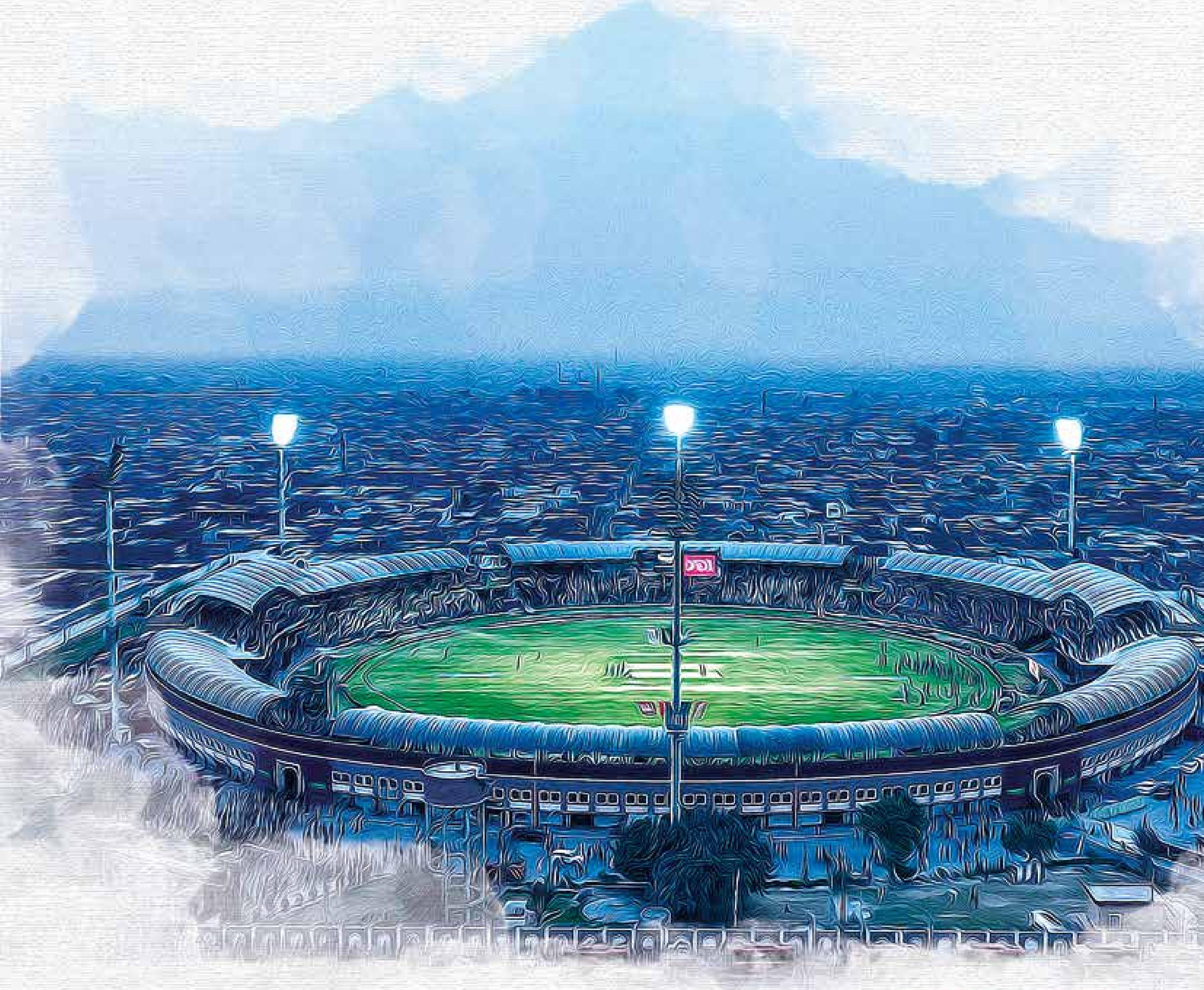
HBL

HBL PSL Pakistan Super League

HBLPSL
A reason to believe in PAKISTAN
2016–2025



Quarterly Report September 30, 2025

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CORPORATE INFORMATION

Board of Directors

Mr. Sultan Ali Allana
Chairman

Mr. Shaffiq Dharamshi
Director

Mr. Moez Ahamed Jamal
Director

Mr. Salim Raza
Director

Dr. Najeeb Samie
Director

Mr. Khaleel Ahmed
Director

Ms. Saba Kamal
Director

Mr. Muhammad Nassir Salim
President & CEO

Chief Financial Officer

Mr. Irfan Ahmed Meer

Company Secretary

Mr. Uzman Naveed Chaudhary

Legal Advisors

Mandviwalla and Zafar
Legal Consultants and Advocates

Auditors

KPMG Taseer Hadi & Co
Chartered Accountants

Share Registrar

CDC Share Registrar Services Limited
CDC House, 99 – B, Block 'B',
S.M.C.H.S., Main Shahra-e-Faisal
Karachi – 74400, Pakistan
Tel: Customer Support Services
(Toll Free) 0800-CDCPL (23275)
Fax: (92-21) 34326053
Email: info@cdcsrsl.com
Website: www.cdcsrsl.com

HBL Corporate Secretariat

Phone: (92-21) 37137543
Fax: (92-21) 35148370

Principal Office

Habib Bank Limited
HBL Tower, Plot No. G-4,
KDA Scheme 5, Block 7 Clifton,
Karachi, Pakistan
Phone: (92-21) 33116030

Registered Office

Habib Bank Limited
9th Floor, Habib Bank Tower,
Jinnah Avenue, Blue Area, Islamabad,
Pakistan
Phone: (92-51) 2270856, (92-51) 2821183
Fax: (92-51) 2872205

Corporate Website

www.hbl.com

Internet Banking

www.hbl.com/personal/digital-banking/ hbl-internetbanking

Konnect

www.hbl.com/konnect

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Condensed Interim Consolidated Financial Statements

DIRECTORS' REPORT

On behalf of the Board of Directors, we are pleased to present the Consolidated Financial Statements for the nine months ended September 30, 2025.

Macroeconomic Review

Pakistan's economy is carefully transitioning to a growth trajectory; real GDP growth improved from 2.6% in FY'24 to 3.0% in FY'25, supported by a turnaround in the Industrial sector, reversing the contraction seen in the previous two years. This momentum has carried into FY'26 with the Large-Scale Manufacturing Index exhibiting a growth of 4.4% in the first two months. However, the previously stronger near-term outlook has been tempered by the recent floods which have caused a significant, albeit temporary, supply shock in the agriculture sector; this was reflected in the HBL Manufacturing PMI's first sub-50 reading in Sep'25. Headline inflation has been rising since the start of FY'26 and increased sharply to 5.6% in Sep'25, driven by higher food inflation. Average inflation fell from 9.2% in Q1FY'25 to 4.2% in Q1FY'26. Sticky core inflation, coupled with the flood-related impacts could pose a risk to the SBP's inflation target range of 5 - 7% for FY'26.

Trade activity has increased as monetary easing has led to higher domestic demand. Imports grew by 8.3% YoY led by transport and food. Exports rose by 6.5%, mainly due to release of textile orders. The trade deficit for Q1FY'26 thus widened by 10.2% over Q1FY'25 to $7.5 billion. Remittance momentum remained firmly above the $3 billion mark with Q1FY'26 flows increasing by 8% over Q1FY'25 and reaching $9.5 billion. However, the higher trade gap raised the Current Account deficit marginally from $0.5 billion in Q1FY'25 to $0.6 billion in Q1FY'26. SBP's foreign exchange reserves at end-Sep'25 remained steady at $14.4 billion, despite the higher current account deficit and the timely repayment of the $500 million Eurobond. The Rupee remained broadly stable, depreciating by only 1% against the US Dollar in 2025, supported by a favourable external position and improved confidence.

Pakistan reached a Staff Level Agreement with the IMF in Oct'25, after the second review under the Extended Fund Facility (EFF) and the first review under the Resilience and Sustainability Facility (RSF). After approval from the Fund's Executive Board, Pakistan expects the disbursement of $1 billion as the third tranche of the EFF and $200mn as the first tranche of the RSF. With the expected realization of planned official inflows, SBP's reserves are projected to exceed $15 billion by Dec'25.

After a remarkable return of 60% in FY'25, the bullish momentum at the PSX remains unabated. The KSE 100 Index crossed the 165k mark – yet another all-time high – and posted a further 32% gain in the first quarter of FY'26. The return of 44% in 2025 is the highest nine-month gain in the last fifteen years. Pakistan's repositioning in the global political landscape – especially, improved ties with the US and KSA – was a key driver of the market's historic performance.

The Monetary Policy Committee (MPC) maintained the policy rate at 11.0% in Sep'25 for the third consecutive meeting. While the committee recognized the sufficiently positive real rates, the MPC remains cautious, calibrating its stance to account for inflationary risks emanating from the floods, while supporting the recovery in real economic activity. Banking sector advances and deposits as at Dec'24 were somewhat distorted due to the looming ADR Tax. Consequently, private sector credit has declined by 8.5% in 2025, with industry advances falling by 17.6%. Conversely, industry deposits have grown by 13.8% in the same period. Banking spreads in 8MCY'25 were 15bps higher than in 8MCY'24, as the downward repricing of assets lags that of deposits.

Financial Performance

HBL has delivered a record consolidated profit before tax of Rs 112.2 billion for the first nine months of 2025, 31% higher than in the same period last year. The growth is driven by strong performance across all business lines in the franchise. The Bank's profit after tax rose by 19% to Rs 51.4 billion, as the industry continues to be burdened by higher taxes. Earnings per share improved from Rs 30.03 in 9M'24 to Rs 34.97 in 9M'25.

The Bank's balance sheet grew by 20% over Dec'24 to Rs 7.2 trillion, with an industry-leading deposit base of Rs 5.1 trillion. Domestic deposits rose by 18% over Dec'24 to Rs 4.3 trillion; nearly 60% of this was driven by mobilization of current accounts, which yielded an increase of Rs 384 billion. As a result, the current account mix was maintained at above 40% during the first nine months of 2025. Despite seasonal and flood-related declines, HBL's loan book was maintained at nearly Rs 2.0 trillion. Consumer lending crossed Rs 163 billion, preserving the Bank's long-standing leadership in the market.

Interest margins were maintained at prior year levels, despite the turning of the rate cycle. This was achieved by a 23% growth in average current accounts, which helped reduce the deposit cost by 580 bps. Combined with an increase of Rs 381 billion in the average domestic balance sheet, HBL's net interest income grew by 11% to Rs 207 billion. HBL's non-fund income increased to Rs 68 billion, led by timely realization of opportunities for capital gains and a resumption of the strong growth trajectory in fees, which increased by 16% over the previous quarter. HBL's total revenue thus rose to Rs 275 billion, a growth of 11% over the same period last year.

Expense growth remains contained at a subdued 8% YoY as bank-wide cost optimization efforts continue to deliver savings. As a result, HBL's cost / income ratio improved from 56.8% in 9M'24 to 55.5% in 9M'25. Strong recoveries continued to reduce the Bank's non-performing loans which are now 8% lower than in Dec'24, leading to the Bank's infection ratio reducing to 4.9%. The specific coverage strengthened to over 90%, with the total coverage well above 100%.

Movement in Reserves

	Rupees in million
Unappropriated profit brought forward	238,814
Impact of change in accounting policy	1,280
Unappropriated profit brought forward – restated	240,094
Profit attributable to equity holders of the Bank	51,293
Re-measurement gain on defined benefit obligations of associates – net of tax	12
Transferred from surplus on revaluation of assets – net of tax	68
Realised gain on equity investments designated as FVOCI	200
Acquisition of additional interest in subsidiary	26
	51,599
Profit available for appropriation	291,693
Appropriations:	
Transferred to statutory reserves	(4,946)
Cash dividend – Final 2024	(6,234)
Cash dividend – 1st Interim 2025	(6,601)
Cash dividend – 2nd Interim 2025	(6,601)
Total appropriations	(24,382)
Unappropriated profit carried forward	267,311
Earnings per share (Rupees)	34.97

Capital Ratios

The strong results continued to strengthen internally generated capital which added 51 bps to the Tier 1 Capital Adequacy Ratio (CAR). With flattish risk weighted assets, HBL's consolidated Tier 1 CAR increased by 23 bps, to 14.39%. Total CAR rose by 41 bps to 18.32% supported by higher levels of Tier II capital. Both ratios remain comfortably above regulatory requirements.

Dividend

The Board of Directors, in its meeting held on October 23, 2025, has declared an interim cash dividend of Rs 5.00 per share (50%) for the quarter ended September 30, 2025.

Future Outlook

Pakistan's economy is on a stronger footing compared to previous flood episodes, with low inflation and build-up in external and fiscal buffers. The recovery remains on course, despite the recent floods, which are likely to weigh on growth. The IMF now forecasts GDP growth between 3.25% and 3.50% for FY'26, slightly below the earlier projection of 3.6%; nevertheless, this is still an improvement over the 3.0% growth achieved in FY'25. High-frequency indicators such as auto, cement, and petroleum sales continue to reflect positive momentum.

Looking ahead, inflation is projected to exceed 7% in H2FY'26, although the average annual rate is still expected to fall within SBP's target range of 5% – 7%. Subdued oil and commodity prices, along with a modest depreciation of the Rupee, are expected to help contain inflationary pressures. Further monetary easing is likely to be limited, given the MPC's cautious forward guidance, sticky core inflation and the need to preserve positive real interest rates.

After last year's surplus, the current account is projected to post a moderate deficit in FY'26, as higher non-oil imports and weaker agricultural exports will lead to a wider trade deficit. However, declining Brent prices and robust remittance flows will help cushion the deficit to below 1.0% of GDP. A modest deficit would in turn bode well for currency stability. Foreign exchange reserves are projected to rise to $17.5 billion by the end of FY'26, supported by continued inflows from multilateral partners, IMF disbursements, and improved access to international debt markets on the back of recent rating upgrades.

The floods will result in increased expenditure, as well as a slowdown in revenue collection. However, fiscal consolidation is expected to continue, with the primary surplus target intact at 2.4% of GDP. It is therefore imperative that the Government makes a sustained push for structural reform, particularly on meaningful broadening of the tax base and on the restructuring and privatization of loss-making State Owned Enterprises.

HBL continues to have a strong 2025, with notable progress towards our inclusion and sustainability objectives. Our digital presence grows every day; our 5 million users of Mobile and Internet Banking transacted over Rs 8 trillion during 9M'25, a growth of almost 50%. Our Consumer business continues to thrive and in Sep'25, HBL cards recorded the highest ever monthly spend in the industry. Our focus on SMEs, the backbone of the economy, remains steady as evidenced by the recent launch of HBL's Business Debit Card designed exclusively for sole proprietors and entrepreneurs. This is a demonstration of the Bank's commitment to providing business owners with convenient and innovative financial solutions, while accelerating the shift towards a documented, digital economy.

Konnect continues on its mission to drive digital financial inclusion across key segments, with core volumes increasing 24% over the same period last year. We continue to support the government in its poverty alleviation efforts, by providing digital financial access through the Benazir Income Support Program, and through partnerships with the Punjab and Sindh Agriculture departments, which empower farmers and boost agricultural productivity. On the B2B side, digitalization volumes have grown by 21%, helping reduce cash in circulation and increasing transactional transparency.

HBL continues to strengthen its retail network across Pakistan, with a strategic focus on high-growth markets to enhance accessibility and financial inclusion. Business and trade centers are planned across the network to serve our Commercial and SME clients. We remain committed to strengthening customer relationships, and building a more agile, technology-driven franchise that seamlessly operates on a phygital level to deliver sustained value to our customers.

Appreciation and Acknowledgement

On behalf of the Board and management, we would like to place on record our appreciation for the efforts of our regulators and the Government of Pakistan, in particular the State Bank of Pakistan, the Ministry of Finance and the Securities and Exchange Commission of Pakistan. In these challenging times, they have stepped up with policies and measures that are prudent, proactive and balanced, protecting the economy, customers and people of Pakistan, while also safeguarding the integrity and soundness of the banking and financial services industry.

We are indebted to our customers, many of whom have banked with us for generations, and who continue to entrust us with their business and confidence. Our shareholders have provided steadfast support and to them, and to all our stakeholders, we are deeply grateful. The Board and the management remain committed to maintaining the highest standards of governance and we assure our stakeholders that we will be industry leaders in this area.

Lastly, but certainly not the least, we express our deepest appreciation and gratitude to our employees and their families, especially in customer facing units and branches, who continually go the extra mile, even at personal cost, to ensure that our customers are able to meet their critical needs. They are our heroes and heroines, and we salute them for their dedication and tireless efforts.

On behalf of the Board

Muhammad Nassir Salim
President & Chief Executive Officer

Moez Ahamed Jamal
Director

October 23, 2025

ڈائریکٹرز رپورٹ

ہمیں بورڈ آف ڈائریکٹرز کی جانب سے 30 ستمبر 2025 کو ختم ہونے والے نو ماہ کے مختصر عبوری مجموعی مالیاتی گوشوارے پیش کرتے ہوئے مسرت محسوس ہو رہی ہے۔

کلیاتی اقتصادیات کا جائزہ

پاکستانی معیشت محتاط انداز میں ترقی کی راہ پر گامزن ہے۔ صنعتی شعبے میں تبدیلی کی وجہ سے حقیقی جی ڈی پی کی شرح نمو مالی سال 24 میں 2.6 فیصد سے بڑھ کر مالی سال 25 میں 3.0 فیصد ہو گئی، جس سے پچھلے دو سالوں میں دیکھی گئی تنگی ختم ہو گئی۔ یہی رفتار مالی سال 26 میں جاری رہی ہے جس میں پہلے دو مہینوں میں بڑے پیمانے پر مینوفیکچرنگ انڈیکس میں 4.4 فیصد کی نمو نظر آئی ۔ تاہم، حالیہ سیلاب کی وجہ سے مستقبل قریب کا منظر نامہ جو پہلے مضبوط نظر آرہا تھا، کمزور ہو گیا ہے جس کی وجہ سے زراعت کے شعبے میں سپلائی کا اگرچہ عارضی مگر نمایاں جھٹکا لگا ہے۔ یہ ستمبر 2025 میں ایچ بی ایل مینوفیکچرنگ پی ایم آئی کی پہلی Sub-50 ریڈنگ سے ظاہر ہوا۔ ہیڈلائن افراط زر مالی سال 2026 کے آغاز سے بڑھ رہی ہے اور ستمبر 2025 میں تیزی سے بڑھ کر 5.6 فیصد ہو گئی، جس کی وجہ زیادہ مہنگی خوراک ہے۔ اوسط افراط زر مالی سال 25 کی پہلی سہ ماہی میں 9.2 فیصد سے کم ہو کر مالی سال 26 کی پہلی سہ ماہی میں 4.2 فیصد رہ گئی۔ مالی سال 26 لیے اسٹیٹ بینک کے مہنگائی کے ہدف کی حد 5 سے 7 فیصد کے لیے سیلاب کے اثرات کے ساتھ ساتھ برقرار بنیادی افراط زر خطرے کا باعث بن سکتے ہیں۔

مالیاتی نرمی کی وجہ سے مقامی طلب میں اضافے سے تجارتی سرگرمیوں میں بھی اضافہ ہوا ہے۔ ٹرانسپورٹ اور خوراک کی وجہ سے درآمدات میں سال بہ سال 8.3 فیصد اضافہ ہوا۔ برآمدات میں 6.5 فیصد اضافہ ہوا جس کی بنیادی وجہ ٹیکسٹائل آرڈرز کا اجراء ہے۔ اس طرح مالی سال 26 کی پہلی سہ ماہی کے لیے تجارتی خسارہ مالی سال 25 کی پہلی سہ ماہی کے مقابلے میں 10.2 فیصد بڑھ کر 7.5 بلین ڈالر ہو گیا۔ ترسیلات زر کی رفتار مستحکم طور پر 3 بلین ڈالر کے نشان سے اوپر رہی جس میں مالی سال 26 کی پہلی سہ ماہی کے بہاؤ میں مالی سال 25 کی پہلی سہ ماہی کے مقابلے میں 8 فیصد اضافہ ہوا جو 9.5 بلین ڈالر تک پہنچ گیا۔ تاہم، زیادہ تجارتی خلاء سے کرنٹ اکاؤنٹ خسارہ مالی سال 25 کی پہلی سہ ماہی میں 0.5 بلین ڈالر سے بڑھ کر مالی سال 26 کی پہلی سہ ماہی میں 0.6 بلین ڈالر ہو گیا۔ کرنٹ اکاؤنٹ خسارے میں اضافے اور 500 ملین ڈالر یورو بانڈ کی بروقت ادائیگی کے باوجود اسٹیٹ بینک کے زرمبادلہ کے ذخائر ستمبر 2025 کے آخر میں 14.4 ارب ڈالر پر مستحکم رہے۔ روپیہ وسیع پیمانے پر مستحکم رہا، سازگار بیرونی پوزیشن اور اعتماد میں اضافے کے سبب 2025 میں امریکی ڈالر کے مقابلے میں روپے کی قدر میں صرف 1 فیصد کی کمی واقع ہوئی۔

ریزیلیئنس اینڈ سسٹینبلٹی (آر ایس ایف) کے تحت پہلا اور ایکسٹینڈڈ فنڈ فیسلٹی (ای ایف ایف) کے تحت دوسرا جائزہ لیا گیا، جس کے بعد پاکستان نے اکتوبر 2025 میں آئی ایم ایف کے ساتھ اسٹاف لیول ایگریمنٹ کیا۔ فنڈ کے ایگزیکٹو بورڈ کی منظوری کے بعد پاکستان کو ای ایف ایف کی تیسری قسط کے طور پر ایک ارب ڈالر اور آر ایس ایف کی پہلی قسط کے طور پر 200 ملین ڈالر کی وصولی کی توقع ہے۔ طے شدہ سرکاری انفلوز کی متوقع وصولی کے ساتھ اسٹیٹ بینک کے ذخائر دسمبر 2025 تک 15 ارب ڈالر سے تجاوز کرنے کا امکان ہے۔

مالی سال 25 میں 60 فیصد کی قابل ذکر واپسی کے بعد، پاکستان اسٹاک ایکسچینج میں تیزی برقرار ہے۔ کے ایس ای 100 انڈیکس نے 165 ہزار کا ہندسہ عبور کیا- مالی سال 26 کی پہلی سہ ماہی میں مزید 32 فیصد کا اضافے کے ساتھ بلند ترین سطح پر پہنچ گئی۔ 2025 میں 44 فیصد کی واپسی پچھلے پندرہ سالوں میں نو ماہ کا سب سے زیادہ فائدہ ہے۔ عالمی سیاسی منظر نامے میں پاکستان کی تبدیل پوزیشن -خاص طور پر امریکہ اور سعودی عرب کے ساتھ تعلقات میں بہتری- مارکیٹ کی تاریخی کارکردگی کا ایک اہم محرک تھا۔

مانیٹری پالیسی کمیٹی (ایم پی سی) نے مسلسل تیسری دفعہ ستمبر 2025 میں پالیسی ریٹ 11.0 فیصد پر برقرار رکھنے کا فیصلہ کیا۔ اگرچہ کمیٹی نے کافی مثبت حقیقی شرحوں کو تسلیم کیا ہے، ایم پی سی محتاط ہے، اور سیلاب سے پیدا ہونے والے افراط زر کے خطرات کے مد نظر، حقیقی معاشی سرگرمیوں میں بحالی کی حمایت کرتی ہے۔ دسمبر 2024 تک بینکنگ سیکٹر کی پیشرفت اور ڈپازٹس بڑھتے ہوئے اے ڈی آر ٹیکس کی وجہ سے کسی حد تک متاثر ہو گئے تھے۔ اس کے نتیجے میں، نجی شعبے کے قرضے 2025 میں 8.5 فیصد کم ہوئے، جس میں صنعتی قرضوں میں 17.6 فیصد کمی واقع ہوئی ہے۔ اس کے برعکس، اسی مدت میں صنعتی ذخائر میں 13.8 فیصد اضافہ ہوا ہے۔ کیلنڈر سال 25 کے پہلے 8 ماہ میں بینکنگ اسپریڈ کیلنڈر سال 24 پہلے 8 ماہ کے مقابلے میں 15 بی پی ایس زیادہ تھا، کیونکہ اثاثوں کی قیمتوں کے دوبارہ تعین میں کمی سے ڈپازٹس پیچھے رہ گئے۔

مالیاتی کارکردگی

ایچ بی ایل نے 2025 کے پہلے نو ماہ کے دوران 112.2 ارب روپے کا ریکارڈ مجموعی منافع حاصل کیا ہے جو گزشتہ سال کے اسی عرصے کے مقابلے میں 31 فیصد زیادہ ہے۔ یہ ترقی فرنچائز کے تمام کاروباری شعبوں میں مضبوط کارکردگی کی وجہ سے ہے۔ بینک کا بعد از ٹیکس منافع 19 فیصد بڑھ کر 51.4 ارب روپے ہو گیا ہے کیونکہ صنعت پر زائد ٹیکسوں کا بوجھ مسلسل بڑھ رہا ہے۔ فی شیئر آمدنی سال 24 کے 9 ماہ میں 30.03 روپے سے بڑھ کر سال 25 کے 9 ماہ میں 34.97 روپے ہو گئی۔

بینک کی بیلنس شیٹ دسمبر 2024 کے مقابلے میں 20 فیصد بڑھ کر 7.2 ٹریلین روپے ہو گئی، جس میں صنعت کی معروف ڈپازٹ بیس 5.1 ٹریلین روپے ہے۔ مقامی ڈپازٹس دسمبر 2024 کے مقابلے میں 18 فیصد بڑھ کر 4.3 ٹریلین روپے ہو گئے۔ اس میں سے تقریباً 60 فیصد کرنٹ اکاؤنٹس متحرک کرنے کی وجہ سے ہوا جس سے 384 ارب روپے کا اضافہ ہوا۔ اس کے نتیجے میں، 2025 کے پہلے نو ماہ کے دوران کرنٹ اکاؤنٹ مکس 40 فیصد سے اوپر برقرار رہا۔ موسمی حالات اور سیلاب سے متعلق کمی کے باوجود ایچ بی ایل کی لون بک تقریباً 2.0 ٹریلین روپے پر برقرار رہی۔ کنزیومر لون 163 ارب روپے سے تجاوز کر گئے جس سے مارکیٹ میں بینک کی دیرینہ قیادت برقرار رہی۔

ریٹ سائیکل میں تبدیلی کے باوجود سود کا مارجن پچھلے سال کی سطح پر برقرار رہا۔ یہ اوسط کرنٹ اکاؤنٹس میں 23 فیصد اضافے سے حاصل ہوا، جس سے ڈپازٹ کی لاگت 580 بی پی ایس تک کم کرنے میں مدد ملی۔ اوسط مقامی بیلنس شیٹ میں 381 ارب روپے کے اضافے کے ساتھ ایچ بی ایل کی خالص سودی آمدنی 11 فیصد بڑھ کر 207 ارب روپے تک پہنچ گئی۔ ایچ بی ایل کی نان فنڈ آمدنی 68 ارب روپے تک بڑھ گئی، جس کی وجہ کیپٹل گین کے مواقع کا بروقت استعمال اور فیسوں میں مضبوط ترقی کی رفتار کی بحالی ہے، جس میں گزشتہ سہ ماہی کے مقابلے میں 16 فیصد اضافہ ہوا۔ اس طرح ایچ بی ایل کی مجموعی آمدنی 275 ارب روپے تک پہنچ گئی جو گزشتہ سال کے اسی عرصے کے مقابلے میں 11 فیصد زیادہ ہے۔

اخراجات میں سال بہ سال اضافے پر قابو پانے سے 8 فیصد پر رکھا گیا ہے کیونکہ بینک بھر میں لاگت پر قابو کی کوششوں سے بچت جاری رہی۔ اس کے نتیجے میں، ایچ بی ایل کی لاگت / آمدنی کا تناسب سال 24 کے 9 ماہ میں 56.8 فیصد سے بہتر ہو کر سال 25 کے 9 ماہ میں 55.5 فیصد ہو گیا۔ مضبوط ریکوری نے بینک کے غیر فعال قرضوں کو کم کرنا جاری رکھا جو اب دسمبر 2024 کے مقابلے میں 8 فیصد کم ہیں، جس کی وجہ سے بینک کا انفیکشن تناسب کم ہو کر 4.9 فیصد رہ گیا۔ مخصوص کوریج 90 فیصد سے زیادہ ہو گئی، جس میں کل کوریج 100 فیصد سے زیادہ ہے۔

ذخائر میں اتار چڑھاؤ

	ملین روپے
افتتاحی غیر تخصیص شدہ منافع	238,814
اکاؤنٹنگ پالیسی میں تبدیلی کے اثرات	1,280
افتتاحی غیر تخصیص شدہ منافع – ری اسٹیٹڈ	240,094
بینک ایکویٹی کے حامل افراد کے لیے قابلِ ادائیگی منافع	51,293
ایسوسی ایٹس کے متعین کردہ بینفٹس کی ذمہ داریوں پر دوبارہ تشخیص سے حاصل شدہ – محصول کا خالص	12
اثاثہ جات کی دوبارہ تشخیص پر سرپلس سے منتقل شدہ – محصول کا خالص	68
FVOCI کے طور پر ایکویٹی کی سرمایہ کاری کی آمدن	200
سبسیڈری میں اضافی منافع کا حصول	26
	51,599
مناسب کارروائی کے لیے دستیاب منافع	291,693
مختلف مدوں میں رکھی گئی رقوم:	
قانونی ذخائر میں منتقل شدہ	(4,946)
نقد منافع منقسمہ – حتمی 2024	(6,234)
نقد منافع منقسمہ – پہلا عبوری 2025	(6,601)
نقد منافع منقسمہ – دوسرا عبوری 2025	(6,601)
کل تخصیص	(24,382)
اختتامی غیر تخصیص شدہ منافع	267,311
فی حصص (شیئر) آمدنی (روپے)	34.97

سرمائے کا تناسب

مضبوط نتائج نے اندرونی طور پر پیدا ہونے والے سرمائے کو مضبوط بنانا جاری رکھا جس نے Tier 1 کیپٹل ایڈیکویسی تناسب (CAR) میں 51 بی پی ایس کا اضافہ کیا۔ اثاثوں کے رسک میں کسی تبدیلی کے بغیر، ایچ بی ایل کے مجموعی Tier 1 CAR میں 23 بی پی ایس کا اضافہ ہوا، جو 14.39 فیصد ہو گیا۔ کل CAR 41 بی پی ایس سے بڑھ کر 18.32 فیصد ہو گیا جسے Tier II سرمائے کی اعلیٰ درجے کی سپورٹ ملی۔ دونوں تناسب ریگولیٹری تقاضوں سے آرام دہ سطح پر اوپر رہے۔

منافع منقسمہ

بورڈ آف ڈائریکٹرز نے 23 اکتوبر 2025 کو منعقد ہونے والے اجلاس میں 30 ستمبر 2025 کو اختتام پذیر ہونے والی سہ ماہی کے لیے 5.00 روپے فی حصص (50%) کے عبوری نقد منافع منقسمہ کا اعلان کیا۔

مستقبل کی صورتِ حال

گزشتہ سیلاب کے واقعات کے مقابلے میں پاکستان کی معیشت کے قدم مضبوط ہیں، جس میں مہنگائی کی شرح کم ہے اور بیرونی اور مالیاتی بفر میں اضافہ ہوا ہے۔ حالیہ سیلاب کے باوجود بحالی جاری ہے، جس سے نمو پر اثر پڑنے کا امکان ہے۔ آئی ایم ایف نے مالی سال 26 کے لیے جی ڈی پی کی شرح نمو 3.25 فیصد اور 3.50 فیصد کے درمیان رہنے کی پیش گوئی کی ہے، جو پہلے کے 3.6 فیصد کے تخمینے سے تھوڑا کم ہے۔ اس کے باوجود، یہ اب بھی مالی سال 25 میں حاصل کی گئی 3.0 فیصد نمو کے مقابلے میں بہتر ہے۔ ہائی فریکوئنسی انڈیکیٹرز جیسا کہ آٹو، سیمنٹ اور پیٹرولیم کی فروخت مثبت رفتار کی عکاسی جاری رکھے ہوئے ہیں۔

مالی سال 26 میں مہنگائی کی شرح 7 فیصد سے تجاوز کرنے کا امکان ہے تاہم اسٹیٹ بینک کی اوسط سالانہ شرح اب بھی 5 سے 7 فیصد تک رہنے کی توقع ہے۔ تیل اور اجناس کی قیمتوں میں کمی کے ساتھ ساتھ روپے کی قدر میں معمولی کمی سے مہنگائی کے دباؤ پر قابو پانے میں مدد کی توقع ہے۔ ایم پی سی کی محتاط رہنمائی، برقرار بنیادی افراط زر اور مثبت حقیقی سود کی شرحوں کو برقرار رکھنے کی ضرورت کے پیش نظر مزید مالیاتی نرمی محدود ہونے کا امکان ہے۔

