,876	646,100,112
Borrowings	54,461,536	339,805,433	13,800,000	408,066,969
Subordinated debt	-	-	-	-
Deposits & other accounts	55,266,865	-	1,354,966	56,621,831
Net inter segment borrowing	-	68,061,115	500,000	68,561,115
Others	27,188,518	2,094,536	1,189,325	30,472,379
Total Liabilities	136,916,919	409,961,084	16,844,291	563,722,294
Equity	80,054,404	2,244,829	78,585	82,377,818
Total Equity & Liabilities	216,971,323	412,205,913	16,922,876	646,100,112
Contingencies & Commitments	96,622,040	-	-	96,622,040

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38 RELATED PARTY TRANSACTIONS AND BALANCES

The Bank has related party relationship with its subsidiary company, employee benefit plans, Agriculture Technology Development fund and the Bank's key management personnel.

The transactions between the Bank and its subsidiary, Kissan Support Services (Private) Limited, are carried out on "cost plus" method. There are no transactions with key management personnel other than under their terms of employment. Contributions to and accruals in respect of staff retirement and other benefit plans are made in accordance with the actuarial valuations / terms of the contribution plan as at December 31, 2024. Remuneration to the executives are determined in accordance with the terms of their appointment. Details of transactions with related parties and balances with them are as under:

	Subsidiary Company		Key Management Personnel		Defined Benefit Plans		Agricultural Technology Development Fund	
	June 30, 2025 (Un-audited)	December 31, 2024 (Audited)	June 30, 2025 (Un-audited)	December 31, 2024 (Audited)	June 30, 2025 (Un-audited)	December 31, 2024 (Audited)	June 30, 2025 (Un-audited)	December 31, 2024 (Audited)
	Rupees in '000							
Investments	100,000	100,000	-	-	-	-	-	-
Advances								
Opening balance	-	-	98,550	54,997	-	-	-	-
Addition	-	-	13,069	74,572	-	-	-	-
Repaid	-	-	(12,475)	(31,019)	-	-	-	-
Closing balance	-	-	99,144	98,550	-	-	-	-
Other assets								
Interest / mark-up accrued	-	-	12,802	11,266	-	-	-	-
Receivable at the end of the period	-	-	-	-	1,280,742	1,184,271	-	-
Deposits and other accounts								
Opening balance	1,533,600	1,305,899	9,495	2,085	11,990,670	12,001,475	334,598	274,290
Received during the period / year	3,578,316	6,271,581	179,776	232,219	799,102	16,795,203	2,843	590,448
Withdrawn during the period / year	(3,495,436)	(6,043,880)	(175,776)	(224,809)	(1,578,793)	(16,806,008)	(247)	(530,140)
Closing balance	1,616,480	1,533,600	13,495	9,495	11,210,979	11,990,670	337,194	334,598
Other liabilities								
Interest / mark-up payable	139,253	132,001	-	-	713,777	288,217	29,545	11,090
Payable at the end of the period	174,271	162,044	-	-	19,722,656	18,937,974	-	-

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	Subsidiary Company		Key Management Personnel		Defined Benefit Plans		Agricultural Technology Development Fund	
	(Un-audited) Half year ended June 30,							
	2025	2024	2025	2024	2025	2024	2025	2024
	Rupees in '000							
Income								
Mark-up / interest earned	-	-	1,899	1,179	-	-	-	-
Rental income	945	3,347	-	-	-	-	-	-
Expense								
Mark-up / interest paid	125,474	138,593	-	-	60,269	78,827	2,843	3,795
Compensation	-	-	200,256	109,895	-	-	-	-
Post retirement benefit	-	-	2,203	2,168	-	-	-	-
Contribution to defined benefit plan	-	-	434	428	-	-	-	-
Cost of services rendered	1,324,658	1,236,025	-	-	-	-	-	-

38.1 Transactions with Government related entities

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

The Bank in the normal course of business enters into transaction with Government-related entities. Such transactions include deposits from and provision of other banking services to Government-related entities. However, these transactions have not been treated as related parties transactions for the purpose of this disclosure.

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39 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

	(Un-audited) June 30, 2025	(Audited) December 31, 2024
	... Rupees in '000 ...	
Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	52,678,432	52,678,432
Capital Adequacy Ratio:		
Eligible Common Equity Tier 1 (CET 1) Capital	83,562,810	74,684,118
Eligible Additional Tier 1 (ADT 1) Capital	-	-
Total Eligible Tier 1 Capital	83,562,810	74,684,118
Eligible Tier 2 Capital	4,270,425	4,174,704
Total Eligible Capital (Tier 1 + Tier 2)	87,833,235	78,858,822
Risk Weighted Assets (RWAs):		
Credit Risk	150,874,124	154,389,975
Market Risk	17,970,525	20,718,775
Operational Risk	43,898,575	43,898,575
Total	212,743,224	219,007,325
Common Equity Tier 1 Capital Adequacy Ratio	39.28%	34.10%
Tier 1 Capital Adequacy Ratio	39.28%	34.10%
Total Capital Adequacy Ratio	41.29%	36.01%
Leverage Ratio (LR):		
Eligible Tier-1 Capital	83,562,810	74,684,118
Total exposures	457,027,281	577,770,414
Leverage ratio	18.28%	12.93%
Liquidity Coverage Ratio (LCR):		
Total High Quality Liquid Assets	79,567,288	75,177,791
Total Net Cash Outflow	24,631,305	32,376,518
Liquidity Coverage Ratio	323%	232%
Net Stable Funding		
Total Available Stable Funding	185,849,862	200,257,341
Total Required Stable Funding	146,563,235	162,878,163
Net Stable Funding Ratio	127%	123%

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The bank is operating 29 (December 31, 2024: 25) Islamic banking branches as at June 30, 2025.