گزشتہ سال کے سرپلس کے بعد، کرنٹ اکاؤنٹ میں مالی سال 26 میں درمیانی سطح کے خسارے کا امکان ہے، کیونکہ تیل کے علاوہ زیادہ درآمدات اور کمزور زرعی برآمدات وسیع تجارتی خسارے کا باعث بنیں گی۔ تاہم برینٹ کی قیمتوں میں کمی اور زیادہ ترسیلات زر کی آمد سے خسارے کو جی ڈی پی کے 1.0 فیصد سے کم کرنے میں مدد ملے گی۔ ایک معمولی خسارہ کرنسی کے استحکام کے لیے اچھا شگون ہوگا۔ غیر ملکی زرمبادلہ کے ذخائر مالی سال 26 کے آخر تک بڑھ کر 17.5 بلین ڈالر تک پہنچنے کا امکان ہے، جسے کثیر الجہتی شراکت داروں کے مسلسل انفلوز، آئی ایم ایف سے وصولی اور حالیہ ریٹنگ اپ گریڈ کی وجہ سے بین الاقوامی قرضوں کی منڈیوں تک بہتر رسائی میں معاونت ملے گی۔

سیلاب کے نتیجے میں اخراجات میں اضافہ ہوگا اور محصولات کی وصولی میں بھی سست روی آئے گی۔ تاہم، جی ڈی پی کے 2.4 فیصد پر بنیادی سرپلس ہدف کے ساتھ مالی استحکام جاری رہنے کی امید ہے۔ اس لیے یہ ضروری ہے کہ حکومت ڈھانچہ جاتی اصلاحات کے لیے، خاص طور پر ٹیکس بیس کو بامعنی طور پر وسیع کرنے اور خسارے میں چلنے والے سرکاری اداروں کی تنظیم نو اور نجکاری پر مسلسل زور دے۔

2025 میں بھی ایچ بی ایل کا کام مضبوط ہے، جس میں شمولیت اور پائیداری کے عزم کی طرف ہماری پیش رفت قابل ذکر ہے۔ ڈیجیٹلی ہماری موجودگی ہر روز بڑھتی جارہی ہے۔ سال 25 کے 9 ماہ کے دوران ہمارے موبائل اور انٹرنیٹ بینکنگ کے 50 لاکھ کسٹمرز نے 8 ٹریلین روپے سے زائد کی ٹرانزیکشنز کیں جو تقریباً 50 فیصد کا اضافہ ہے۔ ہمارا کنزیومر بزنس پھل پھول رہا ہے اور ستمبر 2025 میں، ایچ بی ایل کارڈز نے صنعت میں اب تک کا سب سے زیادہ ماہانہ خرچ کا ریکارڈ قائم کیا۔ معیشت کی ریڑھ کی ہڈی کی حیثیت رکھنے والے ایس ایم ایز پر ہماری توجہ مستحکم ہے جیسا کہ ایچ بی ایل کے بزنس ڈیبٹ کارڈ کے حالیہ اجراء سے ظاہر ہوتا ہے، جو خصوصی طور پر سول پروپرائٹر اور کاروباری افراد کے لیے ڈیزائن کیا گیا ہے۔ یہ ایک دستاویزی، ڈیجیٹل معیشت کی طرف تبدیلی کو تیز کرتے ہوئے، کاروباری مالکان کو آسان اور جدید مالیاتی حل فراہم کرنے کے لیے بینک کے عزم کا مظہر ہے۔

کنیکٹ اہم سیگمنٹس میں ڈیجیٹل مالیاتی شمولیت کو آگے بڑھانے کے مشن پر کاربند ہیں، جس میں بنیادی حجم میں پچھلے سال کی اسی مدت کے مقابلے میں 24 فیصد اضافہ ہوا ہے۔ ہم بے نظیر انکم سپورٹ پروگرام کے ذریعے ڈیجیٹل فنانشل رسائی فراہم کرکے اور پنجاب اور سندھ کے محکمہ زراعت کے ساتھ شراکت داری کے ذریعے غربت کے خاتمے کی کوششوں میں حکومت کی مدد جاری رکھے ہوئے ہیں جو کسانوں کو بااختیار بناتے ہیں اور زرعی پیداوار کو فروغ دیتے ہیں۔ B2B کی طرف، ڈیجیٹلائزیشن کے حجم میں 21 فیصد اضافہ ہوا ہے، جس سے گردش میں نقد رقم کم کرنے اور ٹرانزیکشن کی شفافیت میں اضافے میں مدد ملی ہے۔

ایچ بی ایل پاکستان بھر میں اپنے ریٹیل نیٹ ورک کو مضبوط بنانا جاری رکھے ہوئے ہے، جس میں رسائی اور مالیاتی شمولیت کو بڑھانے کے لیے ہائی گروتھ مارکیٹوں پر اسٹریٹجک توجہ دی جارہی ہے۔ ہمارے تجارتی اور ایس ایم ای کلائنٹس کی خدمت کے لیے نیٹ ورک بھر میں کاروباری اور تجارتی مراکز کی منصوبہ بندی کی گئی ہے۔ ہم کسٹمرز کے تعلقات کو مضبوط بنانے، اور ایک زیادہ مستعد، ٹکنالوجی سے چلنے والی فرنچائز کی تعمیر کے لیے پرعزم ہیں جو اپنے کسٹمرز کو پائیدار ترقی فراہم کرنے کے لیے بغیر کسی رکاوٹ کے کام کرتی ہے۔

اظہارِ تشکر

بورڈ اور انتظامیہ کی جانب سے ہم اپنے ریگولیٹرز اور حکومتِ پاکستان، بالخصوص اسٹیٹ بینک آف پاکستان، وزارتِ مالیات اور سیکیوریٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی کاوشوں کا اعتراف کرتے ہیں۔ اس غیر معمولی وقت میں، انھوں نے ایسی پالیسیاں بنائیں اور اقدامات کیے جو مصلحت پر مبنی، اور متوازن ہیں، معیشت، کسٹمرز اور پاکستان کے عوام کی حفاظت کرتے ہیں، اور بینکنگ اور فنانشل سروسز انڈسٹری کی سالمیت اور بہتری کا تحفظ بھی کرتے ہیں۔

ہم اپنے کسٹمرز کے احسان مند ہیں جن میں سے کئی نسلوں سے ہمارے ساتھ منسلک ہیں اور جو اپنے کاروبار اور اعتماد کے ذریعے اپنا بھروسہ جاری رکھے ہوئے ہیں۔ ہمارے شیئر ہولڈرز نے ثابت قدمی سے ہمارا ساتھ دیا اور ان کے ساتھ ہم تمام اسٹیک ہولڈرز کے بھی انتہائی شکر گزار ہیں۔ بورڈ اور انتظامیہ گورننس کے اعلیٰ ترین معیارات برقرار رکھنے کے لیے پُرعزم ہے اور ہم اپنے اسٹیک ہولڈرز کو یقین دلاتے ہیں کہ اس خطے میں ہم اپنی کاروباری صنعت میں عروج پر ہوں گے۔

آخر میں، لیکن یقینی طور پر کسی سے کم نہیں، ہم اپنے تمام ملازمین اور اُن کے اہلِ خانہ، بالخصوص کسٹمر کا سامنا کرنے والے یونٹس اور برانچوں میں موجود عملے کے شکر گزار ہیں، جنھوں نے ان دو سالوں میں خطرناک وبائی حالات میں بہادری کا مظاہرہ کرتے ہوئے بحران کے اس وقت میں ہمارے کسٹمرز کی بنیادی ضروریات کی تکمیل یقینی بنائی۔ یہ ہمارے ہیرو اور ہیروئن ہیں اور ہم اُن کے عزم اور انتھک محنت کے لیے انھیں خراجِ تحسین پیش کرتے ہیں۔

منجانب بورڈ

محمد ناصر سلیم
صدر اور چیف ایگزیکٹو افسر

معیز احمد جمال
ڈائریکٹر

23 اکتوبر 2025ء

CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2025

	Note	(Unaudited) September 30, 2025	(Audited) December 31, 2024
		--------(Rupees in '000)--------	
ASSETS			
Cash and balances with treasury banks	5	**502,834,395**	460,194,916
Balances with other banks	6	**54,590,742**	51,324,612
Lendings to financial institutions	7	**135,654,931**	84,293,922
Investments	8	**4,021,327,701**	2,528,200,439
Advances	9	**1,974,208,217**	2,435,434,872
Property and equipment	10	**140,881,657**	130,825,175
Right-of-use assets	11	**27,349,160**	27,408,020
Intangible assets	12	**28,880,500**	24,848,435
Deferred tax assets		**-**	-
Other assets	13	**357,675,813**	312,582,486
		7,243,403,116	6,055,112,877
LIABILITIES			
Bills payable	14	**58,478,764**	96,104,151
Borrowings	15	**1,271,717,358**	826,883,400
Deposits and other accounts	16	**5,083,655,977**	4,370,370,642
Lease liabilities	17	**36,252,724**	35,869,231
Subordinated debt	18	**20,374,000**	20,374,000
Deferred tax liabilities	19	**22,329,058**	7,995,007
Other liabilities	20	**286,519,516**	286,718,352
		6,779,327,397	5,644,314,783
NET ASSETS		**464,075,719**	410,798,094
REPRESENTED BY			
Shareholders' equity			
Share capital		**14,668,525**	14,668,525
Reserves		**105,194,882**	98,302,935
Surplus on revaluation of assets - net of tax	21	**75,214,804**	57,370,781
Unappropriated profit		**267,310,527**	238,813,471
Total equity attributable to the equity holders of the Bank		**462,388,738**	409,155,712
Non-controlling interest		**1,686,981**	1,642,382
		464,075,719	410,798,094
CONTINGENCIES AND COMMITMENTS	22		

The annexed notes 1 to 41 form an integral part of these condensed interim consolidated financial statements.

Muhammad Nassir Salim	Irfan Ahmed Meer	Khaleel Ahmed	Moez Ahamed Jamal	Dr. Najeeb Samie
President and Chief Executive Officer	Chief Financial Officer	Director	Director	Director

CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNT (UNAUDITED)

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025

	Note	January 01 to September 30, 2025	January 01 to September 30, 2024	July 01 to September 30, 2025	July 01 to September 30, 2024
		----------------------------(Rupees in '000)----------------------------			
Mark-up / return / profit / interest earned	24	**503,403,470**	627,335,410	**179,851,687**	218,613,371
Mark-up / return / profit / interest expensed	25	**296,075,925**	440,160,149	**110,167,162**	154,172,294
Net mark-up / return / profit / interest income		**207,327,545**	187,175,261	**69,684,525**	64,441,077
Non mark-up / interest income					
Fee and commission income	26	**34,253,423**	36,578,176	**11,920,984**	12,418,458
Dividend income		**2,914,350**	2,707,304	**1,150,387**	1,281,086
Share of profit of associates		**4,879,139**	3,859,798	**1,530,646**	1,423,046
Foreign exchange income / (loss)		**6,773,407**	5,577,357	**2,667,005**	(583,158)
Income from derivatives		**1,978,242**	4,947,966	**1,027,726**	1,479,890
Gain on securities - net	27	**14,049,921**	6,565,936	**4,607,149**	4,989,325
Other income	28	**2,686,880**	469,136	**358,134**	170,859
Total non mark-up / interest income		**67,535,362**	60,705,673	**23,262,031**	21,179,506
Total income		**274,862,907**	247,880,934	**92,946,556**	85,620,583
Non mark-up / interest expenses					
Operating expenses	29	**152,655,918**	140,855,255	**52,273,672**	47,881,653
Workers' Welfare Fund		**2,125,541**	1,766,365	**681,315**	584,737
Other charges	30	**112,426**	350,644	**471**	191,807
Total non mark-up / interest expenses		**154,893,885**	142,972,264	**52,955,458**	48,658,197
Profit before credit loss allowance and taxation		**119,969,022**	104,908,670	**39,991,098**	36,962,386
Credit loss allowance and write offs - net	31	**7,812,913**	19,031,536	**3,182,214**	8,933,344
Profit before taxation		**112,156,109**	85,877,134	**36,808,884**	28,029,042
Taxation	32	**60,776,019**	42,622,238	**19,876,795**	13,831,193
Profit after taxation		**51,380,090**	43,254,896	**16,932,089**	14,197,849
Attributable to:					
Equity holders of the Bank		**51,293,098**	44,044,843	**16,906,282**	14,450,194
Non-controlling interest		**86,992**	(789,947)	**25,807**	(252,345)
		51,380,090	43,254,896	**16,932,089**	14,197,849
		----------------------------Rupees----------------------------			
Basic and diluted earnings per share	33	**34.97**	30.03	**11.53**	9.85

The annexed notes 1 to 41 form an integral part of these condensed interim consolidated financial statements.

Muhammad Nassir Salim	Irfan Ahmed Meer	Khaleel Ahmed	Moez Ahamed Jamal	Dr. Najeeb Samie
President and Chief Executive Officer	Chief Financial Officer	Director	Director	Director

CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025

	January 01 to September 30, 2025	January 01 to September 30, 2024	July 01 to September 30, 2025	July 01 to September 30, 2024
	(Rupees in '000)			
Profit / (loss) after taxation for the period attributable to:				
Equity holders of the Bank	**51,293,098**	44,044,843	**16,906,282**	14,450,194
Non-controlling interest	**86,992**	(789,947)	**25,807**	(252,345)
	51,380,090	43,254,896	**16,932,089**	14,197,849
Other comprehensive income / (loss)				
Items that may be reclassified to the profit and loss account in subsequent periods:				
Effect of translation of net investment in foreign branches, subsidiaries and associates - net of tax	**2,929,004**	1,642,968	**(1,018,581)**	2,546,443
Decrease in share of exchange translation reserve of associates - net of tax	**(52,480)**	(684,243)	**(5,744)**	(7,636)
Movement in surplus / deficit on revaluation of debt investments designated at Fair Value through Other Comprehensive Income (FVOCI) - net of tax, attributable to:				
Equity holders of the Bank	**10,246,857**	31,558,895	**1,703,185**	24,317,058
Non-controlling interest	**(6,301)**	56,391	**(23,597)**	40,694
	10,240,556	31,615,286	**1,679,588**	24,357,752
Movement in share of surplus / deficit on revaluation of investments of associates - net of tax	**2,206,293**	(97,906)	**515,230**	430,776
Items that are not to be reclassified to the profit and loss account in subsequent periods:				
Movement in surplus / deficit on revaluation of equity investments designated at FVOCI - net of tax	**2,445,121**	2,310,422	**2,075,848**	1,573,195
Movement in surplus / deficit on revaluation of non-banking assets - net of tax	**83,729**	-	**83,729**	-
Share of remeasurement gain on defined benefit obligations of associates - net of tax	**11,754**	5,262	**-**	-
Total comprehensive income	**69,244,067**	78,046,685	**20,262,159**	43,098,379
Total comprehensive income / (loss) attributable to:				
Equity holders of the Bank	**69,163,376**	78,780,241	**20,259,949**	43,310,030
Non-controlling interest	**80,691**	(733,556)	**2,210**	(211,651)
	69,244,067	78,046,685	**20,262,159**	43,098,379

The annexed notes 1 to 41 form an integral part of these condensed interim consolidated financial statements.

Muhammad Nassir Salim	Irfan Ahmed Meer	Khaleel Ahmed	Moez Ahamed Jamal	Dr. Najeeb Samie
President and Chief Executive Officer	Chief Financial Officer	Director	Director	Director

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025

	Attributable to shareholders of the Bank											
		Reserves					Surplus / (deficit) on revaluation of					
		Statutory		Capital								
	Share capital	Subsidiary	Bank	Exchange translation	Non-distributable	On acquisition of common control entity	Investments	Property & Equipment / Non Banking Assets	Unappropriated profit	Sub Total	Non-controlling interest	Total
	(Rupees in '000)											
Balance as at December 31, 2023 - as reported	14,668,525	1,293,922	48,815,676	50,305,150	547,115	(156,706)	(17,281,961)	43,139,284	221,883,756	363,214,761	2,805,892	366,020,653
Change in accounting policy as at January 01, 2024	-	-	-	-	-	-	(954,904)	-	(13,536,103)	(14,491,007)	(320,317)	(14,811,324)
Balance as at January 01, 2024 - as restated	14,668,525	1,293,922	48,815,676	50,305,150	547,115	(156,706)	(18,236,865)	43,139,284	208,347,653	348,723,754	2,485,575	351,209,329
Comprehensive income for the nine months ended September 30, 2024												
Profit / (loss) after taxation for the nine months ended September 30, 2024	-	-	-	-	-	-	-	-	44,044,843	44,044,843	(789,947)	43,254,896
Other comprehensive income / (loss)												
Effect of translation of net investment in foreign branches, subsidiaries and associates - net of tax	-	-	-	1,642,968	-	-	-	-	-	1,642,968	-	1,642,968
Decrease in share of exchange translation reserve of associates - net of tax	-	-	-	(684,243)	-	-	-	-	-	(684,243)	-	(684,243)
Share of net remeasurement gain on defined benefit obligations of associates - net of tax	-	-	-	-	-	-	-	-	5,262	5,262	-	5,262
Movement in surplus / deficit on revaluation of equity investments - net of tax	-	-	-	-	-	-	2,310,422	-	-	2,310,422	-	2,310,422
Movement in surplus / deficit on revaluation of debt investments - net of tax	-	-	-	-	-	-	31,558,895	-	-	31,558,895	56,391	31,615,286
Movement in share of surplus / deficit on revaluation of investments of associates - net of tax	-	-	-	-	-	-	(97,906)	-	-	(97,906)	-	(97,906)
	-	-	-	958,725	-	-	33,771,411	-	44,050,105	78,780,241	(733,556)	78,046,685
Transferred to statutory reserves	-	97,864	4,338,994	-	-	-	-	-	(4,436,858)	-	-	-
Net realised gain on sale of equity investments - net of tax	-	-	-	-	-	-	(451,190)	-	451,190	-	-	-
Transferred from surplus on revaluation of assets - net of tax	-	-	-	-	-	-	-	(98,006)	98,006	-	-	-
Acquisition of additional interest in subsidiary							(4,749)	33,766	228,051	257,068	(257,068)	-
Transactions with owners, recorded directly in equity												
Final cash dividend - Rs 4.00 per share declared subsequent to the year ended December 31, 2023	-	-	-	-	-	-	-	-	(5,867,410)	(5,867,410)	-	(5,867,410)
1st interim cash dividend - Rs 4.00 per share	-	-	-	-	-	-	-	-	(5,867,410)	(5,867,410)	-	(5,867,410)
2nd interim cash dividend - Rs 4.00 per share	-	-	-	-	-	-	-	-	(5,867,410)	(5,867,410)	-	(5,867,410)
	-	-	-	-	-	-	-	-	(17,602,230)	(17,602,230)	-	(17,602,230)
Balance as at September 30, 2024	**14,668,525**	**1,391,786**	**53,154,670**	**51,263,875**	**547,115**	**(156,706)**	**15,078,607**	**43,075,044**	**231,135,917**	**410,158,833**	**1,494,951**	**411,653,784**
Comprehensive income for the three months ended December 31, 2024												
Profit after taxation for the three months ended December 31, 2024	-	-	-	-	-	-	-	-	14,412,928	14,412,928	136,835	14,549,763
Other comprehensive income / (loss)												
Effect of translation of net investment in foreign branches, subsidiaries and associates - net of tax	-	-	-	(3,606,641)	-	-	-	-	-	(3,606,641)	-	(3,606,641)
Decrease in share of exchange translation reserve of associates - net of tax	-	-	-	(102,251)	-	-	-	-	-	(102,251)	-	(102,251)
Movement in surplus / deficit on revaluation of equity investments - net of tax	-	-	-	-	-	-	968,529	-	-	968,529	-	968,529
Movement in surplus / deficit on revaluation of debt investments - net of tax	-	-	-	-	-	-	(819,924)	-	-	(819,924)	2,370	(817,554)
Net remeasurement (loss) / gain on defined benefit obligations - net of tax	-	-	-	-	-	-	-	-	(141,928)	(141,928)	8,226	(133,702)
Share of net remeasurement loss on defined benefit obligations of associates - net of tax	-	-	-	-	-	-	-	-	(310)	(310)	-	(310)
Increase in deferred tax rate on revaluation surplus of property and equipment	-	-	-	-	-	-	-	(231,851)	-	(231,851)	-	(231,851)
Increase in surplus on revaluation of non-banking assets - net of tax	-	-	-	-	-	-	-	29,730	-	29,730	-	29,730
Movement in share of surplus / deficit on revaluation of assets of associates - net of tax	-	-	-	-	-	-	(80,096)	(12,155)	-	(92,251)	-	(92,251)
	-	-	-	(3,708,892)	-	-	68,509	(214,276)	14,270,690	10,416,031	147,431	10,563,462
Transferred to statutory reserves	-	25,241	1,337,588	-	-	-	-	-	(1,362,829)	-	-	-
Net realised gain on sale of equity investments - net of tax	-	-	-	-	-	-	(512,432)	-	512,432	-	-	-
Transferred from surplus on revaluation of assets - net of tax	-	-	-	-	-	-	-	(124,671)	124,671	-	-	-
Exchange gain realised on closure / sale of the Bank's branches - net of tax	-	-	-	(5,551,742)	-	-	-	-	-	(5,551,742)	-	(5,551,742)
Transactions with owners, recorded directly in equity												
3rd interim cash dividend - Rs 4.00 per share	-	-	-	-	-	-	-	-	(5,867,410)	(5,867,410)	-	(5,867,410)
	-	-	-	-	-	-	-	-	(5,867,410)	(5,867,410)	-	(5,867,410)
Balance as at December 31, 2024 - as reported	14,668,525	1,417,027	54,492,258	42,003,241	547,115	(156,706)	14,634,684	42,736,097	238,813,471	409,155,712	1,642,382	410,798,094
Change in accounting policy as at January 01, 2025 - note 3.3	-	-	-	-	-	-	3,120,285	-	1,280,345	4,400,630	-	4,400,630
Balance as at January 01, 2025 - as restated	14,668,525	1,417,027	54,492,258	42,003,241	547,115	(156,706)	17,754,969	42,736,097	240,093,816	413,556,342	1,642,382	415,198,724
Comprehensive income for the nine months ended September 30, 2025												
Profit after taxation for the nine months ended September 30, 2025	-	-	-	-	-	-	-	-	51,293,098	51,293,098	86,992	51,380,090
Other comprehensive income / (loss)												
Effect of translation of net investment in foreign branches, subsidiaries and associates - net of tax	-	-	-	2,929,004	-	-	-	-	-	2,929,004	-	2,929,004
Decrease in share of exchange translation reserve of associates - net of tax	-	-	-	(52,480)	-	-	-	-	-	(52,480)	-	(52,480)
Share of net remeasurement gain on defined benefit obligations of associates - net of tax	-	-	-	-	-	-	-	-	11,754	11,754	-	11,754
Movement in surplus / deficit on revaluation of equity investments - net of tax	-	-	-	-	-	-	2,445,121	-	-	2,445,121	-	2,445,121
Movement in surplus / deficit on revaluation of debt investments - net of tax	-	-	-	-	-	-	10,246,857	-	-	10,246,857	(6,301)	10,240,556
Movement in surplus / deficit on revaluation of non-banking assets - net of tax	-	-	-	-	-	-	-	83,729	-	83,729	-	83,729
Movement in share of surplus / deficit on revaluation of investments of associates - net of tax	-	-	-	-	-	-	2,206,293	-	-	2,206,293	-	2,206,293
	-	-	-	2,876,524	-	-	14,898,271	83,729	51,304,852	69,163,376	80,691	69,244,067
Transferred to statutory reserves	-	207,950	4,738,750	-	-	-	-	-	(4,946,700)	-	-	-
Net realised gain on sale of equity investments - net of tax	-	-	-	-	-	-	(200,086)	-	200,086	-	-	-
Transferred from surplus on revaluation of assets - net of tax	-	-	-	-	-	-	-	(67,852)	67,852	-	-	-
Exchange gain realised on closure of the Bank's branch - net of tax	-	-	-	(931,277)	-	-	-	-	-	(931,277)	-	(931,277)
Acquisition of additional interest in subsidiary	-	-	-	-	-	-	4,549	5,127	26,416	36,092	(36,092)	-
Transactions with owners, recorded directly in equity												
Final cash dividend - Rs 4.25 per share declared subsequent to the year ended December 31, 2024	-	-	-	-	-	-	-	-	(6,234,123)	(6,234,123)	-	(6,234,123)
1st interim cash dividend - Rs 4.50 per share	-	-	-	-	-	-	-	-	(6,600,836)	(6,600,836)	-	(6,600,836)
2nd interim cash dividend - Rs 4.50 per share	-	-	-	-	-	-	-	-	(6,600,836)	(6,600,836)	-	(6,600,836)
	-	-	-	-	-	-	-	-	(19,435,795)	(19,435,795)	-	(19,435,795)
Balance as at September 30, 2025	**14,668,525**	**1,624,977**	**59,231,008**	**43,948,488**	**547,115**	**(156,706)**	**32,457,703**	**42,757,101**	**267,310,527**	**462,388,738**	**1,686,981**	**464,075,719**

The annexed notes 1 to 41 form an integral part of these condensed interim consolidated financial statements.

Muhammad Nassir Salim	Irfan Ahmed Meer	Khaleel Ahmed	Moez Ahamed Jamal	Dr. Najeeb Samie
President and Chief Executive Officer	Chief Financial Officer	Director	Director	Director

CONDENSED INTERIM CONSOLIDATED CASH FLOW STATEMENT (UNAUDITED)

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025

	January 01 to September 30, 2025	January 01 to September 30, 2024
	----------(Rupees in '000)----------	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	**112,156,109**	85,877,134
Dividend income	**(2,914,350)**	(2,707,304)
Share of profit of associates	**(4,879,139)**	(3,859,798)
Mark-up / return / profit / interest expensed on subordinated debt	**1,910,653**	3,234,146
	(5,882,836)	(3,332,956)
	106,273,273	82,544,178
Adjustments:		
Depreciation	**8,989,731**	8,073,306
Amortisation	**2,110,795**	2,038,826
Depreciation on right-of-use assets	**3,550,982**	3,380,134
Mark-up / return / profit / interest expensed on lease liability against right-of-use assets	**2,905,202**	2,626,452
Reversal of credit loss allowance against investments	**(599,611)**	(1,090,312)
Credit loss allowance against loans and advances	**9,797,341**	17,389,317
Credit loss allowance against other assets	**365,926**	344,847
(Reversal) / charge of credit loss allowance against off-balance sheet obligations	**(704,054)**	2,553,118
Unrealised loss / (gain) on securities designated at fair value through profit and loss (FVTPL)	**256,158**	(2,604,456)
Exchange (gain) / loss on goodwill	**(352,929)**	166,919
Exchange gain realised on closure of the Bank's branch	**(1,940,160)**	-
Loss / (gain) on sale of property and equipment - net	**19,933**	(32,040)
Workers' Welfare Fund	**2,125,541**	1,766,365
	26,524,855	34,612,476
	132,798,128	117,156,654
(Increase) / decrease in operating assets		
Lendings to financial institutions	**(51,361,009)**	47,208,349
Net investment in FVTPL securities	**(72,710,061)**	65,843,672
Advances	**451,429,314**	(30,903,597)
Other assets (excluding advance taxation)	**(34,087,230)**	(45,101,849)
	293,271,014	37,046,575
Increase / (decrease) in operating liabilities		
Bills payable	**(37,625,387)**	(3,350,929)
Borrowings from financial institutions	**444,833,958**	(125,084,546)
Deposits and other accounts	**713,285,335**	666,999,878
Other liabilities	**18,166,376**	77,474,468
	1,138,660,282	616,038,871
	1,564,729,424	770,242,100
Income tax paid	**(76,566,092)**	(58,359,343)
Net cash flows generated from operating activities	**1,488,163,332**	711,882,757
CASH FLOWS FROM INVESTING ACTIVITIES		
Net investment in FVOCI securities	**(1,328,981,774)**	(636,013,540)
Net investment in securities carried at Amortised Cost	**(64,398,298)**	(11,485,609)
Net investment in associates	**(3,802,282)**	(1,903,059)
Dividend received	**2,885,071**	2,631,790
Investments in property and equipment	**(18,434,707)**	(19,551,522)
Investments in intangible assets	**(5,582,600)**	(2,379,072)
Proceeds from sale of property and equipment	**66,497**	84,384
Effect of translation of net investment in foreign branches, subsidiaries and associates - net of tax	**2,876,524**	958,725
Net cash flows used in investing activities	**(1,415,371,569)**	(667,657,903)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of subordinated debt	**-**	675,000
Payment of mark-up on subordinated debt	**(1,920,380)**	(3,256,522)
Payment of lease liability against right-of-use assets	**(5,659,854)**	(3,141,378)
Dividend paid	**(19,305,920)**	(19,390,196)
Net cash flows used in financing activities	**(26,886,154)**	(25,113,096)
Increase in cash and cash equivalents during the period	**45,905,609**	19,111,758
Cash and cash equivalents at the beginning of the period	**516,465,509**	621,766,036
Effect of exchange rate changes on cash and cash equivalents	**(4,945,981)**	(17,633,907)
	511,519,528	604,132,129
Cash and cash equivalents at the end of the period	**557,425,137**	623,243,887

The annexed notes 1 to 41 form an integral part of these condensed interim consolidated financial statements.

Muhammad Nassir Salim	Irfan Ahmed Meer	Khaleel Ahmed	Moez Ahamed Jamal	Dr. Najeeb Samie
President and Chief Executive Officer	Chief Financial Officer	Director	Director	Director

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025

1 **THE GROUP AND ITS OPERATIONS**

The Group consists of:

Holding company

- Habib Bank Limited, Pakistan

Subsidiaries
- Habib Allied Holding Limited (HAHL) – 100% shareholding
- HBL Bank UK Limited – 100% effective shareholding
- HBL Currency Exchange (Private) Limited – 100% shareholding
- HBL Asset Management Limited – 100% shareholding
- HBL Microfinance Bank Limited – 90.83% (December 31, 2024: 89.38%) shareholding
- Habib Bank Financial Services (Private) Limited – 100% shareholding
- HBL Zarai Services Limited (HZSL) – 100% shareholding

Habib Bank Limited (the Bank) is incorporated in Pakistan and is engaged in commercial banking services in Pakistan and overseas. The Bank's registered office is at Habib Bank Tower, 9th Floor, Jinnah Avenue, Blue Area, Islamabad, Pakistan and its principal office is at HBL Tower, Plot # G-4, KDA Scheme 5, Block 7, Clifton, Karachi, Pakistan. The Bank's shares are listed on the Pakistan Stock Exchange. The Bank operates 1,640 (December 31, 2024: 1,705) branches inside Pakistan including 458 (December 31, 2024: 408) Islamic Banking Branches and 25 (December 31, 2024: 27) branches outside the country including in the Karachi Export Processing Zone (KEPZ). The Aga Khan Fund for Economic Development S.A. (AKFED) is the parent company of the Bank and its registered office is in Geneva, Switzerland.

1.1 The Bank had commenced an orderly winding down of its operations in Afghanistan and banking operations were ceased on June 10, 2019. The remaining formalities required for closure are in progress.

1.2 The Bank has sold its operations in Mauritius and has transferred the business to its new owners. The deregistration and related exit formalities are underway.

1.3 The Bank has commenced an orderly wind-down of its Lebanon operations. Formalities for completion of the wind-down are underway.

1.4 The Bank has closed its operations in Belgium after obtaining necessary approvals from the regulators and has also surrendered the banking license.

1.5 During the period, the Bank has subscribed to 200 million Rights shares issued by HBL Microfinance Bank Limited (HBL MfB). Post acquisition, the Bank's shareholding in HBL MfB has increased from 89.38% to 90.83%.

1.6 During the period, the Bank has subscribed to 285 million shares issued by HZSL.

2 **BASIS OF PRESENTATION**

2.1 **STATEMENT OF COMPLIANCE**

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

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

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

2.2 The disclosures made in these condensed interim consolidated financial statements have been limited based on the format prescribed by IAS 34 and by the SBP vide BPRD Circular Letter No. 2 dated February 09, 2023. These condensed interim consolidated financial statements do not include all the information and disclosures required for annual consolidated financial statements and should be read in conjunction with the consolidated financial statements for the year ended December 31, 2024.

2.3 Amendments to existing accounting and reporting standards that have become effective in the current year

As directed by the SBP via BPRD Circular letter no. 7 of 2023, the results of overseas operations where IFRS 9, Financial Instruments is not applicable, are required to be adjusted in accordance with the requirements of IFRS 9 for the purpose of preparation of its financial statements with effect from January 01, 2025.

As directed by the SBP vide BPRD Circular letter no. 16 of 2024, unlisted equity securities which were carried at the lower of cost or breakup value till December 31, 2024, are required to be carried at fair value with effect from January 01, 2025.

Except for the changes mentioned above, the Bank expects that amendments to existing accounting and reporting standards will not affect its financial statements in the period of initial application.

2.4 Amendments to existing accounting and reporting standards that are not yet effective

There are various amendments to accounting and reporting standards as applicable in Pakistan that are not yet effective. These are not likely to have a material effect on the Group's financial statements, except for the following relaxations earlier provided by the SBP in respect of the implementation of IFRS 9.

- General provision, over and above the ECL for Stage 1 and Stage 2 exposures may be maintained up to December 31, 2026.
- The Effective Interest Rate (EIR) requirements of IFRS 9 will be applicable for accounting periods beginning January 01, 2026.

2.5 Critical accounting estimates and judgements

The basis for accounting estimates and judgements 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 for the year ended December 31, 2024, except for changes as discussed in note 3.2.

3 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies adopted in the preparation of these condensed interim consolidated financial statements are consistent with those followed in the preparation of the consolidated financial statements for the year ended December 31, 2024. The impact of amendments to existing accounting standards as mentioned in note 2.3 are summarized below:

3.1 Transitional Impact

To account for the changes, the Bank has elected to follow the modified retrospective approach for restatement as allowed under IFRS 9. The cumulative impact has been recorded as an adjustment to equity as of January 01, 2025. Accordingly, the information presented as of December 31, 2024 and for the nine months ended September 30, 2024 has not been restated.

The following table reconciles the carrying amounts of financial instruments reported in accordance with the previous financial reporting framework with the carrying amounts reported under the new financial reporting framework.

Financial Assets / Liabilities	Carrying amount as of December 31, 2024	Fair valuation of unlisted securities	ECL	Carrying amount as of January 01, 2025
	------------------------ (Rupees in '000) ------------------------------			
Cash and balances with treasury banks	460,194,916	-	-	460,194,916
Balances with other banks	51,324,612	-	(18,297)	51,306,315
Lendings to financial institutions	84,293,922	-	-	84,293,922
Investments				-
FVTPL	150,501,600	4,140,061	-	154,641,661
FVOCI	1,921,538,852	6,500,594	-	1,928,039,446
Amortised Cost	414,021,189	-	(150,584)	413,870,605
Associates	42,138,798	-	-	42,138,798
Advances	2,435,434,872	-	(357,273)	2,435,077,599
Other assets	277,129,481	-	-	277,129,481
Total Financial Assets	5,836,578,242	10,640,655	(526,154)	5,846,692,743
Bills payable	96,104,151	-	-	96,104,151
Borrowings	826,883,400	-	-	826,883,400
Deposits and other accounts	4,370,370,642	-	-	4,370,370,642
Lease liabilities	35,869,231	-	-	35,869,231
Subordinated debt	20,374,000	-	-	20,374,000
Other liabilities	255,197,609	-	860,271	256,057,880
Total Financial Liabilities	5,604,799,033	-	860,271	5,605,659,304
Net Financial Assets	231,779,209	10,640,655	(1,386,425)	241,033,439
Non Financial Assets	187,013,892	-	-	187,013,892
Deferred tax liabilities	(7,995,007)	(5,574,541)	720,941	(12,848,607)
Total Net Assets	410,798,094	5,066,114	(665,484)	415,198,724

3.2 Fair valuation of unlisted equity securities

The measurement of the fair value of investments in unquoted equity securities involves the use of different methodologies and assumptions. The Group uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation techniques incorporate various factors that market participants would consider in pricing a transaction.

When observable inputs are not readily available, the fair value is determined using valuation techniques that include the use of mathematical models such as the dividend growth model and discounted cashflow techniques.

3.3 Reconciliation of retained earnings and surplus on revaluation of investments

The impact of the transition to IFRS 9 on retained earnings and on the surplus on revaluation of investments as at January 01, 2025 is as follows:

Retained earnings	(Rupees in '000)
Closing balance as at December 31, 2024 - as reported	238,813,471
ECL attributable to equity holders of the Bank	(1,386,425)
Increase in the fair valuation of unlisted equity securities carried at FVTPL	4,140,061
	2,753,636
Less: related deferred tax	(1,473,291)
Opening balance as at January 01, 2025 - as restated	240,093,816

Surplus on revaluation of investments	
Closing balance as at December 31, 2024 - as reported	14,634,684
Increase in the fair valuation of unlisted equity securities carried at FVOCI	6,500,594
Less: related deferred tax	(3,380,309)
	3,120,285
Opening balance as at January 01, 2025 - as restated	17,754,969

4 FINANCIAL RISK MANAGEMENT

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

	Note	(Unaudited) September 30, 2025	(Audited) December 31, 2024
5 CASH AND BALANCES WITH TREASURY BANKS		-----(Rupees in '000)-----	
In hand			
Local currency		**69,165,303**	76,319,391
Foreign currencies		**7,212,592**	7,463,467
		76,377,895	83,782,858
With State Bank of Pakistan in			
Local currency current accounts		**223,525,969**	181,601,094
Foreign currency current accounts		**11,625,212**	12,400,210
Foreign currency deposit accounts		**24,091,739**	25,348,734
		259,242,920	219,350,038
With other central banks in			
Foreign currency current accounts		**42,355,757**	63,824,715
Foreign currency deposit accounts		**25,035,405**	37,044,013
		67,391,162	100,868,728
With National Bank of Pakistan in			
Local currency current accounts		**98,536,260**	54,649,751
Local currency deposit account		**1,054,799**	1,304,514
		99,591,059	55,954,265
National Prize Bonds		**236,180**	244,123
Less: credit loss allowance	5.1	**(4,821)**	(5,096)
Cash and balances with Treasury banks - net of credit loss allowance		**502,834,395**	460,194,916

5.1 Cash and balances with Treasury banks are all classified as Stage 1.

6 BALANCES WITH OTHER BANKS

	Note	September 30, 2025	December 31, 2024
In Pakistan			
In current accounts		**779,542**	485,882
In deposit accounts		**4,247,234**	303,310
		5,026,776	789,192
Outside Pakistan			
In current accounts		**34,121,097**	34,095,774
In deposit accounts		**15,483,324**	16,442,835
		49,604,421	50,538,609
Less: credit loss allowance	6.1	**(40,455)**	(3,189)
Balances with other banks - net of credit loss allowance		**54,590,742**	51,324,612

6.1 Balances with other banks are all classified as Stage 1.

7 LENDINGS TO FINANCIAL INSTITUTIONS

	Note	September 30, 2025	December 31, 2024
Call money lendings		**13,601,690**	9,500,000
Repurchase agreement lendings (reverse repo)		**122,061,014**	74,801,635
		135,662,704	84,301,635
Less: credit loss allowance	7.1	**(7,773)**	(7,713)
Lendings to financial institutions - net of credit loss allowance		**135,654,931**	84,293,922

7.1 Lendings to financial institutions are all classified as Stage 1.

8 INVESTMENTS

	Note	September 30, 2025 (Unaudited)				December 31, 2024 (Audited)			
		Cost / amortised cost	Credit loss allowance / provision for diminution	Surplus / (deficit)	Carrying value	Cost / amortised cost	Credit loss allowance / provision for diminution	Surplus / (deficit)	Carrying value
		---------- (Rupees in '000) ----------							
8.1 Investments by type									
Fair value through profit and loss (FVTPL)									
Federal Government securities									
- Market Treasury Bills		69,913,083	-	(22,053)	69,891,030	70,682,260	-	154,602	70,836,862
- Pakistan Investment Bonds		110,134,675	-	177,274	110,311,949	47,441,474	-	156,510	47,597,984
- Ijarah Sukuk		18,654,623	-	11,192	18,665,815	12,810,694	-	104,464	12,915,158
- Government of Pakistan US Dollar Bonds		1,487,061	-	2,112	1,489,173	-	-	-	-
- Other Federal Government securities		873,070	-	-	873,070	2,580,725	-	-	2,580,725
Shares									
- Listed companies		1,857,790	-	241,627	2,099,417	-	-	-	-
- Unlisted companies		8,639,530	-	(1,007,399)	7,632,131	4,496,354	-	-	4,496,354
Non-Government debt securities									
- Listed		2,691,019	-	1,871	2,692,890	2,722,858	-	(31,839)	2,691,019
- Unlisted		801,000	-	-	801,000	801,000	-	-	801,000
Foreign securities									
- Government debt securities		2,677,635	-	(101,330)	2,576,305	4,576,452	-	(236,941)	4,339,511
Preference shares									
- Listed		835,400	-	100,100	935,500	877,400	-	(42,000)	835,400
- Unlisted		14,465	-	-	14,465	38,480	-	-	38,480
Real Estate Investment Trust units - Listed		3,369,107	-	340,448	3,709,555	2,210,700	-	1,158,407	3,369,107
		221,948,458	-	(256,158)	221,692,300	149,238,397	-	1,263,203	150,501,600
Fair value through other comprehensive income (FVOCI)									
Federal Government securities									
- Market Treasury Bills		240,850,056	-	328,442	241,178,498	276,434,566	-	7,011,503	283,446,069
- Pakistan Investment Bonds		2,369,827,120	-	37,127,728	2,406,954,848	1,059,485,950	-	7,739,668	1,067,225,618
- Ijarah Sukuk		307,935,771	-	9,401,302	317,337,073	287,654,823	-	12,551,056	300,205,879
- Government of Pakistan US Dollar Bonds		8,410,554	(1,587,986)	1,568,637	8,391,205	12,470,809	(2,287,931)	1,676,199	11,859,077
Shares									
- Listed companies		19,644,868	-	6,967,139	26,612,007	17,814,570	-	2,703,103	20,517,673
- Unlisted companies		922,949	-	6,640,603	7,563,552	1,018,951	-	(137,414)	881,537
Non-Government debt securities									
- Listed		47,652,695	(1,542,011)	1,213,516	47,324,200	48,349,774	(1,432,238)	633,484	47,551,020
- Unlisted		360,906	(360,906)	-	-	973,382	(373,382)	4,922	604,922
Foreign securities									
- Government debt securities		203,189,361	(1,024,115)	1,377,990	203,543,236	178,358,276	(800,540)	427,304	177,985,040
- Non-Government debt securities - Listed		11,155,621	(5,091)	277,087	11,427,617	11,011,077	(4,299)	45,646	11,052,424
- Equity securities - Unlisted		6,507	-	65,798	72,305	6,459	-	-	6,459
National Investment Unit Trust units		11,113	-	101,470	112,583	11,113	-	83,271	94,384
Real Estate Investment Trust units - Listed		55,000	-	105,450	160,450	55,000	-	53,750	108,750
		3,210,022,521	(4,520,109)	65,175,162	3,270,677,574	1,893,644,750	(4,898,390)	32,792,492	1,921,538,852
Amortised cost	8.2								
Federal Government securities									
- Market Treasury Bills		56,267,820	-	-	56,267,820	92,317,600	-	-	92,317,600
- Pakistan Investment Bonds		355,843,936	-	-	355,843,936	252,532,318	-	-	252,532,318
- Ijarah Sukuk		32,347,734	-	-	32,347,734	28,274,899	-	-	28,274,899
- Government of Pakistan US Dollar Bonds		1,338,777	(83,137)	-	1,255,640	1,297,113	-	-	1,297,113
Non-Government debt securities									
- Listed		898,976	(7)	-	898,969	899,130	(49)	-	899,081
- Unlisted		20,250,996	(632,467)	-	19,618,529	23,226,449	(640,324)	-	22,586,125
Foreign Securities									
- Government debt securities		12,127,589	-	-	12,127,589	16,130,021	(15,968)	-	16,114,053
		479,075,828	(715,611)	-	478,360,217	414,677,530	(656,341)	-	414,021,189
Investments in associates	8.1.1	48,418,667	(319,672)	2,498,615	50,597,610	44,616,385	(379,757)	(2,097,830)	42,138,798
Total Investments		3,959,465,474	(5,555,392)	67,417,619	4,021,327,701	2,502,177,062	(5,934,488)	31,957,865	2,528,200,439

8.1.1 The Group's share of surplus / (deficit) on investments held by these entities amounts to Rs 2,498.615 million (December 31, 2024: Rs 2,097.830 million).

	(Unaudited) September 30, 2025	(Audited) December 31, 2024
	-----(Rupees in '000)-----	

8.1.2 **Investments given as collateral**

The market value of investments given as collateral against borrowings is as follows:

Federal Government securities		
- Market Treasury Bills	**29,001,960**	39,009,790
- Pakistan Investment Bonds	**960,135,203**	432,171,594
Foreign securities		
- Government debt securities	**27,903**	1,510,115
	989,165,066	472,691,499

8.2 The market value of investments classified as amortised cost amounted to Rs 482,306.299 million (December 31, 2024: Rs 412,403.301 million).

	(Unaudited) September 30, 2025	(Audited) December 31, 2024
	-----(Rupees in '000)-----	

8.3 **Particulars of provision / credit loss allowance against investments**

Opening balance - as reported	**5,934,488**	10,405,710
Impact of adoption of IFRS 9	**150,584**	(1,340,461)
Opening balance - as restated	**6,085,072**	9,065,249
Exchange adjustment	**69,931**	(84,917)
Charge / (reversal)		
Charge for the period / year	**90,474**	1,081,632
Reversal for the period / year	**(669,456)**	(510,699)
Reversal on disposal during the period / year	**(20,629)**	(2,301,567)
Net reversal	**(599,611)**	(1,730,634)
Written off during the year	**-**	(1,315,210)
Closing balance	**5,555,392**	5,934,488

8.4 **Particulars of credit loss allowance against debt securities**

Category of classification	(Unaudited) September 30, 2025 Outstanding amount	(Unaudited) September 30, 2025 Credit loss allowance held	(Audited) December 31, 2024 Outstanding amount	(Audited) December 31, 2024 Credit loss allowance held
	----- (Rupees in '000) -----			
Domestic				
Performing	**3,666,861,840**	**37,394**	2,227,129,901	40,573
Underperforming	**225,000**	**2,644**	1,662,500	12,324
Non-performing				
Loss	**972,906**	**972,906**	985,382	985,382
	3,668,059,746	**1,012,944**	2,229,777,783	1,038,279
Overseas				
Performing	**229,713,326**	**364,496**	207,606,036	112,288
Under performing	**29,280,774**	**3,858,280**	23,884,409	4,404,164
Non-performing				
Loss	**-**	**-**	-	-
	258,994,100	**4,222,776**	231,490,445	4,516,452
Total	**3,927,053,846**	**5,235,720**	2,461,268,228	5,554,731

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025

	Note	Performing		Non - performing		Total	
		(Unaudited) September 30, 2025	(Audited) December 31, 2024	(Unaudited) September 30, 2025	(Audited) December 31, 2024	(Unaudited) September 30, 2025	(Audited) December 31, 2024
9 ADVANCES		(Rupees in '000)					
Loans, cash credits, running finances, etc.		**1,583,681,436**	2,075,985,698	**87,648,464**	95,021,698	**1,671,329,900**	2,171,007,396
Islamic financing and related assets	38.3	**211,417,578**	198,557,588	**10,625,905**	11,098,821	**222,043,483**	209,656,409
Bills discounted and purchased		**210,671,952**	186,810,508	**4,008,116**	5,446,804	**214,680,068**	192,257,312
Advances - gross		**2,005,770,966**	2,461,353,794	**102,282,485**	111,567,323	**2,108,053,451**	2,572,921,117
Credit loss allowance							
- Stage 1		**(13,297,016)**	(13,304,118)	**-**	-	**(13,297,016)**	(13,304,118)
- Stage 2		**(15,487,954)**	(13,634,409)	**-**	-	**(15,487,954)**	(13,634,409)
- Stage 3	9.3	**-**	-	**(92,701,077)**	(94,850,356)	**(92,701,077)**	(94,850,356)
Provisions							
Specific		**-**	-	**-**	(4,328,880)	**-**	(4,328,880)
General		**(12,359,187)**	(11,368,482)	**-**	-	**(12,359,187)**	(11,368,482)
		(41,144,157)	(38,307,009)	**(92,701,077)**	(99,179,236)	**(133,845,234)**	(137,486,245)
Advances - net of provision / credit loss allowance		**1,964,626,809**	2,423,046,785	**9,581,408**	12,388,087	**1,974,208,217**	2,435,434,872

	(Unaudited) September 30, 2025	(Audited) December 31, 2024
9.1 Particulars of advances (gross)	-----(Rupees in '000)-----	
In local currency	**1,498,747,947**	1,991,667,360
In foreign currencies	**609,305,504**	581,253,757
	2,108,053,451	2,572,921,117

9.2 Advances include Rs 102,282.485 million (December 31, 2024: Rs 111,567.323 million) which have been placed under non-performing status as detailed below:

Category of classification	(Unaudited) September 30, 2025		(Audited) December 31, 2024	
	Non-performing advances	Credit loss allowance	Non-performing advances	Credit loss allowance / Provision
Domestic	(Rupees in '000)			
Other assets especially mentioned	**-**	**-**	348,757	223,454
Substandard	**11,710,232**	**8,030,941**	17,732,493	11,945,859
Doubtful	**9,404,794**	**7,487,375**	10,471,238	7,802,013
Loss	**56,768,695**	**55,448,199**	52,689,475	51,341,484
	77,883,721	**70,966,515**	81,241,963	71,312,810
Overseas				
Substandard	**1,234,617**	**226,407**	846,853	159,318
Doubtful	**1,385,114**	**753,369**	1,186,283	621,723
Loss	**21,779,033**	**20,754,786**	28,292,224	27,085,385
	24,398,764	**21,734,562**	30,325,360	27,866,426
	102,282,485	**92,701,077**	111,567,323	99,179,236

9.3 **Particulars of provisions / credit loss allowance against advances**

	(Unaudited) September 30, 2025					
	Stage 1	Stage 2	Stage 3	Specific	General	Total
	(Rupees in '000)					
Opening balance - as reported	13,304,118	13,634,409	94,850,356	4,328,880	11,368,482	137,486,245
Impact of adoption of IFRS 9	546,327	166,375	4,370,824	(4,328,880)	(397,373)	357,273
Opening balance - as restated	13,850,445	13,800,784	99,221,180	-	10,971,109	137,843,518
Transfer to stage 1	682,548	(669,341)	(13,207)	-	-	-
Transfer to stage 2	(443,490)	462,089	(18,599)	-	-	-
Transfer to stage 3	(196,651)	(1,145,562)	1,342,213	-	-	-
Exchange adjustment	(167,379)	(34,412)	496,079	-	-	294,288
Charge for the period	3,004,730	3,393,146	19,455,639	-	1,388,078	27,241,593
Reversal for the period	(3,433,187)	(318,750)	(13,692,315)	-	-	(17,444,252)
Net charge against advances	(428,457)	3,074,396	5,763,324	-	1,388,078	9,797,341
Charged off during the period - agriculture financing	-	-	(660,624)	-	-	(660,624)
Charged off during the period - corporate, commercial and SME advances	-	-	(4,813,045)	-	-	(4,813,045)
Written off during the period	-	-	(8,616,244)	-	-	(8,616,244)
Other movement	-	-	-	-	-	-
Closing balance	13,297,016	15,487,954	92,701,077	-	12,359,187	133,845,234

	(Audited) December 31, 2024					
	Stage 1	Stage 2	Stage 3	Specific	General	Total
	(Rupees in '000)					
Opening balance - as reported	-	-	-	84,920,073	18,392,219	103,312,292
Impact of adoption of IFRS 9	13,256,248	17,241,118	86,791,214	(80,578,490)	(10,619,916)	26,090,174
Opening balance - as restated	13,256,248	17,241,118	86,791,214	4,341,583	7,772,303	129,402,466
Transfer to stage 1	461,482	(448,164)	(13,318)	-	-	-
Transfer to stage 2	(1,420,532)	2,009,381	(588,849)	-	-	-
Transfer to stage 3	(554,289)	(3,178,844)	3,733,133	-	-	-
Exchange adjustment	(44,796)	(24,324)	(605,460)	(52,951)	(16,125)	(743,656)
Charge for the year	9,927,206	24,240,602	26,686,494	94,483	3,629,188	64,577,973
Reversal for the year	(8,321,201)	(26,205,360)	(9,412,105)	(54,235)	(16,884)	(44,009,785)
Net charge / (reversal) against advances	1,606,005	(1,964,758)	17,274,389	40,248	3,612,304	20,568,188
Charged off during the year - agriculture financing	-	-	(274,326)	-	-	(274,326)
Charged off during the year - corporate, commercial and SME advances	-	-	(3,534,146)	-	-	(3,534,146)
Written off during the year	-	-	(7,932,281)	-	-	(7,932,281)
Closing balance	13,304,118	13,634,409	94,850,356	4,328,880	11,368,482	137,486,245

9.4 General provision represents an amount of Rs 12,359.187 million (January 01, 2025: Rs 10,971.109 million) carried as a matter of prudence, on account of borrowers that may be impacted by stressed economic conditions.

9.5 **Advances - Category of classification**

	(Unaudited) September 30, 2025		(Audited) December 31, 2024	
	Outstanding amount	Provision / credit loss allowance	Outstanding amount	Provision / credit loss allowance
	(Rupees in '000)			
Domestic				
Performing	1,302,084,431	20,267,591	1,782,573,048	19,867,565
Underperforming	245,420,577	13,173,928	272,614,286	11,858,329
Non-Performing	77,883,721	70,966,515	81,241,963	71,312,810
Total	1,625,388,729	104,408,034	2,136,429,297	103,038,704
Overseas				
Performing	380,028,940	5,388,612	336,935,895	4,805,035
Underperforming	78,237,018	2,314,026	69,230,565	1,776,080
Non-Performing	24,398,764	21,734,562	30,325,360	27,866,426
Total	482,664,722	29,437,200	436,491,820	34,447,541
	2,108,053,451	133,845,234	2,572,921,117	137,486,245

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025

10 PROPERTY AND EQUIPMENT	Note	(Unaudited) September 30, 2025	(Audited) December 31, 2024
		------(Rupees in '000)------	
Capital work-in-progress	10.1	**20,150,828**	14,336,662
Property and equipment		**120,730,829**	116,488,513
		140,881,657	130,825,175

10.1 **Capital work-in-progress**

Civil works	**7,283,683**	4,039,008
Equipment	**1,848,656**	1,620,150
Advances to suppliers and contractors	**11,018,489**	8,677,504
	20,150,828	14,336,662

10.2 **Additions to property and equipment**

	(Unaudited) For the nine months ended September 30, 2025	September 30, 2024
	------(Rupees in '000)------	
The following additions have been made to property and equipment during the period:		
Capital work-in-progress - net	**5,814,166**	6,186,978
Property and equipment		
Freehold Land	**73,488**	-
Leasehold land	**677,301**	1,633,340
Building on leasehold land	**1,945,592**	4,105,559
Machinery	**14,738**	13,203
Leasehold improvements	**1,705,458**	1,197,448
Furniture and fixtures	**518,011**	812,906
Electrical, office and computer equipment	**5,170,504**	5,294,844
Vehicles	**2,515,449**	307,244
	12,620,541	13,364,544
	18,434,707	19,551,522

10.3 **Disposal of property and equipment**

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

Property and equipment		
Building on leasehold land	**-**	13,512
Leasehold improvements	**3,621**	3,196
Furniture and fixtures	**1,243**	3,630
Electrical, office and computer equipment	**8,138**	9,558
Vehicles	**73,428**	22,448
	86,430	52,344

11 RIGHT-OF-USE ASSETS	(Unaudited) September 30, 2025	(Audited) December 31, 2024
	------(Rupees in '000)------	
At January 1,		
Cost	**44,639,102**	41,826,150
Accumulated depreciation	**(17,231,082)**	(17,171,405)
Net carrying amount at January 1,	**27,408,020**	24,654,745
Exchange adjustment	**134,342**	(183,273)
Additions during the period / year	**5,288,924**	8,261,890
Deletions during the period / year	**(1,931,144)**	(800,042)
Depreciation charge for the period / year	**(3,550,982)**	(4,525,300)
Net carrying amount at the end of the period / year	**27,349,160**	27,408,020

12 **INTANGIBLE ASSETS**

Capital work-in-progress - computer software	**14,845,147**	10,452,009
Computer software	**6,643,273**	7,357,275
Other intangibles	**7,392,080**	7,039,151
	28,880,500	24,848,435

	Note	(Unaudited) For the nine months ended September 30, 2025	(Unaudited) For the nine months ended September 30, 2024
12.1 Additions to intangible assets		------(Rupees in '000)------	
The following additions have been made to intangible assets during the period:			
Capital work-in-progress - net		**4,393,138**	1,697,507
Computer software		**1,189,462**	681,565
		5,582,600	2,379,072

	Note	(Unaudited) September 30, 2025	(Audited) December 31, 2024
13 OTHER ASSETS		------(Rupees in '000)------	
Mark-up / return / profit / interest accrued in local currency - net of provision		**152,130,344**	101,422,077
Mark-up / return / profit / interest accrued in foreign currency - net of provision		**9,133,190**	9,923,261
Advances, deposits, advance rent and other prepayments		**9,007,015**	5,406,434
Advance taxation		**39,389,147**	29,410,477
Advance against subscription of securities		**228,514**	231,629
Stationery and stamps on hand		**242,573**	236,094
Accrued fees and commissions		**718,090**	945,999
Due from Government of Pakistan / SBP		**14,520,933**	12,963,514
Mark to market gain on forward foreign exchange contracts		**4,076,731**	3,780,879
Mark to market gain on derivative instruments		**264,828**	213,781
Non-banking assets acquired in satisfaction of claims		**188,976**	188,976
Receivable from defined benefit plan		**1,101,998**	1,101,998
Acceptances		**64,275,776**	79,594,883
Clearing and settlement accounts		**23,308,560**	31,512,297
Dividend receivable		**34,234**	4,955
Claims receivable against fraud and forgeries		**1,260,249**	1,236,679
Inventory		**959,022**	421,303
Deferred fair value loss	13.2	**4,526,049**	4,526,049
Prepaid deferred expense	13.3	**35,040,948**	32,075,467
Others		**2,110,698**	2,064,596
		362,517,875	317,261,348
Provision / credit loss allowance held against other assets		**(5,136,815)**	(4,889,886)
Other assets - net of provision / credit loss allowance		**357,381,060**	312,371,462
Surplus on revaluation of non-banking assets acquired in satisfaction of claims		**294,753**	211,024
Other assets - total		**357,675,813**	312,582,486

13.1 Provision / credit loss allowance held against other assets			
Fraud and forgeries		**1,260,249**	1,236,679
Suit filed cases		**4,979**	4,979
Others		**3,871,587**	3,648,228
		5,136,815	4,889,886

13.2 This represents the deferred fair value loss arising from the restructuring of the exposure to Pakistan International Airlines Corporation Limited (PIACL). To date, the Bank has amortized 15% of the loss, as allowed by the SBP.

13.3 This represents the difference between the fair value of subsidised employee loans and the actual amount disbursed, and will be expensed over the tenor of the loans.

	Note	(Unaudited) September 30, 2025	(Audited) December 31, 2024
		------(Rupees in '000)------	
13.1.1 Movement in credit loss allowance against other assets			
Opening balance		4,889,886	2,577,641
Impact of adoption of IFRS 9		-	73,381
Exchange adjustment		1,478	(3,705)
Charge for the period / year		743,258	2,356,900
Reversal for the period / year		(377,332)	(16,372)
Net charge		365,926	2,340,528
Written off during the period / year		(101,649)	(109,314)
Other movement		(18,826)	11,355
Closing balance		5,136,815	4,889,886

14 BILLS PAYABLE

	Note	September 30, 2025	December 31, 2024
In Pakistan		54,849,698	93,043,428
Outside Pakistan		3,629,066	3,060,723
		58,478,764	96,104,151

15 BORROWINGS

	Note	September 30, 2025	December 31, 2024
Secured			
Borrowings from the SBP under			
- Export refinance scheme		33,595,292	48,258,894
- Export refinance scheme for bill discounting		22,641,533	23,155,596
- Long term financing facility		25,557,496	30,589,079
- Financing facility for renewable energy power plants		6,572,230	6,867,520
- Refinance facility for modernization of Small and Medium Enterprises (SMEs)		1,060,560	732,230
- Refinance and credit guarantee scheme for women entrepreneurs		61,861	10,015
- Financing facility for storage of agricultural produce		1,182,739	414,105
- Refinance facility for combating COVID-19		631,656	954,836
- Temporary economic refinance facility		18,728,058	21,621,311
- Refinance facility for SME Asaan Finance (SAAF)		8,767,546	9,725,252
- Long term financing facility of subsidiary		8,258,280	5,892,276
		127,057,251	148,221,114
Repurchase agreement borrowings		985,557,254	441,742,329
		1,112,614,505	589,963,443
Unsecured			
- Call money borrowings		44,100,544	89,049,391
- Overdrawn nostro accounts		1,130,893	3,625,072
- Borrowings of overseas branches and subsidiaries		44,447,072	95,048,371
- Other long-term borrowings	15.1	69,424,344	49,197,123
		159,102,853	236,919,957
		1,271,717,358	826,883,400

15.1 This includes the following:

15.1.1 A long-term financing facility from China Development Bank, utilized for on-lending to projects of the Bank's customers. The current amount outstanding is US$ 150.157 million (December 31, 2024: US$ 166.288 million). Drawn amounts are payable in semi-annual installments from January 2023 to January 2033. Interest at a fixed spread over SOFR is payable semi-annually.

15.1.2 A mortgage refinancing facility on Musharakah basis from Pakistan Mortgage Refinance Company Limited (PMRC) amounting to Rs 1,500.000 million (December 31, 2024: Rs 2,000.000 million) for on-lending to customers. The principal amount is payable in equal semi-annual installments from April 2025 to October 2026. Profit at a rate of 16.61% per annum (December 31, 2024: 16.61% per annum) is payable semi-annually.

15.1.3 A mortgage refinancing facility on Musharakah basis from PMRC amounting to Rs 4,000.000 million (December 31, 2024: nil) for on-lending to customers. The principal amount is payable in semi-annual installments from December 2025 to June 2028. Profit at a rate of 1-year KIBOR minus 2.25% with a floor of 9.00% per annum is payable semi-annually.

15.1.4 Mortgage refinancing facilities from PMRC, amounting to Rs 583.785 million (December 31, 2024: Rs 877.601 million), utilised by HBL Microfinance Bank Limited to extend mortgage finance to low income groups. The principal amount of the facilities is payable in quarterly installments from June 2020 to June 2031. Mark-up on all facilities is payable quarterly at rates ranging from 6.50% to 14.00% per annum (December 31, 2024: 6.50% to 17.94% per annum).

15.1.5 A long-term financing facility of US$ 75.000 million was arranged from British International Investment plc during the period, to support farmers and Agri businesses in Pakistan. The amount outstanding as on September 30, 2025 is US$ 75.000 million (December 31, 2024: US$ Nil) and repayment to commence after completion of the 2 years in semi-annual installments till July 2030. Interest rate on the facility is SOFR plus a fixed spread payable semi-annually.

16 DEPOSITS AND OTHER ACCOUNTS

	September 30, 2025 (Unaudited)			December 31, 2024 (Audited)		
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
	(Rupees in '000)					
Customers						
Current deposits	**1,619,245,182**	**310,965,003**	**1,930,210,185**	1,268,164,330	288,526,337	1,556,690,667
Savings deposits	**1,829,254,913**	**133,748,247**	**1,963,003,160**	1,800,076,033	141,224,116	1,941,300,149
Term deposits	**555,835,777**	**447,261,755**	**1,003,097,532**	382,613,255	413,868,423	796,481,678
	4,004,335,872	**891,975,005**	**4,896,310,877**	3,450,853,618	843,618,876	4,294,472,494
Financial institutions						
Current deposits	**4,954,296**	**1,911,345**	**6,865,641**	6,738,205	2,217,589	8,955,794
Savings deposits	**158,221,173**	**1,964,187**	**160,185,360**	46,162,150	810,461	46,972,611
Term deposits	**9,038,618**	**11,255,481**	**20,294,099**	7,595,584	12,374,159	19,969,743
	172,214,087	**15,131,013**	**187,345,100**	60,495,939	15,402,209	75,898,148
	4,176,549,959	**907,106,018**	**5,083,655,977**	3,511,349,557	859,021,085	4,370,370,642

17 LEASE LIABILITIES

	(Unaudited) September 30, 2025	(Audited) December 31, 2024
	(Rupees in '000)	
Opening balance	**35,869,231**	30,489,986
Exchange adjustment	**168,335**	(341,387)
Additions during the period / year	**4,723,215**	7,928,534
Interest expense	**2,905,202**	3,551,598
Lease payments including interest	**(5,659,854)**	(5,087,137)
Deletion during the period / year	**(1,753,405)**	(672,363)
Closing balance	**36,252,724**	35,869,231

17.1 Liabilities outstanding at the end of the period / year

Not later than one year	**2,069,243**	2,808,714
Later than one year and up to five years	**11,377,475**	11,321,306
Over five years	**22,806,006**	21,739,211
Total	**36,252,724**	35,869,231

	Note	(Unaudited) September 30, 2025	(Audited) December 31, 2024
18 SUBORDINATED DEBT		------(Rupees in '000)------	
Additional Tier I Term Finance Certificates	18.1.1	**12,374,000**	12,374,000
Additional Tier I Term Finance Certificates	18.1.2	**6,500,000**	6,500,000
Tier II Term Finance Certificates	18.2	**1,500,000**	1,500,000
		20,374,000	20,374,000

18.1 The Bank has issued listed, fully paid up, rated, privately placed, perpetual, unsecured, subordinated, non-cumulative and contingent convertible debt instruments in the nature of Term Finance Certificates (TFCs) issued as instruments of redeemable capital under Section 66 of the Companies Act, 2017 which qualify as Additional Tier 1 Capital (AT 1) as outlined by the SBP under BPRD Circular No. 6 dated August 15, 2013.