		(Un-audited) June 30, 2025	(Audited) December 31, 2024
		... Rupees in '000 ...	
ASSETS	Note		
Cash and balances with treasury banks		347,124	141,150
Balances with other banks		55,059	126,391
Due from financial institutions	40.1	7,950,000	13,650,000
Investments	40.2	1,555,964	1,656,797
Islamic financing and related assets - net	40.3	29,354	8,032
Property and equipment		120,634	120,687
Intangible assets		-	-
Due from Head Office		-	-
Other assets		-	-
Total Assets		11,699,147	16,922,876
LIABILITIES			
Bills payable		21,669	4,435
Due to financial institutions	40.4	6,110,000	13,800,000
Deposits and other accounts		3,676,238	1,354,966
Due to Head Office		1,261,186	963,273
Subordinated debt		-	-
Other liabilities		86,457	221,617
		11,155,550	16,344,291
NET ASSETS		543,597	578,585
REPRESENTED BY			
Islamic Banking Fund		500,000	500,000
Reserves		-	-
Surplus on revaluation of assets		19,690	11,953
Un-appropriated profit	40.5	23,907	66,632
		543,597	578,585
CONTINGENCIES AND COMMITMENTS	40.6		
The profit and loss account of the Bank's Islamic banking branches is as follows:			
	Note	(Un-audited) June 30, 2025	June 30, 2024
		... Rupees in '000 ...	
Profit / return earned	40.7	729,825	1,462,476
Profit / return expensed	40.8	624,415	1,305,224
Net Profit / return		105,410	157,252
Other income			
Fee and Commission Income		1,465	2,015
Dividend Income		-	-
Foreign Exchange Income		-	-
Income / (loss) from derivatives		-	-
Gain / (loss) on securities		-	-
Other Income		3,676	-
Total other income		5,141	2,015
Total Income		110,551	159,267
Other expenses			
Operating expenses		153,276	116,837
Workers Welfare Fund		-	-
Other charges		-	-
Total other expenses		153,276	116,837
(Loss) / profit before credit loss allowance		(42,725)	42,430
Credit loss allowance and write offs - net		-	-
(Loss) / profit before taxation		(42,725)	42,430
Taxation		-	19,378
(Loss) / profit after taxation		(42,725)	23,052

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40.1 Due from financial institutions

Unsecured :
Musharakah

June 30, 2025 (Un-audited)			December 31, 2024 (Audited)		
In local currency	In foreign currency	Total	In local currency	In foreign currency	Total
..... Rupees in '000					
7,950,000	-	7,950,000	13,650,000	-	13,650,000
7,950,000	-	7,950,000	13,650,000	-	13,650,000

40.2 Investments

Federal Government securities

Ijarah sukuk

Non Government Debt Securities

Listed securities

Total investments

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June 30, 2025 (Un-audited)				December 31, 2024 (Audited)			
Cost / amortised cost	Credit loss allowance for diminution	Surplus / (deficit)	Carrying value	Cost / amortised cost	Credit loss allowance for diminution	Surplus / (deficit)	Carrying value
..... Rupees in '000							
1,228,265	-	17,963	1,246,228	1,287,277	-	8,343	1,295,620
308,009	-	1,727	309,736	357,566	-	3,611	361,177
1,536,274	-	19,690	1,555,964	1,644,843	-	11,954	1,656,797

	(Un-audited) June 30, 2025	(Audited) December 31, 2024
	... Rupees in '000 ...	
40.3 Islamic financing and related assets		
Ijarah	1,500	-
Diminishing Musharakah	27,854	8,032
Gross Islamic financing and related assets	29,354	8,032
Less: Credit loss allowance against Islamic financings		
- Specific	-	-
- General	-	-
Islamic financing and related assets - net of credit loss allowance	29,354	8,032
40.4 Deposits		
Customers - local currency		
Current deposits	385,731	392,796
Savings deposits	1,142,287	719,767
Term deposits	20,745	242,165
Others	18,238	238
	1,567,001	1,354,966
Financial Institutions		
Current deposits	-	-
Savings deposits	-	-
Term deposits	2,109,237	-
	3,676,238	1,354,966
40.5 Islamic Banking Business Accumulated Profit		
Opening Balance	66,632	48,202
Add: Islamic Banking (loss) / profit for the period / year	(42,725)	41,002
Less: Taxation	-	22,572
Closing Balance	23,907	66,632
40.6 Contingencies and commitments		
40.6.1 There are no contingencies outstanding against Islamic banking at the reporting date (December 31, 2024 : Nil).		
40.6.2 There are no commitments made by the Islamic banking at the reporting date (December 31, 2024 : Nil).		

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

40.7 Profit / return earned of financing, investments and placement

Profit earned on:

Financing	1,158	34
Investments	161,685	1,448,279
Placements	566,982	14,163
	<u>729,825</u>	<u>1,462,476</u>

40.8 Profit on deposits and other dues expensed

Deposits and other accounts	167,028	161,741
Commission and other charges	1,003	-
Call borrowings	456,384	1,143,483
	<u>624,415</u>	<u>1,305,224</u>

41 CORRESPONDING FIGURES

Corresponding figures have been rearranged, reclassified or additionally incorporated in these unconsolidated condensed interim financial statements (un-audited) wherever necessary to facilitate comparison and better presentation.

42 DATE OF AUTHORIZATION FOR ISSUE

These unconsolidated condensed interim financial statements (un-audited) were authorized for issue on 23 AUG 2025 by the Board of Directors of the Bank.

43 GENERAL

The figures in the unconsolidated condensed interim financial statements (un-audited) are rounded off to the nearest thousand rupees.

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 President
  Chief Financial Officer
  Director
  Director
  Director