The key features of these issues are as follows:

18.1.1

Issue Date	September 26, 2019
Issue amount	Rs 12.374 billion
Rating	AA+ (Double A plus) [December 31, 2024: AA+ (Double A plus)]
Original Tenor	Perpetual
Security	Unsecured and subordinated to all other indebtedness of the Bank including depositors and general creditors, but will rank pari passu with other Additional Tier I instruments and superior to the claims of ordinary shareholders.
Mark-up payment frequency	Quarterly in arrears
Redemption	Perpetual, hence not applicable.
Mark-up	Floating rate of return at Base Rate + 1.60%. The Base Rate is defined as the average “Ask Side” rate of the three months Karachi Interbank Offered Rate (KIBOR).
Call option	The Bank may, at its sole discretion, call the TFCs any time after five years from the Issue Date subject to the following: (a) Prior approval of the SBP having been obtained; and (b) The Bank replacing the TFCs with capital of the same or better quality and the capital position of the Bank being above the minimum capital requirement after the Call Option is exercised. If the Bank decides to exercise the Call Option, the Bank shall notify the Trustee and the investors not less than 30 calendar days prior to the date of exercise of such Call Option, which notice shall specify the date fixed for the exercise of the Call Option (the “Call Option Exercise Date”).
Lock-in clause	Mark-up will only be paid from the current year’s earnings and only if the Bank is in compliance with regulatory capital and liquidity requirements.
Loss absorbency clause	The TFCs will be subject to a loss absorbency clause as stipulated under the SBP's "Instructions for Basel III Implementation in Pakistan".

18.1.2

Issue Date	December 28, 2022
Issue amount	Rs 6.500 billion
Rating	AA+ (Double A plus) [December 31, 2024: AA+ (Double A plus)]
Original Tenor	Perpetual
Security	Unsecured and subordinated to all other indebtedness of the Bank including depositors and general creditors, but will rank pari passu with other Additional Tier I instruments and superior to the claims of ordinary shareholders.
Mark-up payment frequency	Quarterly in arrears
Redemption	Perpetual, hence not applicable.
Mark-up	Floating rate of return at Base Rate + 2.00%. The Base Rate is defined as the average “Ask Side” rate of the three months Karachi Interbank Offered Rate (KIBOR).
Call option	The Bank may, at its sole discretion, call the TFCs any time after five years from the Issue Date subject to the following: (a) Prior approval of the SBP having been obtained; and (b) The Bank replacing the TFCs with capital of the same or better quality and the capital position of the Bank being above the minimum capital requirement after the Call Option is exercised. If the Bank decides to exercise the Call Option, the Bank shall notify the Trustee and the investors not less than 30 calendar days prior to the date of exercise of such Call Option, which notice shall specify the date fixed for the exercise of the Call Option (the “Call Option Exercise Date”).
Lock-in clause	Mark-up will only be paid from the current year’s earnings and only if the Bank is in compliance with regulatory capital and liquidity requirements.
Loss absorbency clause	The TFCs will be subject to a loss absorbency clause as stipulated under the SBP's "Instructions for Basel III Implementation in Pakistan".

18.2 HBL MfB has issued fully paid up, rated, privately placed, unsecured, and subordinated debt instruments in the nature of TFCs issued as instruments of redeemable capital under Section 66(1) of the Companies Act, 2017, which qualify as Tier II Capital as outlined by the SBP under BPRD Circular No. 6, dated August 15, 2013.

The key features of the issue are as follows:

Issue Date	December 22, 2023
Issue amount	Rs 1.500 billion (including a greenshoe option of Rs 500 million)
Rating	A (December 31, 2024: A)
Original Tenor	10 years from the first disbursement date.
Security	Unsecured and subordinated as to payment of principal and markup to all other indebtedness of HBL MfB, including deposits, but will rank pari passu with other Tier II instruments and superior to the claims of ordinary shareholders.
Profit payment frequency	Semi-annually in arrears on the outstanding Issue Amount. The first such markup payment will fall due six months from the Issue Date and subsequently every six months thereafter.
Redemption	The instrument will not be redeemable before maturity without prior approval of the SBP. Principal: Bullet at Maturity Markup: Semi-annual from the issue date
Mark-up	Floating rate of return at Base Rate + 2.00%. The Base Rate is defined as the average “Ask Side” rate of the six months Karachi Interbank Offered Rate (KIBOR).
Call option	HBL MfB may, at its sole discretion, call the TFCs any time after five years from the Issue Date subject to the following: (a) Prior approval of the SBP having been obtained; and (b) HBL MfB being compliant with the minimum capital requirement (MCR) and Capital Adequacy Ratio (CAR) after the Call Option is exercised. If HBL MfB decides to exercise the Call Option, it shall notify the Trustee and the investors not less than 30 calendar days prior to the date of exercise of such Call Option, which notice shall specify the date fixed for the exercise of the Call Option (the “Call Option Exercise Date”).
Lock-in clause	Neither markup nor principal can be paid (even at maturity) in respect of the TFC, if such payment will result in a shortfall in the Bank’s MCR or CAR or result in an increase in any existing shortfall in MCR and CAR.
Loss absorbency clause	The TFCs will be subject to a loss absorbency clause as stipulated under the SBP's "Instructions for Basel III Implementation in Pakistan".

19 DEFERRED TAX LIABILITIES	Note	(Unaudited) September 30, 2025	(Audited) December 31, 2024
		------(Rupees in '000)------	
Deductible temporary differences on			
- Tax losses of subsidiary		**(3,902,862)**	(4,100,869)
- Credit loss allowance against investments		**(215,416)**	(172,454)
- Credit loss allowance against doubtful debts and off-balance sheet obligations		**(27,652,123)**	(27,687,017)
- Liabilities written back under section 34(5) of the Income Tax Ordinance (ITO) 2001		**(3,141,072)**	(2,893,983)
- Ijarah financing		**(680,657)**	(644,964)
- Right-of-use assets and related lease liabilities		**(5,066,545)**	-
- Others		**(616,013)**	(606,360)
		(41,274,688)	(36,105,647)
Taxable temporary differences on			
- Accelerated tax depreciation		**2,953,745**	3,697,791
- Surplus on revaluation of investments	21	**33,889,108**	17,112,818
- Surplus / (deficit) on revaluation of investments of associates	21	**1,299,280**	(1,090,872)
- Surplus on revaluation of property and equipment	21	**3,995,471**	4,068,041
- Surplus on revaluation of property and equipment of associates	21	**210,689**	210,689
- Management rights and goodwill		**470,905**	447,462
- Share of profit of associates		**13,027,724**	11,385,210
- Exchange translation reserve		**7,756,824**	8,269,515
		63,603,746	44,100,654
Net deferred tax liabilities		**22,329,058**	7,995,007

		Note	(Unaudited) September 30, 2025	(Audited) December 31, 2024
20	**OTHER LIABILITIES**		------(Rupees in '000)------	
	Mark-up / return / profit / interest payable in local currency		**47,269,900**	46,746,978
	Mark-up / return / profit / interest payable in foreign currency		**7,998,097**	9,418,289
	Security deposits		**1,569,743**	1,653,881
	Accrued expenses		**51,662,790**	42,351,359
	Mark to market loss on forward foreign exchange contracts		**5,119,545**	4,023,102
	Mark to market loss on derivative instruments		**5,383,308**	6,708,794
	Unclaimed dividends		**862,280**	807,670
	Dividends payable		**311,862**	236,597
	Provision for post retirement medical benefits		**4,629,644**	4,765,310
	Provision for employees' compensated absences		**611,056**	683,712
	Credit loss allowance against off-balance sheet obligations	20.1	**8,401,789**	8,149,567
	Acceptances		**64,275,776**	79,594,883
	Branch adjustment account		**9,495,176**	8,455,541
	Provision for staff retirement benefits		**1,953,113**	1,750,893
	Payable to defined benefit plans		**833,435**	692,228
	Provision for Workers' Welfare Fund		**15,922,931**	13,796,858
	Unearned income		**7,496,976**	6,239,889
	Qarza-e-Hasna Fund		**338,409**	338,409
	Levies and taxes payable		**9,887,278**	17,723,885
	Insurance payable		**690,671**	519,460
	Provision for rewards program expenses		**4,488,099**	3,211,001
	Liability against trading of securities		**1,051,291**	-
	Clearing and settlement accounts		**23,437,991**	20,079,238
	Payable to HBL Foundation		**779,760**	867,797
	Charity fund		**93,969**	51,276
	Unclaimed deposits		**767,105**	956,346
	Others		**11,187,522**	6,895,389
			286,519,516	286,718,352

		(Unaudited) September 30, 2025	(Audited) December 31, 2024
20.1	**Credit loss allowance against off-balance sheet obligations**	------(Rupees in '000)------	
	Opening balance	**8,149,567**	1,927,866
	Impact of adoption of IFRS 9	**860,271**	1,691,809
	Exchange adjustment	**87,285**	(29,713)
	Charge for the period / year	**1,013,696**	5,150,988
	Reversal for the period / year	**(1,717,750)**	(544,682)
	Net (reversal) / charge	**(704,054)**	4,606,306
	Other movement	**8,720**	(46,701)
	Closing balance	**8,401,789**	8,149,567

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025

21 SURPLUS ON REVALUATION OF ASSETS - NET OF TAX

	Note	September 30, 2025 (Unaudited)			December 31, 2024 (Audited)		
		Attributable to			Attributable to		
		Equity holders	Non-controlling interest	Total	Equity holders	Non-controlling interest	Total
		(Rupees in '000)					
Surplus / (deficit) arising on revaluation of:							
- Property and equipment		46,247,798	47,638	46,295,436	46,380,170	56,935	46,437,105
- Property and equipment of associates		405,171	-	405,171	405,171	-	405,171
- FVOCI securities - debt		51,241,139	53,563	51,294,702	30,027,434	62,348	30,089,782
- FVOCI securities - equity	8.1	13,880,460	-	13,880,460	2,702,710	-	2,702,710
- FVOCI securities held by associates		2,498,615	-	2,498,615	(2,097,830)	-	(2,097,830)
- Non-banking assets acquired in satisfaction of claims	13	294,753	-	294,753	211,024	-	211,024
		114,567,936	101,201	114,669,137	77,628,679	119,283	77,747,962
Deferred tax liability / (asset) on surplus / (deficit) on revaluation of:							
- Property and equipment		3,979,932	15,539	3,995,471	4,049,579	18,462	4,068,041
- Property and equipment of associates		210,689	-	210,689	210,689	-	210,689
- FVOCI securities - debt		26,645,392	25,877	26,671,269	15,683,093	24,316	15,707,409
- FVOCI securities - equity		7,217,839	-	7,217,839	1,405,409	-	1,405,409
- FVOCI securities held by associates		1,299,280	-	1,299,280	(1,090,872)	-	(1,090,872)
- Non-banking assets acquired in satisfaction of claims		-	-	-	-	-	-
		39,353,132	41,416	39,394,548	20,257,898	42,778	20,300,676
Surplus on revaluation of assets - net of tax		75,214,804	59,785	75,274,589	57,370,781	76,505	57,447,286

22 CONTINGENCIES AND COMMITMENTS

	Note	(Unaudited) September 30, 2025	(Audited) December 31, 2024
		(Rupees in '000)	
- Guarantees	22.1	353,783,998	353,462,582
- Commitments	22.2	1,341,761,899	1,365,722,361
- Other contingent liabilities	22.3	18,593,663	18,484,403
		1,714,139,560	1,737,669,346

22.1 Guarantees:

Financial guarantees		67,535,318	51,682,069
Performance guarantees		273,130,860	291,658,577
Other guarantees		13,117,820	10,121,936
		353,783,998	353,462,582

22.2 Commitments:

Trade-related contingent liabilities		276,967,977	326,180,644
Commitments in respect of:			
- forward foreign exchange contracts	22.2.1	909,071,856	674,580,247
- forward Government securities transactions	22.2.2	64,121,874	270,514,553
- derivatives	22.2.3	53,332,557	48,832,145
- forward lending	22.2.4	25,947,023	32,974,875
		1,052,473,310	1,026,901,820
Commitments for acquisition of:			
- property and equipment		5,676,145	7,290,133
- intangible assets		6,644,467	5,349,764
		12,320,612	12,639,897
		1,341,761,899	1,365,722,361

		(Unaudited) September 30, 2025	(Audited) December 31, 2024
		------(Rupees in '000)------	
22.2.1	**Commitments in respect of forward foreign exchange contracts**		
	Purchase	**514,133,690**	384,653,468
	Sale	**394,938,166**	289,926,779
		909,071,856	674,580,247
22.2.2	**Commitments in respect of forward Government securities transactions**		
	Purchase	**43,610,911**	270,104,759
	Sale	**20,510,963**	409,794
		64,121,874	270,514,553
22.2.3	**Commitments in respect of derivatives**		
	Foreign currency options		
	Purchase	**9,526,344**	3,761,243
	Sale	**9,526,344**	3,761,243
		19,052,688	7,522,486
	Cross currency swaps		
	Purchase	**14,051,616**	16,740,280
	Sale	**20,028,253**	24,244,379
		34,079,869	40,984,659
	Interest rate swaps		
	Purchase	**-**	-
	Sale	**200,000**	325,000
		200,000	325,000
22.2.4	**Commitments in respect of forward lending**		
	Undrawn formal standby facilities, credit lines and other commitments to extend credit	**25,947,023**	32,974,875

These represent commitments that are irrevocable because they can not be withdrawn at the discretion of the Group without the risk of incurring a significant penalty or expense.

		(Unaudited) September 30, 2025	(Audited) December 31, 2024
		(Rupees in '000)	
22.3	**Other contingent liabilities**		
22.3.1	Claims against the Group not acknowledged as debts	**18,593,663**	18,484,403

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

22.3.2 There were no tax related contingencies as at the period end except for those disclosed in the consolidated financial statements for the year ended December 31, 2024.

23 DERIVATIVE INSTRUMENTS

Product Analysis	September 30, 2025 (Unaudited)					
	Foreign currency options		Cross currency swaps		Interest rate swaps	
	Notional principal	Mark to market gain / (loss)	Notional principal	Mark to market loss	Notional principal	Mark to market loss
	(Rupees in '000)					
Hedging	**9,526,344**	**(225,079)**	**-**	**-**	**-**	**-**
Market Making	**9,526,344**	**225,079**	**34,079,795**	**(5,117,775)**	**200,000**	**(705)**

	December 31, 2024 (Audited)					
	Foreign currency options		Cross currency swaps		Interest rate swaps	
	Notional principal	Mark to market gain / (loss)	Notional principal	Mark to market loss	Notional principal	Mark to market loss
	(Rupees in '000)					
Hedging	3,761,243	(73,795)	-	-	-	-
Market Making	3,761,243	73,795	40,984,659	(6,487,980)	325,000	(7,033)

		Note	(Unaudited) For the nine months ended September 30, 2025	September 30, 2024
			------(Rupees in '000)------	
24	**MARK-UP / RETURN / PROFIT / INTEREST EARNED**			
	On:			
	Loans and advances		**188,253,362**	236,141,440
	Investments		**302,367,619**	368,462,091
	Lendings to financial institutions		**5,866,043**	12,721,292
	Balances with banks		**6,916,446**	10,010,587
			503,403,470	627,335,410

24.1	**INTEREST INCOME RECOGNISED**			
	On:			
	Financial assets measured at amortised cost		**238,533,840**	306,788,343
	Financial assets measured at FVOCI		**251,629,138**	295,703,356
	Financial assets measured at FVTPL		**13,240,492**	24,843,711
			503,403,470	627,335,410

25	**MARK-UP / RETURN / PROFIT / INTEREST EXPENSED**			
	On:			
	Deposits		**204,565,593**	358,141,675
	Securities sold under repurchase agreement borrowings		**63,079,155**	44,597,099
	Borrowings		**20,653,694**	22,209,588
	Subordinated debt		**1,910,653**	3,234,146
	Cost of foreign currency swaps against foreign currency deposits / borrowings		**2,961,628**	9,351,189
	Lease liability against right-of-use assets		**2,905,202**	2,626,452
			296,075,925	440,160,149

26	**FEE AND COMMISSION INCOME**			
	Branch banking customer fees		**4,411,635**	4,170,661
	Branchless banking customer fees		**(44,233)**	354,572
	Consumer finance related fees		**2,406,280**	2,103,150
	Card related fees (debit and credit cards)		**11,735,298**	11,632,387
	Credit related fees		**2,195,021**	1,902,135
	Investment banking fees		**1,163,145**	873,705
	Commission on trade related products and guarantees		**6,020,322**	6,812,160
	Commission on cash management		**1,281,289**	1,266,200
	Commission on remittances (including home remittances)		**(1,100,527)**	1,357,433
	Commission on bancassurance		**1,418,939**	949,708
	Commission on Government to Person (G2P) payments		**(162,561)**	895,351
	Management fee		**3,077,220**	1,968,356
	Merchant discount and interchange fees		**5,803,969**	6,005,909
	Wealth management fee		**689,273**	519,430
	Others		**214,984**	217,095
			39,110,054	41,028,252
	Less: Sales tax / Federal Excise Duty on fee and commission income		**(4,856,631)**	(4,450,076)
			34,253,423	36,578,176

27	**GAIN / (LOSS) ON SECURITIES - NET**			
	Realised	27.1	**14,306,079**	3,961,480
	Unrealised - measured at FVTPL	8.1	**(256,158)**	2,604,456
			14,049,921	6,565,936

		(Unaudited) For the nine months ended September 30, 2025	September 30, 2024
27.1	**Gain / (loss) on securities - realised**	------(Rupees in '000)------	
	On:		
	Federal Government securities		
	- Market Treasury Bills	**3,615,929**	2,790,791
	- Pakistan Investment Bonds	**5,916,033**	116,784
	- Ijarah Sukuk	**4,126,426**	319,635
	Shares	**748,331**	1,016,487
	Non-Government debt securities	**10,718**	11,785
	Foreign securities	**(111,358)**	(294,002)
		14,306,079	3,961,480
27.1.1	Composition of gain on securities - realised		
	Net gain on securities measured at FVTPL	**3,895,073**	2,271,506
	Net gain on debt securities measured at FVOCI	**10,411,006**	1,689,974
		14,306,079	3,961,480
28	**OTHER INCOME**		
	Incidental charges	**760,095**	430,498
	(Loss) / gain on sale of property and equipment - net	**(19,933)**	32,040
	Gain realised on closure of the Bank's branch	**1,940,160**	-
	Rent on properties	**6,558**	6,598
		2,686,880	469,136
29	**OPERATING EXPENSES**		
	Total compensation expense	**56,185,880**	51,315,893
	Property expense		
	Rent and taxes	**989,184**	1,056,835
	Insurance	**280,493**	248,316
	Utilities cost	**4,515,007**	4,706,462
	Security (including guards)	**2,863,416**	2,701,879
	Repair and maintenance (including janitorial charges)	**4,429,751**	4,048,716
	Depreciation on owned property and equipment	**4,475,343**	4,134,136
	Depreciation on right-of-use assets	**3,550,982**	3,380,134
		21,104,176	20,276,478
	Information technology expenses		
	Software maintenance	**8,723,691**	8,033,688
	Hardware maintenance	**1,971,413**	1,997,190
	Depreciation	**3,446,358**	3,267,867
	Amortisation	**2,110,795**	2,038,826
	Network charges	**1,648,390**	1,608,109
	Consultancy charges	**496,733**	470,283
		18,397,380	17,415,963
	Other operating expenses		
	Legal and professional charges	**6,290,546**	5,687,861
	Outsourced services costs	**2,663,357**	2,155,918
	Travelling and conveyance	**1,634,201**	1,952,640
	Insurance	**1,740,526**	1,339,179
	Remittance charges	**573,378**	559,095
	Cash transportation and sorting charges	**2,501,084**	2,565,971
	Repairs and maintenance	**2,044,622**	1,967,463
	Depreciation	**1,068,030**	671,303
	Training and development	**232,489**	544,441
	Postage and courier charges	**796,987**	788,809
	Communication	**2,724,576**	3,568,944
	Stationery and printing	**2,773,337**	3,214,324
	Marketing, advertisement and publicity	**6,701,103**	4,276,348
	Donations	**811,060**	643,808
	Auditors' remuneration	**463,546**	432,749
	Brokerage and commission	**740,584**	665,876
	Subscription	**552,827**	620,888
	Documentation and processing charges	**10,623,338**	9,088,570
	Entertainment	**658,803**	653,058
	Consultancy charges	**2,040,581**	2,172,862
	Deposit insurance premium expense	**3,139,611**	2,728,144
	Product feature cost	**4,577,467**	3,863,689
	Others	**1,616,429**	1,684,981
		56,968,482	51,846,921
		152,655,918	140,855,255

		Note	(Unaudited) For the nine months ended September 30, 2025	September 30, 2024
			------(Rupees in '000)------	
30	**OTHER CHARGES**			
	Penalties imposed by the State Bank of Pakistan		**102,354**	290,712
	Penalties imposed by other regulatory bodies		**10,072**	59,932
			112,426	350,644
31	**CREDIT LOSS ALLOWANCE / (REVERSALS) AND WRITE OFFS - NET**			
	Reversal of credit loss allowance against investments	8.3	**(599,611)**	(1,090,312)
	Credit loss allowance against loans and advances	9.3	**9,797,341**	17,389,317
	Reversal of credit loss allowance against cash and cash equivalents		**(5,431)**	(1,637)
	Charge of credit loss allowance against other assets	13.1.1	**365,926**	344,847
	(Reversal) / charge of credit loss allowance against off-balance sheet obligations	20.1	**(704,054)**	2,553,118
	Recoveries against written off / charged off bad debts		**(1,217,843)**	(592,936)
	Recoveries against other assets written off		**-**	(1,548)
	Other write offs		**176,585**	430,687
			7,812,913	19,031,536
32	**TAXATION**			
	- Current			
	- For the period		**58,220,734**	50,631,046
	- Prior period		**6,002,204**	268,248
			64,222,938	50,899,294
	- Deferred			
	- For the period		**918,669**	(8,057,826)
	- Prior period		**(4,365,588)**	(219,230)
			(3,446,919)	(8,277,056)
			60,776,019	42,622,238
33	**BASIC AND DILUTED EARNINGS PER SHARE**			
	Profit for the period attributable to equity holders of the Bank		**51,293,098**	44,044,843
			(Number)	
	Weighted average number of ordinary shares		**1,466,852,508**	1,466,852,508
			(Rupees)	
	Basic and diluted earnings per share		**34.97**	30.03

33.1 Diluted earnings per share has not been presented separately as the Bank does not have any convertible instruments in issue.

34 FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair values of traded investments are based on quoted market prices.

Unquoted equity securities are carried at fair value. The valuation is carried out using appropriate methodologies.

The fair values of unquoted debt securities, fixed term advances, fixed term deposits and borrowings, other assets and other liabilities, cannot be calculated with sufficient reliability due to the absence of a current and active market for such assets and liabilities and reliable data regarding market rates for similar instruments and therefore, are not reported as part of this disclosure.

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

All assets and liabilities for which fair value is measured or disclosed in these condensed interim consolidated financial statements are categorised within the following fair value hierarchy based on the lowest level input that is significant to the fair value measurement:

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

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

Level 3 - Fair value measurements using inputs that are not based on observable market data.

Valuation techniques used in determination of fair values within Level 2 and Level 3

Federal Government securities	The fair values of Federal Government securities are determined on the basis of rates / prices sourced from Reuters.
Non-Government debt securities	Non-Government debt securities denominated in Rupees are valued on the basis of rates announced by the Mutual Funds Association of Pakistan (MUFAP). Non-Government debt securities denominated in other currencies are valued on the basis of rates taken from Bloomberg / Reuters.
Foreign Government debt securities	The fair values of foreign Government debt securities are determined on the basis of rates taken from Bloomberg/ Reuters.
Unquoted equity securities	The fair values of unquoted equity investments are estimated using cashflow projections of the investee company. Where cashflow projections are not available, the estimate is based on comparable market data. Where both the above valuation techniques cannot be used due to unavailability of data, the Bank uses the adjusted break-up value method as disclosed in note 34.1.1 below. The valuations may be further discounted for marketability concerns.
Units of mutual funds	The fair values of units of mutual funds are determined based on their net asset values as published at the close of each business day.
Derivatives	The Group enters into derivatives contracts with various counterparties. Derivatives that are valued using valuation techniques based on market observable inputs are mainly interest rate swaps and cross currency swaps. The most frequently applied valuation techniques include forward pricing and swap models using present value calculations.
Forward foreign exchange contracts and Forward Government securities transactions	The fair values of forward foreign exchange contracts and forward Government securities transactions are determined using forward pricing calculations.
Property and equipment and non-banking assets acquired in satisfaction of claims	Land, buildings and non-banking assets acquired in satisfaction of claims are revalued on a periodic basis using professional valuers. The valuation is based on their assessment of the market value of the assets.

34.1 **Level 3 fair valuation of unlisted equity securities**

34.1.1 Adjusted break-up value method:

The valuations are based on latest available financial statements of the investee company. These are adjusted for factors such as lack of control using haircuts ranging from 15% to 25%. A 1% change in the haircut actually applied would change the total fair value by Rs. 14.516 million. Any change to the valuation is reflected in other comprehensive income, since all investments for which this method is used are classified as FVOCI.

34.2 **Fair value of financial assets**

The following table provides the fair values of those of the Group's financial assets that are recognised or disclosed at fair value in these condensed interim consolidated financial statements:

	As at September 30, 2025 (Unaudited)				
On balance sheet financial instruments	Carrying value	Level 1	Level 2	Level 3	Total
	(Rupees in '000)				
Financial assets - measured at fair value					
Investments					
- Federal Government securities	3,174,219,591	-	3,174,219,591	-	3,174,219,591
- Shares - listed companies	28,711,424	23,058,720	5,652,704	-	28,711,424
- Shares - unlisted companies	15,195,683	-	13,744,082	1,451,601	15,195,683
- Non-Government debt securities - listed	50,017,090	40,000,000	10,017,090	-	50,017,090
- Foreign securities					
Government debt securities	206,119,541	-	206,119,541	-	206,119,541
Non-Government debt securities - listed	11,427,617	-	11,427,617	-	11,427,617
- National Investment Unit Trust units	112,583	-	112,583	-	112,583
- Real Estate Investment Trust units - listed	3,870,005	3,870,005	-	-	3,870,005
- Preference Shares - Listed	935,500	935,500	-	-	935,500
	3,490,609,034	67,864,225	3,421,293,208	1,451,601	3,490,609,034
Financial assets - disclosed but not measured at fair value					
Investments					
- Federal Government securities	445,715,130	-	449,649,594	-	449,649,594
- Non-Government debt securities - listed	898,969	-	847,763	-	847,763
- Foreign securities					
Government debt securities	12,127,589	-	12,190,413	-	12,190,413
	458,741,688	-	462,687,770	-	462,687,770
	3,949,350,722	67,864,225	3,883,980,978	1,451,601	3,953,296,804

	As at September 30, 2025 (Unaudited)				
	Notional value	Level 1	Level 2	Level 3	Total
	(Rupees in '000)				
Off-balance sheet financial instruments - measured at fair value					
Commitments					
- Forward foreign exchange contracts	**909,071,856**	**-**	**(1,042,814)**	**-**	**(1,042,814)**
- Forward Government securities transactions	**64,121,874**	**-**	**(33,050)**	**-**	**(33,050)**
- Derivative instruments	**53,332,557**	**-**	**(5,118,480)**	**-**	**(5,118,480)**

	As at December 31, 2024 (Audited)				
	Carrying value	Level 1	Level 2	Level 3	Total
	(Rupees in '000)				
On balance sheet financial instruments					
Financial assets - measured at fair value					
Investments					
- Federal Government securities	1,794,086,647	-	1,794,086,647	-	1,794,086,647
- Shares - listed companies	20,517,673	13,707,545	6,810,128	-	20,517,673
- Non-Government debt securities - Listed	50,242,039	40,400,000	9,842,039	-	50,242,039
- Foreign securities					
Government debt securities	182,324,551	-	182,324,551	-	182,324,551
Non-Government debt securities - Listed	11,052,424	-	11,052,424	-	11,052,424
- National Investment Unit Trust units	94,384	-	94,384	-	94,384
- Real Estate Investment Trust units - Listed	3,477,857	3,477,857	-	-	3,477,857
- Preference Shares - Listed	835,400	835,400	-	-	835,400
	2,062,630,975	58,420,802	2,004,210,173	-	2,062,630,975
Financial assets - disclosed but not measured at fair value					
Investments					
- Federal Government securities	374,421,930	-	372,640,469	-	372,640,469
- Non-Government debt securities - Listed	899,081	-	873,475	-	873,475
- Foreign securities					
Government debt securities	16,114,053	-	16,303,232	-	16,303,232
	391,435,064	-	389,817,176	-	389,817,176
	2,454,066,039	58,420,802	2,394,027,349	-	2,452,448,151

	As at December 31, 2024 (Audited)				
	Notional value	Level 1	Level 2	Level 3	Total
	(Rupees in '000)				
Off-balance sheet financial instruments - measured at fair value					
Commitments					
- Forward foreign exchange contracts	674,580,247	-	(242,223)	-	(242,223)
- Forward Government securities transactions	270,514,553	-	490,430	-	490,430
- Derivative instruments	48,832,145	-	(6,495,013)	-	(6,495,013)

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

	As at September 30, 2025 (Unaudited)				
	Carrying value	Level 1	Level 2	Level 3	Total
	(Rupees in '000)				
- Land and building	**88,558,678**	**-**	**88,558,678**	**-**	**88,558,678**
- Non-banking assets acquired in satisfaction of claims	**483,729**	**-**	**483,729**	**-**	**483,729**
	89,042,407	**-**	**89,042,407**	**-**	**89,042,407**

	As at December 31, 2024 (Audited)				
	Carrying value	Level 1	Level 2	Level 3	Total
	(Rupees in '000)				
- Land and building	85,936,216	-	85,936,216	-	85,936,216
- Non-banking assets acquired in satisfaction of claims	400,000	-	400,000	-	400,000
	86,336,216	-	86,336,216	-	86,336,216

35 **SEGMENT INFORMATION**

35.1 **Segment details with respect to Business Activities**

	For the nine months ended September 30, 2025 (Unaudited)										
	Retail Banking	Consumer, SME & Agriculture lending	Corporate, Commercial and Investment Banking	Treasury	Financial Institutions	Branchless banking	International	Asset management	Microfinance	Head office / others	Total
Profit and loss account	(Rupees in million)										
Net mark-up / return / profit / interest income	(143,169)	42,037	54,437	213,030	9,412	(94)	19,719	(246)	14,015	(1,813)	207,328
Inter segment revenue / (expense) - net	224,980	(25,085)	(20,478)	(184,174)	(10,544)	1,538	252	-	-	13,511	-
Non mark-up / interest income	6,065	16,037	5,990	24,509	652	264	3,557	3,273	1,850	5,338	67,535
Total income	87,876	32,989	39,949	53,365	(480)	1,708	23,528	3,027	15,865	17,036	274,863
Segment direct expenses	36,015	21,400	3,267	1,839	216	1,846	21,357	1,952	9,962	57,040	154,894
Inter segment expense allocation	32,057	8,961	9,327	1,578	549	1,313	763	-	-	(54,548)	-
Total expenses	68,072	30,361	12,594	3,417	765	3,159	22,120	1,952	9,962	2,492	154,894
Credit loss allowance - (reversal) / charge	68	640	3,832	(1)	148	377	(694)	-	4,598	(1,155)	7,813
Profit / (loss) before tax	19,736	1,988	23,523	49,949	(1,393)	(1,828)	2,102	1,075	1,305	15,699	112,156

	As at September 30, 2025 (Unaudited)										
	Retail Banking	Consumer, SME & Agriculture lending	Corporate, Commercial and Investment Banking	Treasury	Financial Institutions	Branchless banking	International	Asset management	Microfinance	Head office / others	Total
Statement of financial position	(Rupees in million)										
Cash and bank balances	197,737	-	732	229,662	-	-	115,319	40	13,142	794	557,426
Lendings to financial institutions	-	-	-	130,353	-	-	-	-	5,302	-	135,655
Inter segment lending	3,065,722	-	1,433	-	-	24,375	12,916	-	-	142,478	3,246,924
Investments	-	-	72,774	3,567,514	4,472	-	254,778	2,613	63,465	55,712	4,021,328
Advances - performing	-	321,462	936,088	-	145,999	-	449,086	-	87,376	24,616	1,964,627
Advances - non-performing	-	1,846	3,917	-	-	-	2,664	-	863	291	9,581
Others	31,908	5,059	80,584	96,641	3,742	2,256	53,663	8,908	21,453	250,573	554,787
Total assets	3,295,367	328,367	1,095,528	4,024,170	154,213	26,631	888,426	11,561	191,601	474,464	10,490,328
Borrowings	-	5,130	119,169	1,029,190	-	-	84,408	4,500	29,320	-	1,271,717
Subordinated debt	-	-	-	-	-	-	-	-	1,500	18,874	20,374
Deposits and other accounts	3,235,323	1,881	895,647	-	146,930	22,727	656,217	-	130,410	(5,479)	5,083,656
Inter segment borrowing	-	295,283	-	2,944,454	7,187	-	-	-	-	-	3,246,924
Others	60,044	26,073	80,712	17,646	96	3,904	64,856	6,372	11,988	131,890	403,581
Total liabilities	3,295,367	328,367	1,095,528	3,991,290	154,213	26,631	805,481	10,872	173,218	145,285	10,026,252
Equity	-	-	-	32,880	-	-	82,945	689	18,383	329,179	464,076
Total equity and liabilities	3,295,367	328,367	1,095,528	4,024,170	154,213	26,631	888,426	11,561	191,601	474,464	10,490,328
Contingencies and commitments	-	5,036	560,382	780,441	30,724	-	307,453	-	-	30,104	1,714,140

	For the nine months ended September 30, 2024 (Unaudited)										
	Retail Banking	Consumer, SME & Agriculture lending	Corporate, Commercial and Investment Banking	Treasury	Financial Institutions	Branchless banking	International	Asset management	Microfinance	Head office / others	Total
Profit and loss account	(Rupees in million)										
Net mark-up / return / profit / interest income	(259,080)	46,461	79,404	305,220	(6,298)	(170)	21,259	(34)	5,514	(5,101)	187,175
Inter segment revenue / (expense) - net	385,133	(33,446)	(41,102)	(331,190)	6,698	6,256	345	-	-	7,306	-
Non mark-up / interest income	4,949	15,806	5,883	15,377	721	1,415	7,237	2,174	1,486	5,658	60,706
Total Income	131,002	28,821	44,185	(10,593)	1,121	7,501	28,841	2,140	7,000	7,863	247,881
Segment direct expenses	36,169	18,140	3,244	636	232	2,197	19,370	948	8,092	53,944	142,972
Inter segment expense allocation	28,797	8,351	8,967	1,445	510	988	727	-	-	(49,785)	-
Total expenses	64,966	26,491	12,211	2,081	742	3,185	20,097	948	8,092	4,159	142,972
Credit loss allowance - charge / (reversal)	600	2,260	15,853	-	110	14	(1,334)	-	5,387	(3,858)	19,032
Profit / (loss) before tax	65,436	70	16,121	(12,674)	269	4,302	10,078	1,192	(6,479)	7,562	85,877

	As at December 31, 2024 (Audited)										
	Retail Banking	Consumer, SME & Agriculture lending	Corporate, Commercial and Investment Banking	Treasury	Financial Institutions	Branchless banking	International	Asset management	Microfinance	Head office / others	Total
Statement of financial position	(Rupees in million)										
Cash and bank balances	147,782	-	760	194,143	-	-	153,152	4	14,498	1,181	511,520
Lendings to financial institutions	-	-	-	84,294	-	-	-	-	-	-	84,294
Inter segment lending	2,763,575	-	-	-	-	38,086	1,685	-	-	217,313	3,020,659
Investments	-	-	72,132	2,097,402	5,990	-	226,980	2,070	72,723	50,903	2,528,200
Advances - performing	-	304,944	1,347,623	-	270,903	-	396,073	-	82,046	21,458	2,423,047
Advances - non-performing	-	1,778	5,433	-	-	-	2,459	-	2,486	232	12,388
Others	28,536	11,940	128,427	39,382	4,564	2,209	49,731	4,613	19,577	206,685	495,664
Total assets	2,939,893	318,662	1,554,375	2,415,221	281,457	40,295	830,080	6,687	191,330	497,772	9,075,772
Borrowings	-	4,016	138,192	534,990	-	-	108,915	-	40,770	-	826,883
Subordinated debt	-	-	-	-	-	-	-	-	1,500	18,874	20,374
Deposits and other accounts	2,885,744	1,902	676,750	-	43,673	36,788	607,038	-	122,641	(4,165)	4,370,371
Inter segment borrowing	-	284,309	672,964	1,825,666	237,629	-	91	-	-	-	3,020,659
Others	54,149	28,435	66,469	41,030	155	3,507	37,980	2,119	10,970	181,873	426,687
Total liabilities	2,939,893	318,662	1,554,375	2,401,686	281,457	40,295	754,024	2,119	175,881	196,582	8,664,974
Equity	-	-	-	13,535	-	-	76,056	4,568	15,449	301,190	410,798
Total equity and liabilities	2,939,893	318,662	1,554,375	2,415,221	281,457	40,295	830,080	6,687	191,330	497,772	9,075,772
Contingencies and commitments	-	2,304	616,679	680,203	53,116	-	354,892	-	-	30,475	1,737,669

36 RELATED PARTY TRANSACTIONS

The Group has related party relationships with various parties including its Directors, Key Management Personnel, Group entities, associated companies and employee benefit schemes of the Group.

Transactions with related parties, other than those under the terms of employment, are executed on an arm's length basis i.e. do not involve more than normal risk and are substantially on the same terms, including mark-up rates and collateral, as those prevailing at the time for comparable transactions with unrelated parties.

Contributions to and accruals in respect of staff retirement and other benefit schemes are made in accordance with the actuarial valuations / terms of the schemes.

Details of transactions and balances with related parties as at the period / year end are as follows:

	As at September 30, 2025 (Unaudited)				
	Directors	Key Management Personnel	Group Entities	Associates	Other related parties
	---------- (Rupees in '000) ----------				
Statement of financial position					
Balances with other banks					
In current accounts	-	-	63,444	-	-
Investments					
Opening balance	-	-	-	42,138,798	13,758,615
Initial impact of the fair valuation of unlisted equity securities	-	-	-	-	9,608,380
Exchange adjustment	-	-	-	350,328	(259,146)
Investment made during the period	-	-	-	5,791,362	-
Investment redeemed / disposed off during the period	-	-	-	(5,411,134)	(1,533,500)
Share of profit - net of tax	-	-	-	4,879,139	-
Share of other comprehensive income - net of tax	-	-	-	(84,847)	-
Dividend received during the period	-	-	-	(1,722,567)	-
Revaluation of investments during the period	-	-	-	4,596,445	(664,201)
Reversal of credit loss allowance / reversal of provision for diminution in the value of investments	-	-	-	60,086	9,680
Closing balance	-	-	-	50,597,610	20,919,828
Credit loss allowance / provision for diminution in the value of investments - held	-	-	-	319,672	2,644
Advances					
Opening balance	1,295	537,494	5,093,585	125,000	11,409,456
Exchange adjustment	-	137	45,764	137	-
Addition during the period	11,305	460,366	20,599,445	2,812,861	15,677,297
Repaid during the period	(11,332)	(421,457)	(22,600,151)	(1,531,430)	(17,012,948)
Transfer in - net	-	79,413	-	-	-
Closing balance	1,268	655,953	3,138,643	1,406,568	10,073,805
Other assets					
Interest / mark-up accrued	-	457	15,248	28,624	354,775
Receivable from defined benefit plan	-	-	-	-	1,101,998
Prepaid insurance	-	-	-	941,968	-
Advance rent	-	2,865	18,406	51,724	-
Other prepayments	-	-	-	-	13,268
	-	3,322	33,654	1,022,316	1,470,041
Borrowings					
Opening balance	-	-	-	20,612,700	5,384,552
Exchange adjustment	-	-	-	203,759	24,760
Borrowings during the period	-	-	-	115,043,848	10,250,739
Settled during the period	-	-	-	(122,919,710)	(8,169,679)
Closing balance	-	-	-	12,940,597	7,490,372
Deposits and other accounts					
Opening balance	99,091	515,176	47,049,851	19,572,832	7,100,528
Exchange adjustment	1,134	3,425	48,524	310	98,499
Received during the period	486,813	4,270,033	301,675,553	1,812,034,910	125,758,976
Withdrawn during the period	(401,808)	(4,187,434)	(297,157,043)	(1,781,025,394)	(124,395,291)
Transfer in - net	-	10,331	-	-	-
Closing balance	185,230	611,531	51,616,885	50,582,658	8,562,712
Other liabilities					
Interest / mark-up payable	385	4,746	861,146	94,941	319,430
Payable to defined benefit plan	-	-	-	-	833,435
Donation payable	-	-	-	-	788,045
Unearned income	-	-	16,428	-	-
Insurance payable	-	-	-	296,699	-
Other payables	-	-	2,520	-	62,689
	385	4,746	880,094	391,640	2,003,599
Contingencies and commitments					
Letters of credit	-	-	782,952	-	163,256
Letters of guarantee	-	-	392,773	-	3,541,727
Forward purchase of Government securities	-	-	343,130	-	-
	-	-	1,518,855	-	3,704,983
Others					
Securities held as custodian	-	211,447	19,717,135	300,998,565	52,537,219

	For the nine months ended September 30, 2025 (Unaudited)				
	Directors	Key Management Personnel	Group Entities	Associates	Other related parties
	(Rupees in '000)				
Profit and loss account					
Income					
Mark-up / return / profit / interest earned	2	16,402	217,832	51,771	1,155,268
Fee and commission income	790	7,128	329,581	1,114,505	16,936
Share of profit	-	-	-	4,879,139	-
Dividend income	-	-	-	-	2,127,997
Rent on properties	-	-	-	-	248
Gain on disposal of property and equipment	-	-	-	2,091	-
Expenses					
Mark-up / return / profit / interest expensed	4,077	14,612	3,212,824	3,230,250	809,889
Operating expenses					
Total compensation expense	-	2,496,163	-	-	1,601,030
Non-Executive Directors' fees	65,250	-	-	-	-
Insurance premium expense	-	-	-	3,262,798	-
Product feature cost	-	-	278,723	-	-
Travelling	-	-	13,518	-	-
Software maintenance	-	-	-	-	47,943
Rent and taxes	-	-	41,417	51,719	4,694
Subscription	-	-	-	-	12,115
Donation	-	-	-	-	788,045
Brokerage and commission	-	-	-	-	293,950
Documentation and processing charges	-	-	-	-	93,812
Other expenses	-	-	5,371	-	20,467
Reversal of credit loss allowance / reversal of provision for diminution in the value of investments	-	-	-	60,086	9,680
Others					
Purchase of Government securities	-	122,502	125,608,943	116,752,988	16,982,458
Sale of Government securities	1,183	303,395	182,101,271	197,836,793	26,681,323
Purchase of foreign currencies	-	3,045	10,397,188	166,766	245,006
Sale of foreign currencies	21,909	211,040	4,417,767	7,225,708	2,016,082
Insurance claims settled	-	-	-	444,649	-

	As at December 31, 2024 (Audited)				
	Directors	Key Management Personnel	Group Entities	Associates	Other related parties
	(Rupees in '000)				
Statement of financial position					
Balances with other banks					
In current accounts	-	-	103,491	-	157
Investments					
Opening balance	-	-	-	36,132,623	17,265,334
Impact of adoption of IFRS 9	-	-	-	-	(222,031)
Exchange adjustment	-	-	-	4,329,085	(491,390)
Investment made during the year	-	-	-	4,224,286	-
Investment redeemed / disposed off during the year	-	-	-	(3,410,115)	(2,837,500)
Share of profit - net of tax	-	-	-	4,763,000	-
Share of other comprehensive income - net of tax	-	-	-	(1,517,132)	-
Dividend received during the year	-	-	-	(1,652,708)	-
Revaluation of investments during the year	-	-	-	(472,428)	(165,505)
(Provision) for diminution / credit loss allowance in the value of investments	-	-	-	(257,813)	209,707
Closing balance	-	-	-	42,138,798	13,758,615
Credit loss allowance / provision for diminution in the value of investments - held	-	-	-	379,757	12,324
Advances					
Opening balance	1,969	1,293,004	5,352,719	375,000	10,230,405
Exchange adjustment	-	-	(1,169,263)	-	-
Addition during the year	14,004	388,237	34,360,119	-	21,471,903
Repaid during the year	(14,678)	(320,895)	(33,449,990)	(250,000)	(20,239,809)
Transfer out - net	-	(822,852)	-	-	(53,043)
Closing balance	1,295	537,494	5,093,585	125,000	11,409,456
Other assets					
Interest / mark-up accrued	-	967	44,109	7,620	325,042
Receivable from defined benefit plan	-	-	-	-	1,101,998
Prepaid insurance	-	-	-	693,055	-
Advance rent	-	2,887	28,294	33,689	-
Other prepayments	-	-	-	-	17,378
	-	3,854	72,403	734,364	1,444,418

	As at December 31, 2024 (Audited)				
	Directors	Key Management Personnel	Group Entities	Associates	Other related parties
	(Rupees in '000)				
Borrowings					
Opening balance	-	-	5,169,268	16,686,344	5,766,780
Exchange adjustment	-	-	-	(1,588,155)	(29,796)
Borrowings during the year	-	-	-	158,918,166	10,026,383
Settled during the year	-	-	(5,169,268)	(153,403,655)	(10,378,815)
Closing balance	-	-	-	20,612,700	5,384,552
Deposits and other accounts					
Opening balance	72,803	624,864	37,860,212	53,583,869	1,440,158
Exchange adjustment	(118)	(5,927)	(278,160)	(4,913)	(24,916)
Received during the year	1,973,990	5,432,243	457,762,803	1,409,890,755	69,869,176
Withdrawn during the year	(1,947,584)	(5,306,114)	(448,295,004)	(1,443,896,879)	(64,198,302)
Transfer (out) / in - net	-	(229,890)	-	-	14,412
Closing balance	99,091	515,176	47,049,851	19,572,832	7,100,528
Other liabilities					
Interest / mark-up payable	160	950	1,161,588	108,350	103,647
Payable to defined benefit plan	-	-	-	-	692,228
Donation payable	-	-	-	-	867,797
Unearned income	-	-	7,781	-	-
Insurance payable	-	-	-	88,492	-
Other payables	-	-	-	966	24,505
	160	950	1,169,369	197,808	1,688,177
Contingencies and Commitments					
Letters of credit	-	-	857,611	-	261,003
Letters of guarantee	-	-	187,974	-	3,541,727
Forward purchase of Government securities	-	-	1,002,095	-	351,855
Interest rate swaps	-	-	-	125,000	-
	-	-	2,047,680	125,000	4,154,585
Others					
Securities held as custodians	-	157,390	19,906,410	306,748,350	36,138,635

	For the nine months ended September 30, 2024 (Unaudited)				
Profit and loss account	Directors	Key Management Personnel	Group Entities	Associates	Other related parties
	(Rupees in '000)				
Income					
Mark-up / return / profit / interest earned	19	22,368	322,253	50,483	1,942,375
Fee and commission income	746	9,223	284,333	768,167	10,697
Share of profit	-	-	-	3,859,800	-
Dividend income	-	-	-	-	1,931,325
Rent on properties	-	-	-	-	-
Gain on disposal of property and equipment	-	-	-	6,398	-
Unrealised loss on derivatives	-	-	-	(9,904)	-
Expense					
Mark-up / return / profit / interest expensed	7,999	44,898	3,203,726	5,763,751	981,988
Operating expenses					
Total compensation expense	-	2,941,029	-	-	1,282,429
Non-Executive Directors' fees	74,250	-	-	-	-
Insurance premium expense	-	-	-	2,659,384	-
Product feature cost	-	-	220,485	-	-
Travelling	-	-	9,372	-	-
Software maintenaince	-	-	-	-	31,226
Rent and taxes	-	-	36,673	50,916	964
Subscription	-	-	-	-	7,945
Donation	-	-	-	-	629,352
Brokerage and commission	-	-	-	-	236,338
Documentation and processing charges	-	-	-	-	112,921
Other expenses	-	-	810	-	6,822
Credit loss allowance for diminution in value of investments	-	-	-	-	20,070
Others					
Purchase of Government securities	-	124,730	138,360,410	182,083,857	6,198,398
Sale of Government securities	-	205,685	143,104,568	90,619,495	15,091,672
Purchase of foreign currencies	-	2,353	8,702,120	135,958	15,668
Sale of foreign currencies	23,811	213,424	5,547,197	2,605,488	1,260,039
Insurance claims settled	-	-	-	291,776	-

36.1 Balances and transactions with group entities include deposits of Rs 0.441 million (December 31, 2024: Rs 0.638 million) from the parent and Rs 8,294 (September 30, 2024: Rs 2.516 million) as mark-up expense thereon.

	(Unaudited) September 30, 2025	(Audited) December 31, 2024
	-----(Rupees in '000)-----	
37 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS		
Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	**14,668,525**	14,668,525
Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier 1 (CET 1) Capital	**342,698,275**	316,238,451
Eligible Additional Tier 1 (ADT 1) Capital	**18,464,033**	18,621,353
Total Eligible Tier 1 Capital	**361,162,308**	334,859,804
Eligible Tier 2 Capital	**98,726,004**	80,462,444
Total Eligible Capital (Tier 1 + Tier 2)	**459,888,312**	415,322,248
Risk Weighted Assets (RWAs):		
Credit Risk	**1,777,651,888**	1,725,824,589
Market Risk	**343,587,475**	231,458,425
Operational Risk	**388,610,901**	388,610,901
Total	**2,509,850,264**	2,345,893,915
CET 1 CAR	**13.65%**	13.48%
Tier 1 CAR	**14.39%**	14.27%
Total CAR	**18.32%**	17.70%
Bank specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus any other buffer requirement)	**8.50%**	8.50%
of which: capital conservation buffer requirement	**1.50%**	1.50%
of which: countercyclical buffer requirement	**-**	-
of which: D-SIB buffer requirement	**1.00%**	1.00%
CET1 available to meet buffers (as a percentage of risk weighted assets)	**7.65%**	7.48%
Other information:		
National minimum capital requirements prescribed by the SBP		
CET1 minimum ratio (%)	**8.50%**	8.50%
Tier 1 minimum ratio (%)	**10.00%**	10.00%
Total capital minimum ratio (%)	**12.50%**	12.50%

	(Unaudited) September 30, 2025	(Audited) December 31, 2024
	-----(Rupees in '000)-----	
Leverage Ratio (LR)		
Eligible Tier-1 Capital	**361,162,308**	334,859,804
Total Exposures	**8,001,986,028**	7,184,144,791
Leverage Ratio (%)	**4.51%**	4.66%
Minimum Requirement (%)	**3.00%**	3.00%
Liquidity Coverage Ratio (LCR)		
Average High Quality Liquid Assets	**2,487,839,142**	2,320,570,154
Average Net Cash Outflow	**988,097,689**	869,235,371
Liquidity Coverage Ratio (%)	**251.78%**	266.97%
Minimum Requirement (%)	**100.00%**	100.00%
Net Stable Funding Ratio (NSFR)		
Available Stable Funding	**4,411,803,785**	4,156,125,272
Required Stable Funding	**2,590,927,943**	2,732,852,018
Net Stable Funding Ratio (%)	**170.28%**	152.08%
Minimum Requirement (%)	**100.00%**	100.00%

37.1 For the purpose of calculating CAR, the SBP has allowed banks to phase in the impact on opening retained earnings of the ECL calculated for financial assets classified as stage 1 and stage 2. The phasing is allowed over a period of five years. Had there been no such relaxation, the Group's total CAR would have been lower by 36 bps and the Leverage Ratio would have been lower by 12 bps.

38 ISLAMIC BANKING BUSINESS

The Bank operates 458 (December 31, 2024: 408) Islamic Banking branches and 560 (December 31, 2024: 581) Islamic Banking windows.

STATEMENT OF FINANCIAL POSITION	Note	(Unaudited) September 30, 2025	(Audited) December 31, 2024
ASSETS		-----(Rupees in '000)-----	
Cash and balances with treasury banks		**51,781,890**	39,849,968
Balances with other banks		**1,738,481**	760,800
Due from financial institutions	38.1	**58,300,000**	30,000,000
Investments	38.2	**410,739,275**	349,841,214
Islamic financing and related assets - net	38.3	**210,028,285**	193,867,617
Property and equipment		**7,239,895**	7,307,282
Right-of-use assets		**8,167,923**	7,553,230
Intangible assets		**31,782**	43,133
Due from Head Office		**8,922,717**	-
Deferred tax assets		**-**	-
Other assets		**29,070,880**	25,835,979
		786,021,128	655,059,223
LIABILITIES			
Bills payable		**34,604**	39,072
Due to financial institutions	38.4	**17,705,998**	45,450,071
Deposits and other accounts	38.5	**650,005,457**	494,894,964
Due to Head Office		**-**	5,926,658
Lease liabilities		**11,616,644**	10,332,557
Subordinated debt		**-**	-
Deferred tax liabilities		**4,651,458**	1,904,986
Other liabilities		**25,226,142**	33,565,331
		709,240,303	592,113,639
NET ASSETS		**76,780,825**	62,945,584
REPRESENTED BY			
Islamic Banking Fund		**500,000**	500,000
Reserves		**-**	-
Surplus on revaluation of investments - net of tax		**4,296,192**	4,361,869
Unappropriated profit	38.6	**71,984,633**	58,083,715
		76,780,825	62,945,584
Contingencies and commitments	38.7		

		(Unaudited) For the nine months ended	
		September 30, 2025	September 30, 2024
PROFIT AND LOSS ACCOUNT		-----(Rupees in '000)-----	
Profit / return earned	38.8	**56,782,666**	74,490,881
Profit / return expensed	38.9	**21,757,088**	38,149,118
Net profit / return		**35,025,578**	36,341,763
Other income			
Fee and commission income		**1,723,994**	1,657,490
Dividend income		**-**	-
Foreign exchange income		**412,046**	634,057
Income from derivatives		**-**	-
Gain on securities - net		**656,230**	93,155
Others		**-**	-
Total other income		**2,792,270**	2,384,702
Total income		**37,817,848**	38,726,465
Other expenses			
Operating expenses		**9,907,684**	8,883,836
Workers' Welfare Fund		**592,523**	526,646
Other charges		**975**	562
Total other expenses		**10,501,182**	9,411,044
Profit before credit loss allowance		**27,316,666**	29,315,421
(Reversal) / charge of credit loss allowance and write offs - net		**(2,309,497)**	2,983,144
Profit before taxation		**29,626,163**	26,332,277
Taxation		**15,701,866**	12,902,816
Profit after taxation		**13,924,297**	13,429,461

		(Unaudited) September 30, 2025	(Audited) December 31, 2024
38.1	**Due from Financial Institutions**	-----(Rupees in '000)-----	
	Call money lendings	8,300,000	8,000,000
	Secured lendings	50,000,000	22,000,000
		58,300,000	30,000,000

38.2 **Investments by segments**

	September 30, 2025 (Unaudited)			
	Cost / amortised cost	Credit loss allowance	Surplus / (deficit)	Carrying value
	(Rupees in '000)			
Debt Instruments				
Fair value through profit and loss (FVTPL)				
Federal Government securities				
- Ijarah Sukuk	18,654,623	-	11,192	18,665,815
- Other Federal Government securities	873,070	-	-	873,070
Non-Government debt securities				
- Listed	191,674	-	1,871	193,545
- Unlisted	801,000	-	-	801,000
	20,520,367	-	13,063	20,533,430
Fair value through other comprehensive income (FVOCI)				
Federal Government securities				
- Ijarah Sukuk	295,453,561	-	8,906,549	304,360,110
Non-Government debt securities				
- Listed	42,000,000	(19,563)	38,563	42,019,000
	337,453,561	(19,563)	8,945,112	346,379,110
Amortised cost				
Federal Government securities				
- Ijarah Sukuk	32,347,734	-	-	32,347,734
Non-Government debt securities				
- Unlisted	12,108,816	(629,815)	-	11,479,001
	44,456,550	(629,815)	-	43,826,735
Total Investments	402,430,478	(649,378)	8,958,175	410,739,275

	December 31, 2024 (Audited)			
	Cost / amortised cost	Credit loss allowance	Surplus / (deficit)	Carrying value
	(Rupees in '000)			
Fair value through profit and loss (FVTPL)				
Federal Government securities				
- Ijarah Sukuk	10,273,922	-	71,409	10,345,331
- Other Federal Government securities	2,580,725	-	-	2,580,725
Non-Government debt securities				
- Listed	191,668	-	6	191,674
- Unlisted	801,000	-	-	801,000
	13,847,315	-	71,415	13,918,730
Fair value through other comprehensive income (FVOCI)				
Federal Government securities				
- Ijarah Sukuk	242,713,829	-	8,583,533	251,297,362
Non-Government debt securities				
- Listed	42,750,000	(17,539)	498,773	43,231,234
- Unlisted	600,000	(6,984)	4,922	597,938
	286,063,829	(24,523)	9,087,228	295,126,534
Amortised cost				
Federal Government securities				
- Ijarah Sukuk	28,274,899	-	-	28,274,899
Non-Government debt securities				
- Unlisted	13,148,915	(627,864)	-	12,521,051
	41,423,814	(627,864)	-	40,795,950
Total Investments	341,334,958	(652,387)	9,158,643	349,841,214

	September 30, 2025 (Unaudited)			
	Stage 1	Stage 2	Stage 3	Total
	(Rupees in '000)			
38.2.1 Particulars of credit loss allowance				
Non Government debt securities	**37,378**	**-**	**612,000**	**649,378**

	December 31, 2024 (Audited)			
	Stage 1	Stage 2	Stage 3	Total
	(Rupees in '000)			
Particulars of credit loss allowance				
Non Government debt securities	40,387	-	612,000	652,387

	(Unaudited) September 30, 2025	(Audited) December 31, 2024
38.3 Islamic financing and related assets - net	(Rupees in '000)	
Diminishing Musharakah	**95,322,831**	100,521,115
Running Musharakah	**49,227,635**	34,004,211
Wakalah	**15,463,833**	16,255,807
Ijarah	**5,250,029**	5,462,128
Murabaha	**10,717,578**	7,325,575
Salam	**-**	72,849
Tijarah	**1,461,239**	2,941,173
Istisna	**2,967,736**	1,709,722
Musawamah	**1,788,257**	1,241,904
Advance for Diminishing Musharakah	**9,367,013**	4,479,502
Advance for Ijarah	**530,687**	1,902,161
Advance for Murabaha	**2,939,824**	4,749,266
Advance for Salam	**337,500**	1,054,907
Advance for Istisna	**17,925,745**	15,624,612
Advance for Musawamah	**654,088**	458,382
Inventories against Murabaha	**875,176**	1,693,949
Inventories against Tijarah	**3,755,221**	5,064,547
Inventories against Istisna	**3,459,091**	3,627,510
Islamic financing and related assets - gross	**222,043,483**	208,189,320
Credit loss allowance against Islamic financing and related assets		
- Stage 1	**(2,668,632)**	(598,558)
- Stage 2	**(1,478,634)**	(2,040,479)
- Stage 3	**(7,867,932)**	(11,682,666)
	(12,015,198)	(14,321,703)
Islamic financing and related assets - net of credit loss allowance	**210,028,285**	193,867,617

38.4 Due to financial institutions		
Unsecured acceptances of funds	**-**	25,300,000
Acceptances from the SBP under:		
- Islamic export refinance scheme	**3,548,492**	8,125,691
- Islamic export refinance scheme for bill discounting	**1,402,358**	1,161,546
- Islamic long term financing facility	**4,827,563**	5,560,838
- Islamic financing facility for renewable energy power plants	**501,414**	562,579
- Islamic refinance facility for modernization of Small & Medium Enterprises (SMEs)	**165,381**	216,725
- Islamic refinance facility for combating COVID-19	**275,255**	314,577
- Islamic temporary economic refinance facility	**1,485,535**	1,866,240
Acceptances from Pakistan Mortgage Refinance Company	**5,500,000**	2,000,000
Overdrawn nostro accounts	**-**	341,875
	17,705,998	45,450,071

		Note	(Unaudited) September 30, 2025	(Audited) December 31, 2024
38.5	**Deposits and other accounts**		-----(Rupees in '000)-----	
	Customers			
	Current deposits		**291,703,229**	125,193,794
	Savings deposits		**295,718,161**	345,117,509
	Term deposits		**26,548,962**	19,019,144
			613,970,352	489,330,447
	Financial Institutions			
	Current deposits		**294,413**	70,917
	Savings deposits		**34,172,609**	5,491,954
	Term deposits		**1,568,083**	1,646
			36,035,105	5,564,517
			650,005,457	494,894,964
38.6	**Islamic Banking business unappropriated profit**			
	Opening Balance		**58,083,715**	43,688,438
	Impact of adoption of IFRS 9		**-**	(2,603,420)
	Add: Islamic Banking profit for the period / year		**29,626,163**	37,011,071
	Less: Taxation		**(15,701,866)**	(19,985,978)
	Less: Transferred / Remitted to Head Office		**(23,379)**	(26,396)
	Closing Balance		**71,984,633**	58,083,715
38.7	**Contingencies and commitments**			
	- Financial Guarantees		**98,337**	-
	- Performance Guarantees		**6,422,017**	8,005,532
	- Commitments	38.7.1	**59,722,913**	64,541,386
			66,243,267	72,546,918
38.7.1	**Commitments**			
	Trade-related contingent liabilities		**23,116,082**	42,534,511
	Commitments in respect of forward foreign exchange contracts	38.7.1.1	**36,606,831**	22,006,875
			59,722,913	64,541,386
38.7.1.1	**Commitments in respect of forward foreign exchange contracts**			
	Purchase		**19,066,706**	11,536,610
	Sale		**17,540,125**	10,470,265
			36,606,831	22,006,875

		(Unaudited) For the nine months ended September 30, 2025	September 30, 2024
38.8	**Profit / return earned**	-----(Rupees in '000)-----	
	On:		
	Financing	**20,839,733**	32,211,107
	Investments	**34,807,153**	39,995,583
	Amounts due from financial institutions	**1,135,780**	2,284,191
		56,782,666	74,490,881
38.9	**Profit / return expensed**		
	On:		
	Deposits and other accounts	**16,482,127**	33,384,369
	Amounts due to financial institutions	**3,876,190**	3,227,924
	Foreign currency deposits for Wa'ad based transactions	**312,025**	650,729
	Lease liability against right-of-use assets	**1,086,746**	886,096
		21,757,088	38,149,118

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025

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

39.1 The Board of Directors, in its meeting held on October 23, 2025, has declared a cash dividend of Rs 5.00 per share in respect of the quarter ended September 30, 2025 (September 30, 2024: Rs 4.00 per share). These condensed interim consolidated financial statements do not include the effect of this appropriation which will be accounted for subsequent to the period end.

40 **DATE OF AUTHORISATION FOR ISSUE**

These condensed interim consolidated financial statements were authorised for issue in the Board of Directors meeting held on October 23, 2025.

41 **GENERAL**

41.1 Comparative figures have been re-arranged and reclassified for comparison purposes.

Muhammad Nassir Salim	Irfan Ahmed Meer	Khaleel Ahmed	Moez Ahamed Jamal	Dr. Najeeb Samie
President and Chief Executive Officer	Chief Financial Officer	Director	Director	Director

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Condensed Interim Unconsolidated Financial Statements

DIRECTORS' REPORT

On behalf of the Board of Directors, we are pleased to present the Unconsolidated Financial Statements for the nine months ended September 30, 2025.

Macroeconomic Review

Pakistan's economy is carefully transitioning to a growth trajectory; real GDP growth improved from 2.6% in FY'24 to 3.0% in FY'25, supported by a turnaround in the Industrial sector, reversing the contraction seen in the previous two years. This momentum has carried into FY'26 with the Large-Scale Manufacturing Index exhibiting a growth of 4.4% in the first two months. However, the previously stronger near-term outlook has been tempered by the recent floods which have caused a significant, albeit temporary, supply shock in the agriculture sector; this was reflected in the HBL Manufacturing PMI's first sub-50 reading in Sep'25. Headline inflation has been rising since the start of FY'26 and increased sharply to 5.6% in Sep'25, driven by higher food inflation. Average inflation fell from 9.2% in Q1FY'25 to 4.2% in Q1FY'26. Sticky core inflation, coupled with the flood-related impacts could pose a risk to the SBP's inflation target range of 5 - 7% for FY'26.

Trade activity has increased as monetary easing has led to higher domestic demand. Imports grew by 8.3% YoY led by transport and food. Exports rose by 6.5%, mainly due to release of textile orders. The trade deficit for Q1FY'26 thus widened by 10.2% over Q1FY'25 to $7.5 billion. Remittance momentum remained firmly above the $3 billion mark with Q1FY'26 flows increasing by 8% over Q1FY'25 and reaching $9.5 billion. However, the higher trade gap raised the Current Account deficit marginally from $0.5 billion in Q1FY'25 to $0.6 billion in Q1FY'26. SBP's foreign exchange reserves at end-Sep'25 remained steady at $14.4 billion, despite the higher current account deficit and the timely repayment of the $500 million Eurobond. The Rupee remained broadly stable, depreciating by only 1% against the US Dollar in 2025, supported by a favourable external position and improved confidence.

Pakistan reached a Staff Level Agreement with the IMF in Oct'25, after the second review under the Extended Fund Facility (EFF) and the first review under the Resilience and Sustainability Facility (RSF). After approval from the Fund's Executive Board, Pakistan expects the disbursement of $1 billion as the third tranche of the EFF and $200mn as the first tranche of the RSF. With the expected realization of planned official inflows, SBP's reserves are projected to exceed $15 billion by Dec'25.

After a remarkable return of 60% in FY'25, the bullish momentum at the PSX remains unabated. The KSE 100 Index crossed the 165k mark – yet another all-time high – and posted a further 32% gain in the first quarter of FY'26. The return of 44% in 2025 is the highest nine-month gain in the last fifteen years. Pakistan's repositioning in the global political landscape – especially, improved ties with the US and KSA – was a key driver of the market's historic performance.

The Monetary Policy Committee (MPC) maintained the policy rate at 11.0% in Sep'25 for the third consecutive meeting. While the committee recognized the sufficiently positive real rates, the MPC remains cautious, calibrating its stance to account for inflationary risks emanating from the floods, while supporting the recovery in real economic activity. Banking sector advances and deposits as at Dec'24 were somewhat distorted due to the looming ADR Tax. Consequently, private sector credit has declined by 8.5% in 2025, with industry advances falling by 17.6%. Conversely, industry deposits have grown by 13.8% in the same period. Banking spreads in 8MCY'25 were 15bps higher than in 8MCY'24, as the downward repricing of assets lags that of deposits.

Financial Performance

HBL has delivered a record unconsolidated profit before tax of Rs 105.0 billion for the first nine months of 2025, 21% higher than in the same period last year. The growth is driven by strong performance across all business lines in the franchise. The Bank's profit after tax rose by 9% to Rs 47.4 billion, as the industry continues to be burdened by higher taxes. Earnings per share improved from Rs 29.58 in 9M'24 to Rs 32.31 in 9M'25.

The Bank's balance sheet grew by 21% over Dec'24 to Rs 6.8 trillion, with an industry-leading deposit base of Rs 4.8 trillion. Domestic deposits rose by 18% over Dec'24 to Rs 4.3 trillion; nearly 60% of this was driven by mobilization of current accounts, which yielded an increase of Rs 384 billion. As a result, the current account mix was maintained at above 40% during the first nine months of 2025. Despite seasonal and flood-related declines, HBL's loan book was maintained at nearly Rs 1.8 trillion. Consumer lending crossed Rs 163 billion, preserving the Bank's long-standing leadership in the market.

Interest margins were maintained at prior year levels, despite the turning of the rate cycle. This was achieved by a 23% growth in average current accounts, which helped reduce the deposit cost by 580 bps. Combined with an increase of Rs 381 billion in the average domestic balance sheet, HBL's net interest income grew by 7% to Rs 188 billion. HBL's non-fund income increased to Rs 57 billion, led by timely realization of opportunities for capital gains and a resumption of the strong growth trajectory in fees, which increased by 16% over the previous quarter. HBL's total revenue thus rose to Rs 245 billion, a growth of 7% over the same period last year.

Expense growth remains contained at a subdued 6% YoY as bank-wide cost optimization efforts continue to deliver savings. As a result, HBL's cost / income ratio improved from 55.1% in 9M'24 to 54.6% in 9M'25. Strong recoveries continued to reduce the Bank's non-performing loans which are now 10% lower than in Dec'24, leading to the Bank's infection ratio reducing to 4.8%. The specific coverage strengthened to over 90%, with the total coverage well above 100%.

Movement in Reserves

	Rupees in million
Unappropriated profit brought forward	222,991
Impact of change in accounting policy	1,946
Unappropriated profit brought forward – restated	224,937
Profit after tax	47,388
Transferred from surplus on revaluation of assets – net of tax	60
Realised gain on equity investments designated as FVOCI	200
	47,648
Profit available for appropriation	272,585
Appropriations:	
Transferred to statutory reserves	(4,739)
Cash dividend – Final 2024	(6,234)
Cash dividend – 1st Interim 2025	(6,601)
Cash dividend – 2nd Interim 2025	(6,601)
Total appropriations	(24,175)
Unappropriated profit carried forward	**248,410**
Earnings per share (Rupees)	**32.31**

Capital Ratios

The strong results continued to strengthen internally generated capital which added 60 bps to the Tier 1 Capital Adequacy Ratio (CAR). With flattish risk weighted assets, HBL's unconsolidated Tier 1 CAR increased by 35 bps, to 14.90%. Total CAR rose by 55 bps to 18.91% supported by higher levels of Tier II capital. Both ratios remain comfortably above regulatory requirements.

Dividend

The Board of Directors, in its meeting held on October 23, 2025, has declared an interim cash dividend of Rs 5.00 per share (50%) for the quarter ended September 30, 2025.

Future Outlook

Pakistan's economy is on a stronger footing compared to previous flood episodes, with low inflation and build-up in external and fiscal buffers. The recovery remains on course, despite the recent floods, which are likely to weigh on growth. The IMF now forecasts GDP growth between 3.25% and 3.50% for FY'26, slightly below the earlier projection of 3.6%; nevertheless, this is still an improvement over the 3.0% growth achieved in FY'25. High-frequency indicators such as auto, cement, and petroleum sales continue to reflect positive momentum.

Looking ahead, inflation is projected to exceed 7% in H2FY'26, although the average annual rate is still expected to fall within SBP's target range of 5% – 7%. Subdued oil and commodity prices, along with a modest depreciation of the Rupee, are expected to help contain inflationary pressures. Further monetary easing is likely to be limited, given the MPC's cautious forward guidance, sticky core inflation and the need to preserve positive real interest rates.

After last year's surplus, the current account is projected to post a moderate deficit in FY'26, as higher non-oil imports and weaker agricultural exports will lead to a wider trade deficit. However, declining Brent prices and robust remittance flows will help cushion the deficit to below 1.0% of GDP. A modest deficit would in turn bode well for currency stability. Foreign exchange reserves are projected to rise to $17.5 billion by the end of FY'26, supported by continued inflows from multilateral partners, IMF disbursements, and improved access to international debt markets on the back of recent rating upgrades.

The floods will result in increased expenditure, as well as a slowdown in revenue collection. However, fiscal consolidation is expected to continue, with the primary surplus target intact at 2.4% of GDP. It is therefore imperative that the Government makes a sustained push for structural reform, particularly on meaningful broadening of the tax base and on the restructuring and privatization of loss-making State Owned Enterprises.

HBL continues to have a strong 2025, with notable progress towards our inclusion and sustainability objectives. Our digital presence grows every day; our 5 million users of Mobile and Internet Banking transacted over Rs 8 trillion during 9M'25, a growth of almost 50%. Our Consumer business continues to thrive and in Sep'25, HBL cards recorded the highest ever monthly spend in the industry. Our focus on SMEs, the backbone of the economy, remains steady as evidenced by the recent launch of HBL's Business Debit Card designed exclusively for sole proprietors and entrepreneurs. This is a demonstration of the Bank's commitment to providing business owners with convenient and innovative financial solutions, while accelerating the shift towards a documented, digital economy.

Konnect continues on its mission to drive digital financial inclusion across key segments, with core volumes increasing 24% over the same period last year. We continue to support the government in its poverty alleviation efforts, by providing digital financial access through the Benazir Income Support Program, and through partnerships with the Punjab and Sindh Agriculture departments, which empower farmers and boost agricultural productivity. On the B2B side, digitalization volumes have grown by 21%, helping reduce cash in circulation and increasing transactional transparency.

HBL continues to strengthen its retail network across Pakistan, with a strategic focus on high-growth markets to enhance accessibility and financial inclusion. Business and trade centers are planned across the network to serve our Commercial and SME clients. We remain committed to strengthening customer relationships, and building a more agile, technology-driven franchise that seamlessly operates on a phygital level to deliver sustained value to our customers.

Appreciation and Acknowledgement

On behalf of the Board and management, we would like to place on record our appreciation for the efforts of our regulators and the Government of Pakistan, in particular the State Bank of Pakistan, the Ministry of Finance and the Securities and Exchange Commission of Pakistan. In these challenging times, they have stepped up with policies and measures that are prudent, proactive and balanced, protecting the economy, customers and people of Pakistan, while also safeguarding the integrity and soundness of the banking and financial services industry.

We are indebted to our customers, many of whom have banked with us for generations, and who continue to entrust us with their business and confidence. Our shareholders have provided steadfast support and to them, and to all our stakeholders, we are deeply grateful. The Board and the management remain committed to maintaining the highest standards of governance and we assure our stakeholders that we will be industry leaders in this area.

Lastly, but certainly not the least, we express our deepest appreciation and gratitude to our employees and their families, especially in customer facing units and branches, who continually go the extra mile, even at personal cost, to ensure that our customers are able to meet their critical needs. They are our heroes and heroines, and we salute them for their dedication and tireless efforts.

On behalf of the Board

Muhammad Nassir Salim
President & Chief Executive Officer

Moez Ahamed Jamal
Director

October 23, 2025

ڈائریکٹرز رپورٹ

ہمیں بورڈ آف ڈائریکٹرز کی جانب سے 30 ستمبر 2025 کو ختم ہونے والے نوماہ کے مختصر عبوری غیر مجموعی مالیاتی گوشوارے پیش کرتے ہوئے مسرت محسوس ہو رہی ہے۔

کلیاتی اقتصادیات کا جائزہ

پاکستانی معیشت محتاط انداز میں ترقی کی راہ پر گامزن ہے۔ صنعتی شعبے میں تبدیلی کی وجہ سے حقیقی جی ڈی پی کی شرح نمو مالی سال 24 میں 2.6 فیصد سے بڑھ کر مالی سال 25 میں 3.0 فیصد ہو گئی، جس سے پچھلے دو سالوں میں دیکھی گئی تنگی ختم ہو گئی۔ یہی رفتار مالی سال 26 میں جاری رہی ہے جس میں پہلے دو مہینوں میں بڑے پیمانے پر مینو فیکچر نگ انڈیکس میں 4.4 فیصد کی نمو نظر آئی ۔ تاہم، حالیہ سیلاب کی وجہ سے مستقبل قریب کا منظر نامہ جو پہلے مضبوط نظر آرہا تھا، کمزور ہو گیا ہے جس کی وجہ سے زراعت کے شعبے میں سپلائی کا اگرچہ عارضی مگر نمایاں جھٹکا لگا ہے۔ یہ ستمبر 2025 میں ایچ بی ایل مینو فیکچر نگ پی ایم آئی کی پہلی Sub-50 ریڈنگ سے ظاہر ہوا۔ ہیڈ لائن افراط زر مالی سال 26 کے آغاز سے بڑھ رہی ہے اور ستمبر 2025 میں تیزی سے بڑھ کر 5.6 فیصد ہو گئی، جس کی وجہ زیادہ مہنگی خوراک ہے۔ اوسط افراط زر مالی سال 25 کی پہلی سہ ماہی میں 9.2 فیصد سے کم ہو کر مالی سال 26 کی پہلی سہ ماہی میں 4.2 فیصد رہ گئی۔ مالی سال 26 کے لیے اسٹیٹ بینک کے مہنگائی کے ہدف کی حد 5 سے 7 فیصد کے لیے سیلاب کے اثرات کے ساتھ ساتھ برقرار بنیادی افراط زر خطرے کا باعث بن سکتے ہیں۔

مالیاتی نرمی کی وجہ سے مقامی طلب میں اضافے سے تجارتی سرگرمیوں میں بھی اضافہ ہوا ہے۔ ٹرانسپورٹ اور خوراک کی وجہ سے درآمدات میں سال بہ سال 8.3 فیصد اضافہ ہوا۔ برآمدات میں 6.5 فیصد اضافہ ہوا جس کی بنیادی وجہ ٹیکسٹائل آرڈرز کا اجراء ہے۔ اس طرح مالی سال 26 کی پہلی سہ ماہی کے لیے تجارتی خسارہ مالی سال 25 کی پہلی سہ ماہی کے مقابلے میں 10.2 فیصد بڑھ کر 7.5 بلین ڈالر ہو گیا۔ ترسیلات زر کی رفتار مستحکم طور پر 3 بلین ڈالر کے نشان سے اوپر رہی جس میں مالی سال 26 کی پہلی سہ ماہی کے بہاؤ میں مالی سال 25 کی پہلی سہ ماہی کے مقابلے میں 8 فیصد اضافہ ہوا جو 9.5 بلین ڈالر تک پہنچ گیا۔ تاہم، زیادہ تجارتی خلاء سے کرنٹ اکاؤنٹ خسارہ مالی سال 25 کی پہلی سہ ماہی میں 0.5 بلین ڈالر سے بڑھ کر مالی سال 26 کی پہلی سہ ماہی میں 0.6 بلین ڈالر ہو گیا۔ کرنٹ اکاؤنٹ خسارے میں اضافے اور 500 ملین ڈالر یورو بانڈ کی بروقت ادائیگی کے باوجود اسٹیٹ بینک کے زرمبادلہ کے ذخائر ستمبر 2025 کے آخر میں 14.4 ارب ڈالر پر مستحکم رہے۔ روپیہ وسیع پیمانے پر مستحکم رہا، سازگار بیرونی پوزیشن اور اعتماد میں اضافے کے سبب 2025 میں امریکی ڈالر کے مقابلے میں روپے کی قدر میں صرف 1 فیصد کی کمی واقع ہوئی۔

ریزیلیئنس اینڈ سسٹینبلٹی (آر ایس ایف) کے تحت پہلا اور ایکسٹینڈڈ فنڈ فیسلٹی (ای ایف ایف) کے تحت دوسرا جائزہ لیا گیا، جس کے بعد پاکستان نے اکتوبر 2025 میں آئی ایم ایف کے ساتھ اسٹاف لیول ایگریمنٹ کیا۔ فنڈ کے ایگزیکٹو بورڈ کی منظوری کے بعد پاکستان کو ای ایف ایف کی تیسری قسط کے طور پر ایک ارب ڈالر اور آر ایس ایف کی پہلی قسط کے طور پر 200 ملین ڈالر کی وصولی کی توقع ہے۔ طے شدہ سرکاری انفلوز کی متوقع وصولی کے ساتھ اسٹیٹ بینک کے ذخائر دسمبر 2025 تک 15 ارب ڈالر سے تجاوز کرنے کا امکان ہے۔

مالی سال 25 میں 60 فیصد کی قابل ذکر واپسی کے بعد، پاکستان اسٹاک ایکسچینج میں تیزی برقرار ہے۔ کے ایس ای 100 انڈیکس نے 165 ہزار کا ہندسہ عبور کیا- مالی سال 26 کی پہلی سہ ماہی میں مزید 32 فیصد کے اضافے کے بعد بلند ترین سطح پر پہنچ گئی ہے۔ 2025 میں 44 فیصد کی واپسی پچھلے پندرہ سالوں میں نوماہ کا سب سے زیادہ فائدہ ہے۔ عالمی سیاسی منظر نامے میں پاکستان کی تبدیل پوزیشن - خاص طور پر امریکہ اور سعودی عرب کے ساتھ تعلقات میں بہتری - مارکیٹ کی تاریخی کارکردگی کا ایک اہم محرک تھا۔

مانیٹری پالیسی کمیٹی (ایم پی سی) نے مسلسل تیسری دفعہ ستمبر 2025 میں پالیسی ریٹ 11.0 فیصد پر برقرار رکھنے کا فیصلہ کیا۔ اگرچہ کمیٹی نے کافی مثبت حقیقی شرحوں کو تسلیم کیا ہے، ایم پی سی محتاط ہے، اور سیلاب سے پیدا ہونے والے افراط زر کے خطرات کے مدنظر، حقیقی معاشی سرگرمیوں میں بحالی کی حمایت کرتی ہے۔ دسمبر 2024 تک بینکنگ سیکٹر کی پیشرفت اور ڈپازٹس بڑھتے ہوئے اے ڈی آر ٹیکس کی وجہ سے کسی حد تک متاثر ہو گئے تھے۔ اس کے نتیجے میں، نجی شعبے کے قرضے 2025 میں 8.5 فیصد کم ہوئے، جس میں صنعتی قرضوں میں 17.6 فیصد کمی واقع ہوئی ہے۔ اس کے برعکس، اسی مدت میں صنعتی ذخائر میں 13.8 فیصد اضافہ ہوا ہے۔ کیلنڈر سال 25 کے پہلے 8 ماہ میں بینکنگ اسپریڈ کیلنڈر سال 24 پہلے 8 ماہ کے مقابلے میں 15 بی پی ایس زیادہ تھا، کیونکہ اثاثوں کی قیمتوں کے دوبارہ تعین میں کمی سے ڈپازٹس پیچھے رہ گئے۔

مالیاتی کارکردگی

ایچ بی ایل نے 2025 کے پہلے 9 ماہ کے دوران 105.0 بلین روپے کا ریکارڈ مجموعی منافع حاصل کیا ہے جو گزشتہ سال کے اسی عرصے کے مقابلے میں 21 فیصد زیادہ ہے۔ یہ ترقی فرنچائز کے تمام کاروباری شعبوں میں مضبوط کارکردگی کی وجہ سے ہے۔ بینک کا بعد از ٹیکس منافع 9 فیصد بڑھ کر 47.4 بلین روپے ہو گیا ہے کیونکہ صنعت پر زائد ٹیکسوں کا بوجھ مسلسل بڑھ رہا ہے۔ فی شیئر آمدنی سال 24 کے 9 ماہ میں 29.58 روپے سے بڑھ کر سال 25 کے 9 ماہ میں 32.31 روپے ہو گئی۔

بینک کی بیلنس شیٹ دسمبر 2024 کے مقابلے میں 21 فیصد بڑھ کر 6.8 ٹریلین روپے ہو گئی، جس میں صنعت کی معروف ڈپازٹ بیس 4.8 ٹریلین روپے ہے۔ مقامی ڈپازٹس دسمبر 2024 کے مقابلے میں 18 فیصد بڑھ کر 4.3 ٹریلین روپے ہو گئے۔ اس میں سے تقریبا 60 فیصد کرنٹ اکاؤنٹس متحرک کرنے کی وجہ سے ہوا جس سے 384 ارب روپے کا اضافہ ہوا۔ اس کے نتیجے میں، 2025 کے پہلے نوماہ کے دوران کرنٹ اکاؤنٹ مکس 40 فیصد سے اوپر برقرار رہا۔ موسمی حالات اور سیلاب سے متعلق کمی کے باوجود ایچ بی ایل کی لون بک تقریبا 1.8 ٹریلین روپے پر برقرار رہی۔ کنزیومر لون 163 بلین روپے سے تجاوز کر گئے جس سے مارکیٹ میں بینک کی دیرینہ قیادت برقرار رہی۔

ریٹ سائیکل میں تبدیلی کے باوجود سود کا مارجن پچھلے سال کی سطح پر برقرار رہا۔ یہ اوسط کرنٹ اکاؤنٹس میں 23 فیصد اضافے سے حاصل ہوا، جس سے ڈپازٹ کی لاگت 580 بی پی ایس تک کم کرنے میں مدد ملی۔ اوسط مقامی بیلنس شیٹ میں 381 ارب روپے کے اضافے کے ساتھ ایچ بی ایل کی خالص سودی آمدنی 7 فیصد بڑھ کر 188 بلین روپے تک پہنچ گئی۔ ایچ بی ایل کی نان فنڈ آمدنی 57 ارب روپے تک بڑھ گئی، جس کی وجہ کیپٹل گین کے مواقع کا بروقت استعمال اور فیسوں میں مضبوط ترقی کی رفتار کی بحالی ہے، جس میں گزشتہ سہ ماہی کے مقابلے میں 16 فیصد اضافہ ہوا۔ اس طرح ایچ بی ایل کی مجموعی آمدنی 245 ارب روپے تک پہنچ گئی جو گزشتہ سال کے اسی عرصے کے مقابلے میں 7 فیصد زیادہ ہے۔

اخراجات میں سال بہ سال اضافے پر قابو پانے سے 6 فیصد پر رکھا گیا ہے کیونکہ بینک بھر میں لاگت پر قابو کی کوششوں سے بچت جاری رہی۔ اس کے نتیجے میں، ایچ بی ایل کی لاگت / آمدنی کا تناسب سال 24 کے 9 ماہ میں 55.1 فیصد سے بہتر ہو کر سال 25 کے 9 ماہ میں 54.6 فیصد ہو گیا۔ مضبوط ریکوری نے بینک کے غیر فعال قرضوں کو کم کرنا جاری رکھا جو اب دسمبر 2024 کے مقابلے میں 10 فیصد کم ہیں، جس کی وجہ سے بینک کا انفیکشن تناسب کم ہو کر 4.8 فیصد رہ گیا۔ مخصوص کوریج 90 فیصد سے زیادہ ہو گئی، جس میں کل کوریج 100 فیصد سے زیادہ ہے۔

ذخائر میں اتار چڑھاؤ

	ملین روپے
افتتاحی غیر تخصیص شدہ منافع	222,991
اکاؤنٹنگ پالیسی میں تبدیلی کے اثرات	1,946
افتتاحی غیر تخصیص شدہ منافع۔ری اسٹیٹڈ	224,937
بعد از ٹیکس منافع	47,388
اثاثہ جات کی دوبارہ تشخیص پر سرپلس سے منتقل شدہ۔ محصول کا خالص	60
FVOCI کے طور پر ایکویٹی کی سرمایہ کاری کی آمدن	200
	47,648
مناسب کارروائی کے لیے دستیاب منافع	272,585
مختلف مدوں میں رکھی گئی رقوم:	
قانونی ذخائر میں منتقل شدہ	(4,739)
نقد منافع منقسمہ۔ حتمی 2024	(6,234)
نقد منافع منقسمہ۔ پہلا عبوری 2025	(6,601)
نقد منافع منقسمہ۔ دوسرا عبوری 2025	(6,601)
کل تخصیص	(24,175)
اختتامی غیر تخصیص شدہ منافع	248,410
فی حصص (شیئر) آمدنی (روپے)	32.31

سرمائے کا تناسب

مضبوط نتائج نے اندرونی طور پر پیدا ہونے والے سرمائے کو مضبوط بنانا جاری رکھا جس نے Tier 1 کیپٹل ایڈیکویسی تناسب (CAR) میں 60 بی پی ایس کا اضافہ کیا۔ اثاثوں کے رسک میں کسی تبدیلی کے بغیر، ایچ بی ایل کے مجموعی Tier 1 CAR میں 35 بی پی ایس کا اضافہ ہوا، جو 14.90 فیصد ہو گیا۔ کل CAR 55 بی پی ایس سے بڑھ کر 18.91 فیصد ہو گیا جسے Tier II سرمائے کی اعلیٰ درجے کی سپورٹ ملی۔ دونوں تناسب ریگولیٹری تقاضوں سے آرام دہ سطح پر اوپر رہے۔

منافع منقسمہ

بورڈ آف ڈائریکٹرز نے 23 اکتوبر 2025 کو منعقد ہونے والے اجلاس میں 30 ستمبر 2025 کو اختتام پذیر ہونے والی سہ ماہی کے لیے 5.00 روپے فی حصص (50%) کے عبوری نقد منافع منقسمہ کا اعلان کیا۔

مستقبل کی صورتِ حال

گزشتہ سیلاب کے واقعات کے مقابلے میں پاکستان کی معیشت کے قدم مضبوط ہیں، جس میں مہنگائی کی شرح کم ہے اور بیرونی اور مالیاتی بفر میں اضافہ ہوا ہے۔ حالیہ سیلاب کے باوجود بحالی جاری ہے، جس سے نمو پر اثر پڑنے کا امکان ہے۔ آئی ایم ایف نے مالی سال 26 کے لیے جی ڈی پی کی شرح نمو 3.25 فیصد اور 3.50 فیصد کے درمیان رہنے کی پیش گوئی کی ہے، جو پہلے کے 3.6 فیصد کے تخمینے سے تھوڑا کم ہے۔ اس کے باوجود، یہ اب بھی مالی سال 25 میں حاصل کی گئی 3.0 فیصد نمو کے مقابلے میں بہتر ہے۔ ہائی فریکوئنسی انڈیکیٹرز جیسا کہ آٹو، سیمنٹ اور پیٹرولیم کی فروخت مثبت رفتار کی عکاسی جاری رکھے ہوئے ہیں۔

مالی سال 26 میں مہنگائی کی شرح 7 فیصد سے تجاوز کرنے کا امکان ہے تاہم اسٹیٹ بینک کی اوسط سالانہ شرح اب بھی 5 سے 7 فیصد تک رہنے کی توقع ہے۔ تیل اور اجناس کی قیمتوں میں کمی کے ساتھ ساتھ روپے کی قدر میں معمولی کمی سے مہنگائی کے دباؤ پر قابو پانے میں مدد کی توقع ہے۔ ایم پی سی کی محتاط رہنمائی، برقرار بنیادی افراط زر اور مثبت حقیقی سود کی شرحوں کو برقرار رکھنے کی ضرورت کے پیش نظر مزید مالیاتی نرمی محدود ہونے کا امکان ہے۔

گزشتہ سال کے سرپلس کے بعد، کرنٹ اکاؤنٹ میں مالی سال 26 میں درمیانی سطح کے خسارے کا امکان ہے، کیونکہ تیل کے علاوہ زیادہ درآمدات اور کمزور زرعی برآمدات وسیع تجارتی خسارے کا باعث بنیں گی۔ تاہم برینٹ کی قیمتوں میں کمی اور زیادہ ترسیلات زر کی آمد سے خسارے کو جی ڈی پی کے 1.0 فیصد سے کم کرنے میں مدد ملے گی۔ ایک معمولی خسارہ کرنسی کے استحکام کے لیے اچھا شگون ہو گا۔ غیر ملکی زرمبادلہ کے ذخائر مالی سال 26 کے آخر تک بڑھ کر 17.5 بلین ڈالر تک پہنچنے کا امکان ہے، جسے کثیر الجہتی شراکت داروں کے مسلسل انفلوز، آئی ایم ایف سے وصولی اور حالیہ ریٹنگ اپ گریڈ کی وجہ سے بین الاقوامی قرضوں کی منڈیوں تک بہتر رسائی میں معاونت ملے گی۔

سیلاب کے نتیجے میں اخراجات میں اضافہ ہوگا اور محصولات کی وصولی میں بھی سست روی آئے گی۔ تاہم، جی ڈی پی کے 2.4 فیصد پر بنیادی سرپلس ہدف کے ساتھ مالی استحکام جاری رہنے کی امید ہے۔ اس لیے یہ ضروری ہے کہ حکومت ڈھانچہ جاتی اصلاحات کے لیے، خاص طور پر ٹیکس بیس کو بامعنی طور پر وسیع کرنے اور خسارے میں چلنے والے سرکاری اداروں کی تنظیم نو اور نجکاری پر مسلسل زور دے۔

2025 میں بھی ایچ بی ایل کا کام مضبوط ہے، جس میں شمولیت اور پائیداری کے عزم کی طرف ہماری پیش رفت قابل ذکر ہے۔ ڈیجیٹلی ہماری موجودگی ہر روز بڑھتی جا رہی ہے۔ سال 25 کے 9 ماہ کے دوران ہمارے موبائل اور انٹرنیٹ بینکنگ کے 50 لاکھ کسٹمرز نے 8 ٹریلین روپے سے زائد کی ٹرانزیکشنز کیں جو تقریباً 50 فیصد کا اضافہ ہے۔ ہمارا کنزیومر بزنس پھل پھول رہا ہے اور ستمبر 2025 میں، ایچ بی ایل کارڈز نے صنعت میں اب تک کا سب سے زیادہ ماہانہ خرچ کا ریکارڈ قائم کیا۔ معیشت کی ریڑھ کی ہڈی کی حیثیت رکھنے والے ایس ایم ایز پر ہماری توجہ مستحکم ہے جیسا کہ ایچ بی ایل کے بزنس ڈیبٹ کارڈ کے حالیہ اجراء سے ظاہر ہوتا ہے، جو خصوصی طور پر سول پروپرائٹر اور کاروباری افراد کے لیے ڈیزائن کیا گیا ہے۔ یہ ایک دستاویزی، ڈیجیٹل معیشت کی طرف تبدیلی کو تیز کرتے ہوئے، کاروباری مالکان کو آسان اور جدید مالیاتی حل فراہم کرنے کے لیے بینک کے عزم کا مظہر ہے۔

کنیکٹ اہم سیگمنٹس میں ڈیجیٹل مالیاتی شمولیت کو آگے بڑھانے کے مشن پر کاربند ہیں، جس میں بنیادی حجم میں پچھلے سال کی اسی مدت کے مقابلے میں 24 فیصد اضافہ ہوا ہے۔ ہم بے نظیر انکم سپورٹ پروگرام کے ذریعے ڈیجیٹل فنانشل رسائی فراہم کرکے اور پنجاب اور سندھ کے محکمہ زراعت کے ساتھ شراکت داری کے ذریعے غربت کے خاتمے کی کوششوں میں حکومت کی مدد جاری رکھے ہوئے ہیں جو کسانوں کو بااختیار بناتے ہیں اور زرعی پیداوار کو فروغ دیتے ہیں۔ B2B کی طرف، ڈیجیٹلائزیشن کے حجم میں 21 فیصد اضافہ ہوا ہے، جس سے گردش میں نقد رقم کم کرنے اور ٹرانزیکشن کی شفافیت میں اضافے میں مدد ملی ہے۔

ایچ بی ایل پاکستان بھر میں اپنے ریٹیل نیٹ ورک کو مضبوط بنانا جاری رکھے ہوئے ہے، جس میں رسائی اور مالیاتی شمولیت کو بڑھانے کے لیے ہائی گروتھ مارکیٹوں پر اسٹریٹجک توجہ دی جا رہی ہے۔ ہمارے تجارتی اور ایس ایم ای کلائنٹس کی خدمت کے لیے نیٹ ورک بھر میں کاروباری اور تجارتی مراکز کی منصوبہ بندی کی گئی ہے۔ ہم کسٹمرز کے تعلقات کو مضبوط بنانے، اور ایک زیادہ مستعد، ٹکنالوجی سے چلنے والی فرنچائز کی تعمیر کے لیے پرعزم ہیں جو اپنے کسٹمرز کو پائیدار ترقی فراہم کرنے کے لیے بغیر کسی رکاوٹ کے کام کرتی ہے۔

اظہارِ تشکر

بورڈ اور انتظامیہ کی جانب سے ہم اپنے ریگولیٹرز اور حکومتِ پاکستان، بالخصوص اسٹیٹ بینک آف پاکستان، وزارتِ مالیات اور سیکیوریٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی کاوشوں کا اعتراف کرتے ہیں۔ اس غیر معمولی وقت میں، انھوں نے ایسی پالیسیاں بنائیں اور اقدامات کیے جو مصلحت پر مبنی، اور متوازن ہیں، معیشت، کسٹمرز اور پاکستان کے عوام کی حفاظت کرتے ہیں، اور بینکنگ اور فنانشل سروسز انڈسٹری کی سالمیت اور بہتری کا تحفظ بھی کرتے ہیں۔

ہم اپنے کسٹمرز کے احسان مند ہیں جن میں سے کئی نسلوں سے ہمارے ساتھ منسلک ہیں اور جو اپنے کاروبار اور اعتماد کے ذریعے اپنا بھروسہ جاری رکھے ہوئے ہیں۔ ہمارے شیئر ہولڈرز نے ثابت قدمی سے ہمارا ساتھ دیا اور ان کے ساتھ ہم تمام اسٹیک ہولڈرز کے بھی انتہائی شکر گزار ہیں۔ بورڈ اور انتظامیہ گورننس کے اعلیٰ ترین معیارات برقرار رکھنے کے لیے پُرعزم ہے اور ہم اپنے اسٹیک ہولڈرز کو یقین دلاتے ہیں کہ اس خطے میں ہم اپنی کاروباری صنعت میں عروج پر ہوں گے۔

آخر میں، لیکن یقینی طور پر کسی سے کم نہیں، ہم اپنے تمام ملازمین اور اُن کے اہل خانہ، بالخصوص کسٹمر کا سامنا کرنے والے یونٹس اور برانچوں میں موجود عملے کے شکر گزار ہیں، جنھوں نے ان دو سالوں میں خطرناک وبائی حالات میں بہادری کا مظاہرہ کرتے ہوئے بحران کے اس وقت میں ہمارے کسٹمرز کی بنیادی ضروریات کی تکمیل یقینی بنائی۔ یہ ہمارے ہیرو اور ہیروئن ہیں اور ہم اُن کے عزم اور انتھک محنت کے لیے انھیں خراجِ تحسین پیش کرتے ہیں۔

منجانب بورڈ

محمد ناصر سلیم
صدر اور چیف ایگزیکیٹو افسر

معیز احمد جمال
ڈائریکٹر

23 اکتوبر 2025ء

CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2025

	Note	(Unaudited) September 30, 2025	(Audited) December 31, 2024
		---------(Rupees in '000) ---------	
ASSETS			
Cash and balances with treasury banks	5	**478,824,465**	421,135,641
Balances with other banks	6	**40,137,862**	42,050,611
Lendings to financial institutions	7	**130,353,241**	84,293,922
Investments	8	**3,908,386,251**	2,398,928,165
Advances	9	**1,758,667,144**	2,254,964,431
Property and equipment	10	**130,541,733**	126,902,235
Right-of-use assets	11	**23,740,558**	23,402,937
Intangible assets	12	**20,396,729**	17,022,673
Deferred tax assets	19	**-**	3,213,765
Other assets	13	**336,372,391**	287,889,450
		6,827,420,374	5,659,803,830
LIABILITIES			
Bills payable	14	**57,993,367**	94,853,624
Borrowings	15	**1,237,245,835**	787,746,499
Deposits and other accounts	16	**4,791,706,288**	4,091,168,379
Lease liabilities	17	**32,081,966**	30,788,980
Subordinated debt	18	**18,874,000**	18,874,000
Deferred tax liabilities	19	**6,894,046**	-
Other liabilities	20	**259,490,851**	258,587,052
		6,404,286,353	5,282,018,534
NET ASSETS		**423,134,021**	377,785,296
REPRESENTED BY			
Shareholders' equity			
Share capital		**14,668,525**	14,668,525
Reserves		**86,992,673**	82,636,883
Surplus on revaluation of assets - net of tax	21	**73,062,787**	57,488,888
Unappropriated profit		**248,410,036**	222,991,000
		423,134,021	377,785,296
CONTINGENCIES AND COMMITMENTS	22		

The annexed notes 1 to 41 form an integral part of these condensed interim unconsolidated financial statements.

Muhammad Nassir Salim	Irfan Ahmed Meer	Khaleel Ahmed	Moez Ahamed Jamal	Dr. Najeeb Samie
President and Chief Executive Officer	Chief Financial Officer	Director	Director	Director

CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNT (UNAUDITED)

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025

	Note	January 01 to September 30, 2025	January 01 to September 30, 2024	July 01 to September 30, 2025	July 01 to September 30, 2024
		---------------------------- (Rupees in '000)			------------------------
Mark-up / return / profit / interest earned	24	**468,273,076**	594,296,194	**167,695,843**	208,498,930
Mark-up / return / profit / interest expensed	25	**280,412,300**	419,162,015	**104,840,793**	147,460,493
Net mark-up / return / profit / interest income		**187,860,776**	175,134,179	**62,855,050**	61,038,437
Non mark-up / interest income					
Fee and commission income	26	**27,713,909**	31,988,252	**10,031,122**	10,719,292
Dividend income		**4,565,123**	4,232,600	**1,217,978**	1,350,318
Foreign exchange income / (loss)		**6,702,659**	5,090,464	**2,379,613**	(323,775)
Income from derivatives		**1,978,242**	4,947,966	**1,027,726**	1,479,890
Gain on securities - net	27	**13,987,409**	6,439,110	**4,659,545**	4,868,915
Other income	28	**2,489,745**	511,006	**167,418**	159,614
Total non mark-up / interest income		**57,437,087**	53,209,398	**19,483,402**	18,254,254
Total income		**245,297,863**	228,343,577	**82,338,452**	79,292,691
Non mark-up / interest expenses					
Operating expenses	29	**133,962,088**	125,840,819	**45,788,376**	42,657,471
Workers' Welfare Fund		**2,102,484**	1,733,191	**677,031**	574,210
Other charges	30	**112,426**	350,644	**471**	191,807
Total non mark-up / interest expenses		**136,176,998**	127,924,654	**46,465,878**	43,423,488
Profit before credit loss allowance and taxation		**109,120,865**	100,418,923	**35,872,574**	35,869,203
Credit loss allowance and write offs - net	31	**4,078,174**	13,747,391	**1,466,512**	7,144,476
Profit before taxation		**105,042,691**	86,671,532	**34,406,062**	28,724,727
Taxation	32	**57,655,191**	43,281,595	**18,437,103**	13,985,335
Profit after taxation		**47,387,500**	43,389,937	**15,968,959**	14,739,392
		----------------------------- (Rupees)			----------------------------
Basic and diluted earnings per share	33	**32.31**	29.58	**10.89**	10.05

The annexed notes 1 to 41 form an integral part of these condensed interim unconsolidated financial statements.

Muhammad Nassir Salim President and Chief Executive Officer	Irfan Ahmed Meer Chief Financial Officer	Khaleel Ahmed Director	Moez Ahamed Jamal Director	Dr. Najeeb Samie Director

CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025

	January 01 to September 30, 2025	January 01 to September 30, 2024	July 01 to September 30, 2025	July 01 to September 30, 2024
	---------------------------- (Rupees in '000) ----------------------------			
Profit after taxation for the period	**47,387,500**	43,389,937	**15,968,959**	14,739,392
Other comprehensive income / (loss)				
Items that may be reclassified to the profit and loss account in subsequent periods:				
Effect of translation of net investment in foreign branches - net of tax	**548,317**	(2,560,531)	**(581,604)**	581,303
Movement in surplus / deficit on revaluation of debt investments designated at Fair Value through Other Comprehensive Income (FVOCI) - net of tax	**10,185,016**	30,924,467	**1,832,551**	23,738,552
Items that are not to be reclassified to the profit and loss account in subsequent periods:				
Movement in surplus / deficit on revaluation of equity investments designated at FVOCI - net of tax	**2,445,121**	2,310,422	**2,075,848**	1,573,195
Movement in surplus / deficit on revaluation of non-banking assets - net of tax	**83,729**	-	**83,729**	-
Total comprehensive income	**60,649,683**	74,064,295	**19,379,483**	40,632,442

The annexed notes 1 to 41 form an integral part of these condensed interim unconsolidated financial statements.

Muhammad Nassir Salim	Irfan Ahmed Meer	Khaleel Ahmed	Moez Ahamed Jamal	Dr. Najeeb Samie
President and Chief Executive Officer	Chief Financial Officer	Director	Director	Director

CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025

	Share capital	Reserves			Surplus / (deficit) on revaluation of		Unappropriated profit	Total
		Statutory	Capital		Investments	Property & Equipment / Non Banking Assets		
			Exchange Translation	Non - distributable				
	---------- (Rupees in '000) ----------							
Balance as at December 31, 2023 - as reported	14,668,525	48,815,676	36,876,909	547,115	(16,152,001)	42,531,539	206,491,645	333,779,408
Change in accounting policy as at January 01, 2024	-	-	-	-	(954,905)	-	(12,152,096)	(13,107,001)
Balance as at January 01, 2024 - as restated	14,668,525	48,815,676	36,876,909	547,115	(17,106,906)	42,531,539	194,339,549	320,672,407
Comprehensive income for the nine months ended September 30, 2024								
Profit after taxation for the nine months ended September 30, 2024	-	-	-	-	-	-	43,389,937	43,389,937
Other comprehensive income / (loss)								
Effect of translation of net investment in foreign branches - net of tax	-	-	(2,560,531)	-	-	-	-	(2,560,531)
Movement in surplus / deficit on revaluation of equity investments - net of tax	-	-	-	-	2,310,422	-	-	2,310,422
Movement in surplus / deficit on revaluation of debt investments - net of tax	-	-	-	-	30,924,467	-	-	30,924,467
	-	-	(2,560,531)	-	33,234,889	-	43,389,937	74,064,295
Transferred to statutory reserve	-	4,338,994	-	-	-	-	(4,338,994)	-
Net realised gain on equity investments designated at FVOCI- net of tax	-	-	-	-	(451,190)	-	451,190	-
Transferred from surplus on revaluation of assets - net of tax	-	-	-	-	-	(90,494)	90,494	-
Transactions with owners, recorded directly in equity								
Final cash dividend - Rs 4.00 per share declared subsequent to the year ended December 31, 2023	-	-	-	-	-	-	(5,867,410)	(5,867,410)
1st interim cash dividend - Rs 4.00 per share	-	-	-	-	-	-	(5,867,410)	(5,867,410)
2nd interim cash dividend - Rs 4.00 per share	-	-	-	-	-	-	(5,867,410)	(5,867,410)
	-	-	-	-	-	-	(17,602,230)	(17,602,230)
Balance as at September 30, 2024	14,668,525	53,154,670	34,316,378	547,115	15,676,793	42,441,045	216,329,946	377,134,472
Comprehensive income for the three months ended December 31, 2024								
Profit after taxation for the three months ended December 31, 2024	-	-	-	-	-	-	13,375,882	13,375,882
Other comprehensive income / (loss)								
Effect of translation of net investment in foreign branches - net of tax	-	-	(1,167,126)	-	-	-	-	(1,167,126)
- Movement in surplus / deficit on revaluation of equity investments - net of tax	-	-	-	-	968,529	-	-	968,529
- Movement in surplus / deficit on revaluation of debt investments - net of tax	-	-	-	-	(769,834)	-	-	(769,834)
- Movement in surplus on revaluation of Property and equipment - net of tax	-	-	-	-	-	(225,276)	-	(225,276)
- Increase in surplus on revaluation of non-banking assets - net of tax	-	-	-	-	-	29,730	-	29,730
Net remeasurement loss on defined benefit obligations - net of tax	-	-	-	-	-	-	(141,929)	(141,929)
	-	-	(1,167,126)	-	198,695	(195,546)	13,233,953	12,069,976
Transferred to statutory reserve	-	1,337,588	-	-	-	-	(1,337,588)	-
Net realised gain on sale of equity investments - net of tax	-	-	-	-	(512,432)	-	512,432	-
Transferred from surplus on revaluation of assets - net of tax	-	-	-	-	-	(119,667)	119,667	-
Exchange gain realised on closure / sale of the Bank's branches - net of tax	-	-	(5,551,742)	-	-	-	-	(5,551,742)
Transactions with owners, recorded directly in equity								
3rd interim cash dividend - Rs 4.00 per share	-	-	-	-	-	-	(5,867,410)	(5,867,410)
	-	-	-	-	-	-	(5,867,410)	(5,867,410)
Balance as at December 31, 2024 - as reported	14,668,525	54,492,258	27,597,510	547,115	15,363,056	42,125,832	222,991,000	377,785,296
Change in accounting policy as at January 01, 2025 - note 3.3	-	-	-	-	3,120,285	-	1,945,829	5,066,114
Balance as at January 01, 2025 - as restated	14,668,525	54,492,258	27,597,510	547,115	18,483,341	42,125,832	224,936,829	382,851,410
Comprehensive income for the nine months ended September 30, 2025								
Profit after taxation for the nine months ended September 30, 2025	-	-	-	-	-	-	47,387,500	47,387,500
Other comprehensive income								
Effect of translation of net investment in foreign branches - net of tax	-	-	548,317	-	-	-	-	548,317
Movement in surplus / deficit on revaluation of equity investments - net of tax	-	-	-	-	2,445,121	-	-	2,445,121
Movement in surplus / deficit on revaluation of debt investments - net of tax	-	-	-	-	10,185,016	-	-	10,185,016
Movement in surplus / deficit on revaluation of non-banking assets - net of tax	-	-	-	-	-	83,729	-	83,729
	-	-	548,317	-	12,630,137	83,729	47,387,500	60,649,683
Transferred to statutory reserve	-	4,738,750	-	-	-	-	(4,738,750)	-
Net realised gain on sale of equity investments - net of tax	-	-	-	-	(200,086)	-	200,086	-
Transferred from surplus on revaluation of assets - net of tax	-	-	-	-	-	(60,166)	60,166	-
Exchange gain realised on closure of the Bank's branch - net of tax	-	-	(931,277)	-	-	-	-	(931,277)
Transactions with owners, recorded directly in equity								
Final cash dividend - Rs 4.25 per share declared subsequent to the year ended December 31, 2024	-	-	-	-	-	-	(6,234,123)	(6,234,123)
1st interim cash dividend - Rs 4.50 per share	-	-	-	-	-	-	(6,600,836)	(6,600,836)
2nd interim cash dividend - Rs 4.50 per share	-	-	-	-	-	-	(6,600,836)	(6,600,836)
Balance as at September 30, 2025	**14,668,525**	**59,231,008**	**27,214,550**	**547,115**	**30,913,392**	**42,149,395**	**248,410,036**	**423,134,021**

The annexed notes 1 to 41 form an integral part of these condensed interim unconsolidated financial statements.

Muhammad Nassir Salim	**Irfan Ahmed Meer**	**Khaleel Ahmed**	**Moez Ahamed Jamal**	**Dr. Najeeb Samie**
President and Chief Executive Officer	Chief Financial Officer	Director	Director	Director

CONDENSED INTERIM UNCONSOLIDATED CASH FLOW STATEMENT (UNAUDITED)

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025

	January 01 to September 30, 2025	January 01 to September 30, 2024
	-----------(Rupees in '000)-----------	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	**105,042,691**	86,671,532
Dividend income	**(4,565,123)**	(4,232,600)
Mark-up / return / profit / interest expensed on subordinated debt	**1,910,653**	3,234,146
	102,388,221	85,673,078
Adjustments:		
Depreciation	**8,353,350**	7,518,831
Amortisation	**1,931,932**	1,921,368
Depreciation on right-of-use assets	**2,861,831**	2,849,531
Mark-up / return / profit / interest expensed on lease liability against right-of-use assets	**2,515,145**	2,328,345
Reversal of credit loss allowance against investments	**(658,634)**	(987,219)
Credit loss allowance against loans and advances	**4,826,463**	12,002,079
Credit loss allowance against other assets	**350,604**	343,210
Credit loss allowance against off-balance sheet obligations	**87,029**	2,553,118
Unrealised loss / (gain) on fair value through profit and loss (FVTPL) securities	**342,190**	(2,500,772)
Gain realised on closure of the Bank's branch	**(1,940,160)**	-
Loss / (gain) on sale of property and equipment - net	**33,378**	(27,746)
Workers' Welfare Fund	**2,102,484**	1,733,191
	20,805,612	27,733,936
	123,193,833	113,407,014
(Increase) / decrease in operating assets		
Lendings to financial institutions	**(46,059,319)**	47,208,341
Net investment in FVTPL securities	**(97,843,459)**	62,333,897
Advances	**493,416,653**	(39,876,710)
Other assets (excluding advance taxation)	**(40,550,279)**	(58,945,952)
	308,963,596	10,719,576
Increase / (decrease) in operating liabilities		
Bills payable	**(36,860,257)**	(3,264,033)
Borrowings from financial institutions	**449,499,336**	(130,258,895)
Deposits and other accounts	**700,537,909**	661,456,175
Other liabilities	**16,681,936**	48,942,163
	1,129,858,924	576,875,410
	1,562,016,353	701,002,000
Income tax paid	**(73,863,305)**	(56,616,630)
Net cash flows generated from operating activities	**1,488,153,048**	644,385,370
CASH FLOWS FROM INVESTING ACTIVITIES		
Net investment in FVOCI securities	**(1,324,503,221)**	(565,107,576)
Net investment in securities carried at Amortised Cost	**(66,120,716)**	(12,796,316)
Net investment in subsidiaries	**(4,933,019)**	(7,875,572)
Net investment in associates	**9,195**	4,366
Dividend received	**4,535,844**	4,157,086
Investments in property and equipment	**(11,869,849)**	(18,689,237)
Investments in intangible assets	**(5,108,300)**	(2,275,244)
Proceeds from sale of property and equipment	**42,545**	73,803
Effect of translation of net investment in foreign branches - net of tax	**548,317**	(2,560,531)
Net cash flows used in investing activities	**(1,407,399,204)**	(605,069,221)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of mark-up on subordinated debt	**(1,920,116)**	(3,362,251)
Payment of lease liability against right-of-use assets	**(3,751,733)**	(3,517,846)
Dividend paid	**(19,305,920)**	(13,522,786)
Net cash flows used in financing activities	**(24,977,769)**	(20,402,883)
Increase in cash and cash equivalents during the period	**55,776,075**	18,913,266
Cash and cash equivalents at the beginning of the period	**465,385,544**	567,431,489
Effect of exchange rate changes on cash and cash equivalents	**(2,199,292)**	(19,237,406)
	463,186,252	548,194,083
Cash and cash equivalents at the end of the period	**518,962,327**	567,107,349

The annexed notes 1 to 41 form an integral part of these condensed interim unconsolidated financial statements.

Muhammad Nassir Salim	Irfan Ahmed Meer	Khaleel Ahmed	Moez Ahamed Jamal	Dr. Najeeb Samie
President and Chief Executive Officer	Chief Financial Officer	Director	Director	Director

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025

1 **STATUS AND NATURE OF BUSINESS**

Habib Bank Limited (the Bank) is incorporated in Pakistan and is engaged in commercial banking services in Pakistan and overseas. The Bank's registered office is at Habib Bank Tower, 9th Floor, Jinnah Avenue, Blue Area, Islamabad, Pakistan and its principal office is at HBL Tower, Plot # G-4, KDA Scheme 5, Block 7, Clifton, Karachi, Pakistan. The Bank's shares are listed on the Pakistan Stock Exchange. The Bank operates 1,640 (December 31, 2024: 1,705) branches inside Pakistan including 458 (December 31, 2024: 408) Islamic Banking Branches and 25 (December 31, 2024: 27) branches outside the country including in the Karachi Export Processing Zone (KEPZ). The Aga Khan Fund for Economic Development S.A. (AKFED) is the parent company of the Bank and its registered office is in Geneva, Switzerland.

1.1 The Bank had commenced an orderly winding down of its operations in Afghanistan and banking operations were ceased on June 10, 2019. The remaining formalities required for closure are in progress.

1.2 The Bank has sold its operations in Mauritius and has transferred the business to its new owners. The deregistration and related exit formalities are underway.

1.3 The Bank has commenced an orderly wind-down of its Lebanon operations. Formalities for completion of the wind-down are underway.

1.4 The Bank has closed its operations in Belgium after obtaining necessary approvals from the regulators and has also surrendered the banking license.

1.5 During the period, the Bank has subscribed to 200 million Rights shares issued by HBL Microfinance Bank Limited (HBL MfB). Post acquisition, the Bank's shareholding in HBL MfB has increased from 89.38% to 90.83%.

1.6 During the period, the Bank has subscribed to 285 million shares issued by HZSL.

2 **BASIS OF PRESENTATION**

2.1 **STATEMENT OF COMPLIANCE**

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

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017;

- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan (ICAP) as are notified under the Companies Act, 2017;

- Provisions of and directives issued under the Banking Companies Ordinance, 1962;

- Provisions of and directives issued under the Companies Act, 2017; and

- Directives issued by the State Bank of Pakistan (SBP) and the Securities and Exchange Commission of Pakistan (SECP) from time to time.

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

Muhammad Nassir Salim	Irfan Ahmed Meer	Khaleel Ahmed	Moez Ahamed Jamal	Dr. Najeeb Samie
President and Chief Executive Officer	Chief Financial Officer	Director	Director	Director

2.2 The disclosures made in these condensed interim unconsolidated financial statements have been limited based on the format prescribed by IAS 34 and by the SBP vide BPRD Circular Letter No. 2 dated February 09, 2023. These condensed interim unconsolidated financial statements do not include all the information and disclosures required for annual unconsolidated financial statements and should be read in conjunction with the unconsolidated financial statements for the year ended December 31, 2024.

2.3 Amendments to existing accounting and reporting standards that have become effective in the current year

As directed by the SBP via BPRD Circular letter no. 7 of 2023, the results of overseas operations where IFRS 9, Financial Instruments is not applicable, are required to be adjusted in accordance with the requirements of IFRS 9 for the purpose of of preparation of its financial statements with effect from January 01, 2025.

As directed by the SBP vide BPRD Circular letter no. 16 of 2024, unlisted equity securities which were carried at the lower of cost or breakup value till December 31, 2024, are required to be carried at fair value with effect from January 01, 2025.

Except for the changes mentioned above, the Bank expects that amendments to existing accounting and reporting standards will not affect its financial statements in the period of initial application.

2.4 Amendments to existing accounting and reporting standards that are not yet effective

There are various amendments to accounting and reporting standards as applicable in Pakistan that are not yet effective. These are not likely to have a material effect on the Group's financial statements, except for the following relaxations earlier provided by the SBP in respect of the implementation of IFRS 9:

- General provision, over and above the ECL Stage 1 and Stage 2 exposures may be maintained up to December 31, 2026

- The effective interest Rate (EIR) requirements of IFRS 9 will be applicable for accounting periods beginning January 01, 2026

2.5 Critical accounting estimates and judgements

The basis for accounting estimates and judgements 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 for the year ended December 31, 2024, except for changes as discussed in note 3.2.

3 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies adopted in the preparation of these condensed interim unconsolidated financial statements are consistent with those followed in the preparation of the unconsolidated financial statements for the year ended December 31, 2024. The impact of amendments to existing accounting standards as mentioned in note 2.3 are summarized below:

3.1 Transitional Impact

To account for the changes, the Bank has elected to follow the modified retrospective approach for restatement as allowed under IFRS 9. The cumulative impact has been recorded as an adjustment to equity as of January 01, 2025. Accordingly, the information presented as of December 31, 2024 and for the nine months ended September 30, 2024 has not been restated.

The following table reconciles the carrying amounts of financial instruments reported in accordance with the previous financial reporting framework with the carrying amounts reported under the new financial reporting framework.

Financial Assets / Liabilities	Carrying amount as of December 31, 2024	Fair valuation of unlisted securities	Carrying amount as of January 01, 2025
	---------------- (Rupees in '000) ----------------		
Cash and balances with treasury banks	421,135,641	-	421,135,641
Balances with other banks	42,050,611	-	42,050,611
Lendings to financial institutions	84,293,922	-	84,293,922
Investments			
FVTPL	107,546,049	4,140,061	111,686,110
FVOCI	1,838,087,606	6,500,594	1,844,588,200
Amortised Cost	409,140,806	-	409,140,806
Associates and subsidiaries	44,153,704	-	44,153,704
Advances	2,254,964,431	-	2,254,964,431
Other assets	253,378,795	-	253,378,795
Total Financial Assets	5,454,751,565	10,640,655	5,465,392,220
Bills payable	94,853,624	-	94,853,624
Borrowings	787,746,499	-	787,746,499
Deposits and other accounts	4,091,168,379	-	4,091,168,379
Lease liabilities	30,788,980	-	30,788,980
Subordinated debt	18,874,000	-	18,874,000
Other liabilities	226,188,326	-	226,188,326
Total Financial Liabilities	5,249,619,808	-	5,249,619,808
Net Financial Assets	205,131,757	10,640,655	215,772,412
Non Financial Assets	175,867,304	-	175,867,304
Deferred tax liabilities	(3,213,765)	(5,574,541)	(8,788,306)
Total Net Assets	377,785,296	5,066,114	382,851,410

3.2 Fair valuation of unlisted equity securities

The measurement of the fair value of investments in unquoted equity securities involves the use of different methodologies and assumptions. The Bank uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation techniques incorporate various factors that market participants would consider in pricing a transaction.

When observable inputs are not readily available, the fair value is determined using valuation techniques that include the use of mathematical models such as the dividend growth model and discounted cashflow techniques.

3.3 Reconciliation of retained earnings and surplus on revaluation of investments

The impact of the transition to IFRS 9 on retained earnings and on the surplus on revaluation of investments as at January 01, 2025 is as follows:

Retained earnings	**(Rupees in '000)**
Closing balance as at December 31, 2024 - as reported	222,991,000
Increase in the fair valuation of unlisted equity securities carried at FVTPL	4,140,061
Less: related deferred tax	(2,194,232)
	1,945,829
Opening balance as at January 01, 2025 - as restated	224,936,829
Surplus on revaluation of investments	
Closing balance as at December 31, 2024 - as reported	15,363,056
Increase in the fair valuation of unlisted equity securities carried at FVOCI	6,500,594
Less: related deferred tax	(3,380,309)
	3,120,285
Opening balance as at January 01, 2025 - as restated	18,483,341

4 FINANCIAL RISK MANAGEMENT

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

	Note	(Unaudited) September 30, 2025	(Audited) December 31, 2024
5 CASH AND BALANCES WITH TREASURY BANKS		------(Rupees in '000)------	
In hand			
Local currency		**66,032,424**	72,576,912
Foreign currencies		**6,253,903**	6,757,289
		72,286,327	79,334,201
With State Bank of Pakistan in			
Local currency current accounts		**218,683,859**	171,872,856
Foreign currency current accounts		**11,625,212**	12,400,210
Foreign currency deposit accounts		**24,091,739**	25,348,734
		254,400,810	209,621,800
With other Central Banks in			
Foreign currency current accounts		**28,334,304**	40,246,849
Foreign currency deposit accounts		**25,035,405**	37,044,013
		53,369,709	77,290,862
With National Bank of Pakistan in local currency current accounts		**98,536,260**	54,649,751
National Prize Bonds		**236,180**	244,123
Less: credit loss allowance	5.1	**(4,821)**	(5,096)
Cash and balances with Treasury banks - net of credit loss allowance		**478,824,465**	421,135,641

5.1 Cash and balances with Treasury banks are all classified as Stage 1.

6 BALANCES WITH OTHER BANKS

	Note	(Unaudited) September 30, 2025	(Audited) December 31, 2024
In Pakistan			
In current accounts		**536,862**	265,340
Outside Pakistan			
In current accounts		**26,543,442**	25,793,611
In deposit accounts		**13,080,856**	15,994,849
		39,624,298	41,788,460
Less: credit loss allowance	6.1	**(23,298)**	(3,189)
Balances with other banks - net of credit loss allowance		**40,137,862**	42,050,611

6.1 Balances with other banks are all classified as Stage 1.

7 LENDINGS TO FINANCIAL INSTITUTIONS

	Note	(Unaudited) September 30, 2025	(Audited) December 31, 2024
Call money lendings		**8,300,000**	9,500,000
Repurchase agreement lendings (reverse repo)		**122,061,014**	74,801,635
		130,361,014	84,301,635
Less: credit loss allowance	7.1	**(7,773)**	(7,713)
Lendings to financial institutions - net of credit loss allowance		**130,353,241**	84,293,922

7.1 Lendings to financial institutions are all classified as Stage 1.

8 INVESTMENTS	Note	September 30, 2025 (Unaudited)				December 31, 2024 (Audited)			
		Cost / amortised cost	Credit loss allowance / provision for diminution	Surplus / (deficit)	Carrying value	Cost / amortised cost	Credit loss allowance / provision for diminution	Surplus / (deficit)	Carrying value
8.1 Investments by type		(Rupees in '000)							
Fair value through profit or loss (FVTPL)									
Federal Government securities									
- Market Treasury Bills		65,539,097	-	(22,240)	65,516,857	37,601,772	-	92,611	37,694,383
- Pakistan Investment Bonds		96,757,381	-	91,429	96,848,810	37,637,284	-	147,628	37,784,912
- Ijarah Sukuk		18,654,623	-	11,192	18,665,815	12,810,694	-	104,464	12,915,158
- Government of Pakistan US Dollar Bonds		1,487,061		2,112	1,489,173				
- Other Federal Government securities		873,070	-	-	873,070	2,580,725	-	-	2,580,725
Shares									
- Listed companies		1,857,790	-	241,627	2,099,417	-	-	-	-
- Unlisted companies		8,639,530	-	(1,007,399)	7,632,131	4,496,354	-	-	4,496,354
Non-Government debt securities									
- Listed		2,691,019	-	1,871	2,692,890	2,722,858	-	(31,839)	2,691,019
- Unlisted		801,000	-	-	801,000	801,000	-	-	801,000
Foreign securities									
- Government debt securities		2,677,635	-	(101,330)	2,576,305	4,576,452	-	(236,941)	4,339,511
Preference shares									
- Listed		835,400	-	100,100	935,500	877,400	-	(42,000)	835,400
- Unlisted		14,465	-	-	14,465	38,480	-	-	38,480
Real Estate Investment Trust units - Listed		3,369,107	-	340,448	3,709,555	2,210,700	-	1,158,407	3,369,107
		204,197,178	-	(342,190)	203,854,988	106,353,719	-	1,192,330	107,546,049
Fair value through other comprehensive income (FVOCI)									
Federal Government securities									
- Market Treasury Bills		234,488,834	-	327,828	234,816,662	275,432,878	-	7,004,086	282,436,964
- Pakistan Investment Bonds		2,332,747,679	-	36,544,225	2,369,291,904	1,034,682,135	-	7,160,003	1,041,842,138
- Ijarah Sukuk		307,935,771	-	9,401,302	317,337,073	287,654,823	-	12,551,056	300,205,879
- Government of Pakistan US Dollar Bonds		6,759,223	(1,433,588)	1,390,629	6,716,264	12,470,809	(2,287,931)	1,676,199	11,859,077
Shares									
- Listed companies		19,644,868	-	6,967,139	26,612,007	17,814,570	-	2,703,103	20,517,673
- Unlisted companies		922,684	-	6,640,603	7,563,287	1,018,686	-	(137,414)	881,272
Non-Government debt securities									
- Listed		47,652,695	(1,542,011)	1,213,516	47,324,200	48,349,774	(1,432,238)	633,484	47,551,020
- Unlisted		360,906	(360,906)	-	-	973,382	(373,382)	4,922	604,922
Foreign securities									
- Government debt securities		158,314,674	(1,024,115)	1,367,852	158,658,411	121,352,906	(800,540)	374,178	120,926,544
- Non-Government debt securities - Listed		11,155,727	(5,091)	277,087	11,427,723	11,011,177	(4,299)	45,646	11,052,524
- Equity securities - Unlisted		6,507	-	65,798	72,305	6,459	-	-	6,459
National Investment Unit Trust units		11,113	-	101,470	112,583	11,113	-	83,271	94,384
Real Estate Investment Trust units - Listed		55,000	-	105,450	160,450	55,000	-	53,750	108,750
		3,120,055,681	(4,365,711)	64,402,899	3,180,092,869	1,810,833,712	(4,898,390)	32,152,284	1,838,087,606
Amortised cost	8.2								
Federal Government securities									
- Market Treasury Bills		56,267,820	-	-	56,267,820	92,317,600	-	-	92,317,600
- Pakistan Investment Bonds		354,024,748	-	-	354,024,748	248,949,048	-	-	248,949,048
- Ijarah Sukuk		32,347,734	-	-	32,347,734	28,274,899	-	-	28,274,899
Non-Government debt securities									
- Listed		898,976	(7)	-	898,969	899,130	(49)	-	899,081
- Unlisted		20,250,996	(632,467)	-	19,618,529	23,226,449	(640,324)	-	22,586,125
Foreign Securities									
- Government debt securities		12,127,589	-	-	12,127,589	16,130,021	(15,968)	-	16,114,053
		475,917,863	(632,474)	-	475,285,389	409,797,147	(656,341)	-	409,140,806
Investments in associates	8.2	7,146,384	-	-	7,146,384	7,137,189	(57,087)	-	7,080,102
Investment in subsidiary companies		42,006,621	-	-	42,006,621	37,073,602	-	-	37,073,602
Total Investments		3,849,323,727	(4,998,185)	64,060,709	3,908,386,251	2,371,195,369	(5,611,818)	33,344,614	2,398,928,165

		(Unaudited) September 30, 2025	(Audited) December 31, 2024
8.1.1	**Investments given as collateral**	---------(Rupees in '000) ---------	

The market value of investments given as collateral against borrowings is as follows:

	(Unaudited) September 30, 2025	(Audited) December 31, 2024
Federal Government securities		
- Market Treasury Bills	**29,001,960**	33,609,790
- Pakistan Investment Bonds	**958,659,648**	407,571,594
Foreign securities		
- Government debt securities	**27,903**	1,510,115
	987,689,511	442,691,499

8.2 The market value of investments classified as amortised cost and investment in listed associates are as follows:

	(Unaudited) September 30, 2025		(Audited) December 31, 2024	
	Book value	Market value	Book value	Market value
	---------------------------(Rupees in '000)		-----------------------------------	
- Investments classified as amortised cost	**475,285,389**	**479,186,168**	409,140,806	407,435,334
- Investment in listed associates	**6,890,153**	**16,773,983**	6,823,871	12,347,748
	482,175,542	**495,960,151**	415,964,677	419,783,082

		(Unaudited) September 30, 2025	(Audited) December 31, 2024
8.3	**Particulars of provision / credit loss allowance against investments**	---------(Rupees in '000) ---------	
	Opening balance - as reported	**5,611,818**	8,962,644
	Impact of adoption of IFRS 9	**-**	(1,340,461)
	Opening balance - as restated	**5,611,818**	7,622,183
	Exchange adjustment	**45,001**	(74,792)
	Charge / (reversal)		
	Charge for the period / year	**90,474**	853,285
	Reversal for the period / year	**(728,479)**	(437,059)
	Reversal on disposal during the period / year	**(20,629)**	(2,351,799)
	Net reversal	**(658,634)**	(1,935,573)
	Closing balance	**4,998,185**	5,611,818

8.4 **Particulars of credit loss allowance against debt securities**

	(Unaudited) September 30, 2025		(Audited) December 31, 2024	
Category of classification	Outstanding amount	Credit loss allowance held	Outstanding amount	Credit loss allowance held
	---------------------------------- (Rupees	in '000)	----------------------------------	
Domestic				
Performing	**3,603,180,562**	**37,394**	2,154,198,499	40,573
Underperforming	**225,000**	**2,644**	1,662,500	12,324
Non-performing				
Loss	**972,906**	**972,906**	985,382	985,382
	3,604,378,468	**1,012,944**	2,156,846,381	1,038,279
Overseas				
Performing	**181,660,489**	**126,961**	149,250,526	112,288
Underperforming	**29,280,774**	**3,858,280**	23,884,409	4,404,164
Non-performing				
Loss	**-**	**-**	-	-
	210,941,263	**3,985,241**	173,134,935	4,516,452
Total	**3,815,319,731**	**4,998,185**	2,329,981,316	5,554,731

9 ADVANCES	Note	Performing (Unaudited) September 30, 2025	Performing (Audited) December 31, 2024	Non - performing (Unaudited) September 30, 2025	Non - performing (Audited) December 31, 2024	Total (Unaudited) September 30, 2025	Total (Audited) December 31, 2024
		----(Rupees in '000)----					
Loans, cash credits, running finances, etc.		**1,394,458,033**	1,919,668,255	**75,937,781**	83,771,497	**1,470,395,814**	2,003,439,752
Islamic financing and related assets	38.3	**211,417,577**	198,557,588	**10,625,906**	11,098,821	**222,043,483**	209,656,409
Bills discounted and purchased		**181,175,929**	162,868,492	**4,008,115**	5,446,803	**185,184,044**	168,315,295
Advances - gross		**1,787,051,539**	2,281,094,335	**90,571,802**	100,317,121	**1,877,623,341**	2,381,411,456
Credit loss allowance							
- Stage 1		**(11,156,040)**	(11,345,420)	**-**	-	**(11,156,040)**	(11,345,420)
- Stage 2		**(12,579,846)**	(12,926,671)	**-**	-	**(12,579,846)**	(12,926,671)
- Stage 3	9.3	**-**	-	**(82,861,124)**	(90,087,556)	**(82,861,124)**	(90,087,556)
Provisions:							
Specific		**-**	-	**-**	(998,810)	**-**	(998,810)
General		**(12,359,187)**	(11,088,568)	**-**	-	**(12,359,187)**	(11,088,568)
		(36,095,073)	(35,360,659)	**(82,861,124)**	(91,086,366)	**(118,956,197)**	(126,447,025)
Advances - net of provision / credit loss allowance		**1,750,956,466**	2,245,733,676	**7,710,678**	9,230,755	**1,758,667,144**	2,254,964,431

9.1 Particulars of advances (gross)	(Unaudited) September 30, 2025	(Audited) December 31, 2024
	----(Rupees in '000)----	
In local currency	**1,401,176,833**	1,901,706,491
In foreign currencies	**476,446,508**	479,704,965
	1,877,623,341	2,381,411,456

9.2 Advances include Rs 90,571.802 million (December 31, 2024: Rs 100,317.121 million) which have been placed under non-performing status as detailed below:

Category of Classification	(Unaudited) September 30, 2025 Non - performing advances	(Unaudited) September 30, 2025 Credit loss allowance	(Audited) December 31, 2024 Non - performing advances	(Audited) December 31, 2024 Credit loss allowance / Provision
	---- (Rupees in '000) ----			
Domestic				
Substandard	**10,058,863**	**6,583,972**	13,101,311	8,930,350
Doubtful	**6,360,674**	**4,721,692**	9,486,290	7,154,640
Loss	**54,202,561**	**53,261,749**	51,405,827	50,465,020
	70,622,098	**64,567,413**	73,993,428	66,550,010
Overseas				
Substandard	**-**	**-**	38,146	22,209
Doubtful	**1,385,114**	**753,369**	1,186,283	621,723
Loss	**18,564,590**	**17,540,342**	25,099,264	23,892,424
	19,949,704	**18,293,711**	26,323,693	24,536,356
	90,571,802	**82,861,124**	100,317,121	91,086,366

9.3 **Particulars of provisions / credit loss allowance against advances**

	(Unaudited) September 30, 2025					
	Stage 1	Stage 2	Stage 3	Specific	General	Total
	(Rupees in '000)					
Opening balance - as reported	11,345,420	12,926,671	90,087,556	998,810	11,088,568	126,447,025
Impact of adoption of IFRS 9	59,923	57,812	998,810	(998,810)	(117,735)	-
Opening balance - as restated	11,405,343	12,984,483	91,086,366	-	10,970,833	126,447,025
Transfer to stage 1	594,799	(594,799)	-	-	-	-
Transfer to stage 2	(264,078)	264,078	-	-	-	-
Transfer to stage 3	(32,839)	(893,617)	926,456	-	-	-
Exchange adjustment	(251,116)	1,357	459,222	-	-	209,463
Charge for the period	2,269,113	1,031,746	16,314,132	-	1,388,354	21,003,345
Reversal for the period	(2,565,182)	(213,402)	(13,398,298)	-	-	(16,176,882)
Net charge against advances	(296,069)	818,344	2,915,834	-	1,388,354	4,826,463
Charged off during the period - agriculture financing	-	-	(660,624)	-	-	(660,624)
Charged off during the period - Corporate / commercial and SME advances	-	-	(4,813,045)	-	-	(4,813,045)
Written off during the period	-	-	(7,053,085)	-	-	(7,053,085)
Other movement	-	-	-	-	-	-
Closing balance	11,156,040	12,579,846	82,861,124	-	12,359,187	118,956,197

	(Audited) December 31, 2024					
	Stage 1	Stage 2	Stage 3	Specific	General	Total
	(Rupees in '000)					
Opening balance - as reported	-	-	-	80,251,974	16,032,464	96,284,438
Impact of adoption of IFRS 9	10,614,913	15,222,824	85,326,975	(79,243,853)	(8,546,908)	23,373,951
Opening balance - as restated	10,614,913	15,222,824	85,326,975	1,008,121	7,485,556	119,658,389
Transfer to stage 1	400,012	(400,012)	-	-	-	-
Transfer to stage 2	(1,211,296)	1,783,821	(572,525)	-	-	-
Transfer to stage 3	-	(2,240,018)	2,240,018	-	-	-
Exchange adjustment	(44,797)	(24,323)	(601,959)	(19,685)	(9,013)	(699,777)
Charge for the year	9,032,426	24,055,031	20,350,601	64,609	3,628,909	57,131,576
Reversal for the year	(7,445,838)	(25,470,652)	(9,012,219)	(54,235)	(16,884)	(41,999,828)
Net charge / (reversal) against advances	1,586,588	(1,415,621)	11,338,382	10,374	3,612,025	15,131,748
Charged off during the year - agriculture financing	-	-	(274,326)	-	-	(274,326)
Charged off during the year - Corporate / commercial	-	-	(3,534,146)	-	-	(3,534,146)
Written off during the year	-	-	(3,834,863)	-	-	(3,834,863)
Closing balance	11,345,420	12,926,671	90,087,556	998,810	11,088,568	126,447,025

9.4 General provision represents an amount of Rs 12,359.187 million (January 01, 2025: Rs 10,970.833 million) carried as a matter of prudence, on account of borrowers that may be impacted by stressed economic conditions.

9.5 **Advances - Category of classification**

	(Unaudited) September 30, 2025		(Audited) December 31, 2024	
	Outstanding amount	Provision / credit loss allowance	Outstanding amount	Provision / credit loss allowance
	(Rupees in '000)			
Domestic				
Performing	1,216,597,441	18,522,958	1,703,239,723	17,908,590
Underperforming	240,598,078	10,338,617	269,235,277	11,150,592
Non-performing	70,622,098	64,567,413	73,993,428	66,550,010
Total	1,527,817,617	93,428,988	2,046,468,428	95,609,192
Overseas				
Performing	261,493,780	4,992,269	248,177,262	4,525,398
Underperforming	68,362,240	2,241,229	60,442,073	1,776,079
Non-performing	19,949,704	18,293,711	26,323,693	24,536,356
Total	349,805,724	25,527,209	334,943,028	30,837,833
	1,877,623,341	118,956,197	2,381,411,456	126,447,025

	Note	(Unaudited) September 30, 2025	(Audited) December 31, 2024
10 PROPERTY AND EQUIPMENT		-------(Rupees in '000)-------	
Capital work-in-progress	10.1	**14,955,248**	14,180,944
Property and equipment		**115,586,485**	112,721,291
		130,541,733	126,902,235
10.1 Capital work-in-progress			
Civil works		**2,291,417**	3,949,581
Equipment		**1,725,648**	1,620,150
Advances to suppliers and contractors		**10,938,183**	8,611,213
		14,955,248	14,180,944

10.2 Additions to property and equipment

	(Unaudited) For the nine months ended September 30, 2025	(Unaudited) For the nine months ended September 30, 2024
	-------(Rupees in '000)-------	
The following additions have been made to property and equipment during the period:		
Capital work-in-progress - net	**774,304**	6,169,433
Property and equipment		
leasehold land	**677,301**	1,633,340
Building on leasehold land	**1,945,592**	4,105,559
Machinery	**14,739**	13,203
Leasehold improvements	**1,468,244**	934,099
Furniture and fixtures	**460,023**	726,157
Electrical, office and computer equipment	**4,124,950**	4,926,935
Vehicles	**2,404,696**	180,511
	11,095,545	12,519,804
	11,869,849	18,689,237

10.3 Disposal of property and equipment

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

	September 30, 2025	September 30, 2024
Property and equipment		
Building on leasehold land	**-**	13,512
Leasehold improvements	**375**	1,111
Furniture and fixtures	**987**	2,278
Electrical, office and computer equipment	**7,479**	8,356
Vehicles	**67,082**	20,800
	75,923	46,057

11 RIGHT-OF-USE ASSETS	(Unaudited) September 30, 2025	(Audited) December 31, 2024
	-------(Rupees in '000)-------	
At January 1,		
Cost	**37,033,836**	34,140,237
Accumulated depreciation	**(13,630,899)**	(12,492,201)
Net carrying amount at January 1,	**23,402,937**	21,648,036
Exchange adjustment	**55,197**	(100,292)
Additions during the period / year	**4,468,543**	6,508,499
Deletions during the period / year	**(1,324,288)**	(837,602)
Depreciation charge for the period / year	**(2,861,831)**	(3,815,704)
Net carrying amount at the end of the period / year	**23,740,558**	23,402,937

		Note	(Unaudited) September 30, 2025	(Audited) December 31, 2024
			------(Rupees in '000)------	
12	**INTANGIBLE ASSETS**			
	Capital work-in-progress - computer software		**14,630,495**	10,295,495
	Computer software		**5,766,234**	6,727,178
			20,396,729	17,022,673

		(Unaudited) For the nine months ended September 30, 2025	September 30, 2024
		------(Rupees in '000)------	
12.1	**Additions to intangibles assets**		
	The following additions have been made to intangible assets during the period:		
	Capital work-in-progress - net	**4,335,000**	1,716,250
	Computer software	**773,300**	558,994
		5,108,300	2,275,244

		Note	(Unaudited) September 30, 2025	(Audited) December 31, 2024
			------(Rupees in '000)------	
13	**OTHER ASSETS**			
	Mark-up / return / profit / interest accrued in local currency - net of provision		**144,720,516**	94,739,661
	Mark-up / return / profit / interest accrued in foreign currency - net of provision		**7,591,951**	8,473,312
	Advances, deposits, advance rent and other prepayments		**7,201,726**	4,619,092
	Advance taxation		**37,451,356**	29,281,098
	Advance against subscription of securities		**228,514**	231,629
	Stationery and stamps on hand		**190,789**	210,465
	Accrued fees and commissions		**381,520**	335,944
	Due from Government of Pakistan / SBP		**13,963,140**	12,256,868
	Mark to market gain on forward foreign exchange contracts		**3,751,428**	3,355,232
	Mark to market gain on derivative instruments		**264,828**	213,781
	Non-banking assets acquired in satisfaction of claims		**188,976**	188,976
	Receivable from defined benefit plan		**1,101,998**	1,101,998
	Acceptances		**59,783,033**	67,792,929
	Clearing and settlement accounts		**23,308,560**	31,512,297
	Dividend receivable		**34,234**	4,955
	Claims receivable against fraud and forgeries		**1,260,249**	1,236,679
	Deferred fair value loss	13.2	**4,526,049**	4,526,049
	Prepaid deferred expense	13.3	**33,813,332**	30,765,582
	Others		**1,441,625**	1,721,765
			341,203,824	292,568,312
	Provision / credit loss allowance held against other assets	13.1	**(5,126,186)**	(4,889,886)
	Other assets - net of provision / credit loss allowance		**336,077,638**	287,678,426
	Surplus on revaluation of non-banking assets acquired in satisfaction of claims	21	**294,753**	211,024
	Other assets - total		**336,372,391**	287,889,450

	(Unaudited) September 30, 2025	(Audited) December 31, 2024
	-----(Rupees in '000)-----	
13.1 Provision / credit loss allowance held against other assets		
Fraud and forgeries	**1,260,249**	1,236,679
Suit filed cases	**4,979**	4,979
Others	**3,860,958**	3,648,228
	5,126,186	4,889,886

13.2 This represents the deferred fair value loss arising from the restructuring of the exposure to Pakistan International Airlines Corporation Limited (PIACL). To date, the Bank has amortized 15% of the loss, as allowed by the SBP.

13.3 This represents the difference between the fair value of subsidised employee loans and the actual amount disbursed, and will be expensed over the tenor of the loans.

	Note	(Unaudited) September 30, 2025	(Audited) December 31, 2024
		-----(Rupees in '000)-----	
13.1.1 Movement in credit loss allowance against other assets			
Opening balance		**4,889,886**	2,577,641
Impact of adoption of IFRS 9		**-**	53,536
Exchange adjustment		**1,478**	(3,705)
Charge for the period / year		**730,382**	2,356,900
Reversal for the period / year		**(379,778)**	(16,372)
Net charge		**350,604**	2,340,528
Written off during the period / year		**(101,649)**	(109,314)
Other movement		**(14,133)**	31,200
Closing balance		**5,126,186**	4,889,886
14 BILLS PAYABLE			
In Pakistan		**54,629,469**	92,049,697
Outside Pakistan		**3,363,898**	2,803,927
		57,993,367	94,853,624
15 BORROWINGS			
Secured			
Borrowings from the SBP under			
- Export refinance scheme		**33,595,292**	48,258,894
- Export refinance scheme for bill discounting		**22,641,533**	23,155,596
- Long term financing facility		**25,557,496**	30,589,079
- Financing facility for renewable energy power plants		**6,572,230**	6,867,520
- Refinance facility for modernization of Small and Medium Enterprises (SMEs)		**1,060,560**	732,230
- Refinance and credit guarantee scheme for women entrepreneurs		**61,861**	10,015
- Financing facility for storage of agricultural produce		**1,182,739**	414,105
- Refinance facility for combating COVID-19		**631,656**	954,836
- Temporary economic refinance facility		**18,728,058**	21,621,311
- Refinance facility for SME Asaan Finance (SAAF)		**8,767,546**	9,725,252
		118,798,971	142,328,838
Repurchase agreement borrowings		**984,076,869**	441,742,329
		1,102,875,840	584,071,167
Unsecured			
- Call money borrowings		**44,100,544**	89,049,391
- Overdrawn nostro accounts		**1,043,765**	3,587,841
- Borrowings of overseas branches		**20,385,127**	62,718,578
- Other long-term borrowings	15.1	**68,840,559**	48,319,522
		134,369,995	203,675,332
		1,237,245,835	787,746,499

15.1 This includes the following:

15.1.1 A long-term financing facility from China Development Bank, utilized for on-lending to projects of the Bank's customers. The current amount outstanding is US$ 150.157 million (December 31, 2024: US$ 166.288 million). Drawn amounts are payable in semi-annual installments from January 2023 to January 2033. Interest at a fixed spread over SOFR is payable semi-annually.

15.1.2 A mortgage refinancing facility on Musharakah basis from Pakistan Mortgage Refinance Company Limited (PMRC) amounting to Rs 1,500.000 million (December 31, 2024: Rs 2,000.000 million).The principal amount is payable in equal semi-annual installments from April 2025 to October 2026. Profit at a rate of 16.61% per annum (December 31, 2024: 16.61% per annum) is payable semi-annually.

15.1.3 A mortgage refinancing facility on Musharakah basis from PMRC amounting to Rs 4,000.000 million (December 31, 2024: nil) for on-lending to customers. The principal amount is payable in semi-annual installments from December 2025 to June 2028. Profit at a rate of 1-Year KIBOR minus 2.25% with a floor of 9.00% per anum is payable semi-annually.

15.1.4 A long-term financing facility of US$ 75.000 million was arranged from British International Investment plc during the period, to support farmers and Agri businesses in Pakistan. The amount outstanding as on September 30, 2025 is US$ 75.000 million (December 31, 2024: US$ Nil) and repayment to commence after completion of the 2 years in semi-annual installments till July 2030. Interest rate on the facility is SOFR plus a fixed spread payable semi-annually.

16 DEPOSITS AND OTHER ACCOUNTS

	September 30, 2025 (Unaudited)			December 31, 2024 (Audited)		
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
	(Rupees in '000)					
Customers						
Current deposits	**1,607,652,812**	**229,630,067**	**1,837,282,879**	1,251,900,417	205,311,964	1,457,212,381
Savings deposits	**1,806,463,875**	**125,228,646**	**1,931,692,521**	1,777,922,115	130,647,455	1,908,569,570
Term deposits	**495,065,433**	**378,530,578**	**873,596,011**	328,170,145	352,805,210	680,975,355
	3,909,182,120	**733,389,291**	**4,642,571,411**	3,357,992,677	688,764,629	4,046,757,306
Financial institutions						
Current deposits	**8,317,218**	**1,751,693**	**10,068,911**	8,848,719	2,182,383	11,031,102
Savings deposits	**124,268,679**	**1,964,188**	**126,232,867**	17,450,767	810,461	18,261,228
Term deposits	**1,577,618**	**11,255,481**	**12,833,099**	2,744,584	12,374,159	15,118,743
	134,163,515	**14,971,362**	**149,134,877**	29,044,070	15,367,003	44,411,073
	4,043,345,635	**748,360,653**	**4,791,706,288**	3,387,036,747	704,131,632	4,091,168,379

17 LEASE LIABILITIES

	Note	(Unaudited) September 30, 2025	(Audited) December 31, 2024
		(Rupees in '000)	
Opening balance		**30,788,980**	26,864,447
Exchange adjustment		**53,514**	(159,252)
Additions during the period / year		**4,229,465**	6,134,742
Interest expense		**2,515,145**	3,073,386
Lease payments including interest		**(3,751,733)**	(4,451,980)
Deletion during the period / year		**(1,753,405)**	(672,363)
Closing balance		**32,081,966**	30,788,980

17.1 Liabilities Outstanding at the end of the period / year

Not later than one year		**1,466,684**	1,876,697
Later than one year and upto five years		**8,607,507**	7,974,093
Over five years		**22,007,775**	20,938,190
Total		**32,081,966**	30,788,980

18 SUBORDINATED DEBT

Additional Tier I Term Finance Certificates	18.1.1	**12,374,000**	12,374,000
Additional Tier I Term Finance Certificates	18.1.2	**6,500,000**	6,500,000
		18,874,000	18,874,000

18.1 The Bank has issued listed, fully paid up, rated, privately placed, perpetual, unsecured, subordinated, non-cumulative and contingent convertible debt instruments in the nature of Term Finance Certificates (TFCs) issued as instruments of redeemable capital under Section 66 of the Companies Act, 2017 which qualify as Additional Tier 1 Capital (AT 1) as outlined by the SBP under BPRD Circular No. 6 dated August 15, 2013.

The key features of these issue are as follows:

18.1.1

Issue date	September 26, 2019
Issue amount	Rs 12.374 billion
Rating	AA+ (Double A plus) [December 31, 2024: AA+ (Double A plus)]
Original Tenor	Perpetual
Security	Unsecured and subordinated to all other indebtedness of the Bank including depositors and general creditors, but will rank pari passu with other Additional Tier 1 instruments and superior to the claims of ordinary shareholders.
Mark-up payment frequency	Quarterly in arrears
Redemption	Perpetual, hence not applicable.
Mark-up	Floating rate of return at Base Rate + 1.60%. The Base Rate is defined as the average “Ask Side” rate of the three months Karachi Interbank Offered Rate (KIBOR).
Call option	The Bank may, at its sole discretion, call the TFCs any time after five years from the Issue Date subject to the following: (a) Prior approval of the SBP having been obtained; and (b) The Bank replacing the TFCs with capital of the same or better quality and the capital position of the Bank being above the minimum capital requirement after the Call Option is exercised. If the Bank decides to exercise the Call Option, the Bank shall notify the Trustee and the investors not less than 30 calendar days prior to the date of exercise of such Call Option, which notice shall specify the date fixed for the exercise of the Call Option (the “Call Option Exercise Date”).
Lock-in clause	Mark-up will only be paid from the current year’s earnings and only if the Bank is in compliance with regulatory capital and liquidity requirements.
Loss absorbency clause	The TFCs will be subject to a loss absorbency clause as stipulated under the SBP's "Instructions for Basel III Implementation in Pakistan".

18.1.2

Issue date	December 28, 2022
Issue amount	Rs 6.500 billion
Rating	AA+ (Double A plus) [December 31, 2024: AA+ (Double A plus)]
Original Tenor	Perpetual
Security	Unsecured and subordinated to all other indebtedness of the Bank including depositors and general creditors, but will rank pari passu with other Additional Tier 1 instruments and superior to the claims of ordinary shareholders.
Mark-up payment frequency	Quarterly in arrears
Redemption	Perpetual, hence not applicable.
Mark-up	Floating rate of return at Base Rate + 2.00%. The Base Rate is defined as the average “Ask Side” rate of the three months Karachi Interbank Offered Rate (KIBOR).
Call option	The Bank may, at its sole discretion, call the TFCs any time after five years from the Issue Date subject to the following: (a) Prior approval of the SBP having been obtained; and (b) The Bank replacing the TFCs with capital of the same or better quality and the capital position of the Bank being above the minimum capital requirement after the Call Option is exercised. If the Bank decides to exercise the Call Option, the Bank shall notify the Trustee and the investors not less than 30 calendar days prior to the date of exercise of such Call Option, which notice shall specify the date fixed for the exercise of the Call Option (the “Call Option Exercise Date”).
Lock-in clause	Mark-up will only be paid from the current year’s earnings and only if the Bank is in compliance with regulatory capital and liquidity requirements.
Loss absorbency clause	The TFCs will be subject to a loss absorbency clause as stipulated under the SBP's "Instructions for Basel III Implementation in Pakistan".

19 DEFERRED TAX LIABILITIES / (ASSETS)

	Note	(Unaudited) September 30, 2025	(Audited) December 31, 2024
		------(Rupees in '000)------	
Deductible temporary differences on			
- Credit loss allowance against investments		(447,942)	(460,622)
- Credit loss allowance against doubtful debts and off-balance sheet obligations		(24,365,070)	(24,769,854)
- Liabilities written back under section 34(5) of the Income Tax Ordinance (ITO) 2001		(3,135,118)	(2,886,167)
- Right-of-use assets and related lease liabilities		(5,066,545)	-
- Ijarah financing		(680,657)	(644,964)
		(33,695,332)	(28,761,607)
Taxable temporary differences on			
- Accelerated tax depreciation		3,044,519	3,665,245
- Surplus on revaluation of investments		33,489,507	16,789,228
- Surplus on revaluation of property and equipment		3,720,517	3,785,695
- Exchange translation reserve		334,835	1,307,674
		40,589,378	25,547,842
Net deferred tax liabilities / (assets)		6,894,046	(3,213,765)

20 OTHER LIABILITIES

	Note	(Unaudited) September 30, 2025	(Audited) December 31, 2024
Mark-up / return / profit / interest payable in local currency		42,837,416	42,009,415
Mark-up / return / profit / interest payable in foreign currency		7,077,250	8,406,158
Security deposits		1,569,743	1,653,881
Accrued expenses		46,901,972	38,860,072
Mark to market loss on forward foreign exchange contracts		4,723,354	3,731,381
Mark to market loss on derivative instruments		5,383,308	6,708,794
Unclaimed dividends		862,280	807,670
Dividends payable		311,862	236,597
Provision for post retirement medical benefits		4,629,644	4,765,310
Provision for employees' compensated absences		611,056	683,712
Credit loss allowance against off-balance sheet obligations	20.1	8,280,316	8,149,567
Acceptances		59,783,033	67,792,929
Branch adjustment account		3,538,610	3,885,262
Provision for staff retirement benefits		1,953,113	1,750,893
Payable to defined benefit plans		833,435	830,028
Provision for Workers' Welfare Fund		15,648,285	13,545,801
Unearned income		7,143,489	6,239,889
Qarza-e-Hasna Fund		338,409	338,409
Levies and taxes payable		8,162,596	18,482,312
Insurance payable		621,738	484,246
Provision for rewards program expenses		4,488,099	3,211,001
Liability against trading of securities		1,051,291	-
Clearing and settlement accounts		23,398,065	20,079,147
Payable to HBL Foundation		779,760	867,797
Charity fund		93,969	51,276
Unclaimed deposits		767,105	956,346
Others		7,701,653	4,059,159
		259,490,851	258,587,052

20.1 Credit loss allowance against off-balance sheet obligations

Opening balance	8,149,567	1,927,866
Impact of adoption of IFRS 9	-	1,691,809
Exchange adjustment	35,000	(29,713)
Charge for the period / year	1,013,696	5,150,988
Reversal for the period / year	(926,667)	(544,682)
Net charge	87,029	4,606,306
Other movement	8,720	(46,701)
Closing balance	8,280,316	8,149,567

		Note	(Unaudited) September 30, 2025	(Audited) December 31, 2024
21	**SURPLUS ON REVALUATION OF ASSETS - NET OF TAX**		------(Rupees in '000)------	
	Surplus arising on revaluation of:			
	- Property and equipment		**45,575,159**	45,700,503
	- FVOCI securities - debt	8.1	**50,522,439**	29,449,574
	- FVOCI securities - equity		**13,880,460**	2,702,710
	- Non-banking assets acquired in satisfaction of claims	13	**294,753**	211,024
			110,272,811	78,063,811
	Deferred tax on surplus on revaluation of:			
	- Property and equipment		**3,720,517**	3,785,695
	- FVOCI securities - debt		**26,271,668**	15,383,819
	- FVOCI securities - equity		**7,217,839**	1,405,409
	- Non-banking assets acquired in satisfaction of claims		**-**	-
			37,210,024	20,574,923
	Surplus on revaluation of assets - net of tax		**73,062,787**	57,488,888
22	**CONTINGENCIES AND COMMITMENTS**			
	- Guarantees	22.1	**353,399,788**	353,046,396
	- Commitments	22.2	**1,299,873,534**	1,326,805,260
	- Other contingent liabilities	22.3	**18,442,721**	18,344,870
			1,671,716,043	1,698,196,526
22.1	**Guarantees:**			
	Financial guarantees		**66,610,795**	51,297,531
	Performance guarantees		**273,671,173**	291,626,929
	Other guarantees		**13,117,820**	10,121,936
			353,399,788	353,046,396
22.2	**Commitments:**			
	Trade-related contingent liabilities		**275,424,185**	323,966,907
	Commitments in respect of:			
	- forward foreign exchange contracts	22.2.1	**871,529,570**	643,612,055
	- forward Government securities transactions	22.2.2	**64,121,874**	270,514,553
	- derivatives	22.2.3	**53,332,557**	48,832,145
	- forward lending	22.2.4	**23,144,736**	27,239,703
			1,012,128,737	990,198,456
	Commitments for acquisition of:			
	- property and equipment		**5,676,145**	7,290,133
	- intangible assets		**6,644,467**	5,349,764
			12,320,612	12,639,897
			1,299,873,534	1,326,805,260
22.2.1	**Commitments in respect of forward foreign exchange contracts**			
	Purchase		**495,392,582**	369,141,560
	Sale		**376,136,988**	274,470,495
			871,529,570	643,612,055

	(Unaudited) September 30, 2025	(Audited) December 31, 2024
	-------(Rupees in '000)-------	
22.2.2 Commitments in respect of forward Government securities transactions		
Purchase	**43,610,911**	270,104,759
Sale	**20,510,963**	409,794
	64,121,874	270,514,553
22.2.3 Commitments in respect of derivatives		
Foreign currency options		
Purchase	**9,526,344**	3,761,243
Sale	**9,526,344**	3,761,243
	19,052,688	7,522,486
Cross currency swaps		
Purchase	**14,051,616**	16,740,280
Sale	**20,028,253**	24,244,379
	34,079,869	40,984,659
Interest rate swaps		
Purchase	**-**	-
Sale	**200,000**	325,000
	200,000	325,000
22.2.4 Commitments in respect of forward lending		
Undrawn formal standby facilities, credit lines and other commitments to extend credit	**23,144,736**	27,239,703

These represent commitments that are irrevocable because they can not be withdrawn at the discretion of the Bank without the risk of incurring a significant penalty or expense.

	(Unaudited) September 30, 2025	(Audited) December 31, 2024
	-------(Rupees in '000)-------	
22.3 Other contingent liabilities		
22.3.1 Claims against the Bank not acknowledged as debts	**18,442,721**	18,344,870

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

22.3.2 There were no tax related contingencies as at the period end except for those disclosed in the unconsolidated financial statements for the year ended December 31, 2024.

23 DERIVATIVE INSTRUMENTS

Product Analysis	September 30, 2025 (Unaudited)					
	Foreign currency options		Cross currency swaps		Interest rate swaps	
	Notional principal	Mark to market gain / (loss)	Notional principal	Mark to market loss	Notional principal	Mark to market loss
	(Rupees in '000)					
Hedging	**9,526,344**	**(225,079)**	**-**	**-**	**-**	**-**
Market Making	**9,526,344**	**225,079**	**34,079,795**	**(5,117,775)**	**200,000**	**(705)**

	December 31, 2024 (Audited)					
	Foreign currency options		Cross currency swaps		Interest rate swaps	
	Notional principal	Mark to market gain / (loss)	Notional principal	Mark to market loss	Notional principal	Mark to market loss
	(Rupees in '000)					
Hedging	3,761,243	(73,795)	-	-	-	-
Market Making	3,761,243	73,795	40,984,659	(6,487,980)	325,000	(7,033)

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025

		Note	(Unaudited) For the nine months ended September 30, 2025	September 30, 2024
			-------(Rupees in '000)-------	
24	**MARK-UP / RETURN / PROFIT / INTEREST EARNED**			
	On:			
	Loans and advances		**161,630,877**	211,195,754
	Investments		**294,832,025**	362,263,634
	Lendings to financial institutions		**5,732,452**	12,463,523
	Balances with banks		**6,077,722**	8,373,283
			468,273,076	594,296,194
24.1	**INTEREST INCOME RECOGNISED**			
	On:			
	Financial assets measured at amortised cost		**210,659,346**	279,420,426
	Financial assets measured at FVOCI		**245,253,361**	290,075,409
	Financial assets measured at FVTPL		**12,360,369**	24,800,359
			468,273,076	594,296,194
25	**MARK-UP / RETURN / PROFIT / INTEREST EXPENSED**			
	On:			
	Deposits		**192,192,534**	338,081,611
	Securities sold under repurchase agreement borrowings		**63,079,155**	44,597,099
	Borrowings		**17,753,185**	21,569,625
	Subordinated debt		**1,910,653**	3,234,146
	Cost of foreign currency swaps against foreign currency deposits / borrowings		**2,961,628**	9,351,189
	Lease liability against right-of-use assets		**2,515,145**	2,328,345
			280,412,300	419,162,015
26	**FEE AND COMMISSION INCOME**			
	Branch banking customer fees		**4,205,268**	3,959,431
	Branchless banking customer fees		**(44,233)**	354,572
	Consumer finance related fees		**2,406,280**	2,103,150
	Card related fees (debit and credit cards)		**11,291,161**	11,176,010
	Credit related fees		**1,026,841**	1,001,308
	Investment banking fees		**1,163,145**	1,001,692
	Commission on trade related products and guarantees		**5,086,838**	6,246,854
	Commission on cash management		**1,281,289**	1,266,200
	Commission on remittances (including home remittances)		**(1,100,527)**	1,357,433
	Commission on bancassurance		**1,418,939**	949,708
	Commission on Government to Person (G2P) payments		**(192,452)**	895,351
	Merchant discount and interchange fees		**5,803,969**	6,005,909
	Wealth Management Fee		**15,513**	33,124
	Others		**208,509**	87,586
			32,570,540	36,438,328
	Less: Sales tax / Federal Excise Duty on fee and commission income		**(4,856,631)**	(4,450,076)
			27,713,909	31,988,252
27	**GAIN / (LOSS) ON SECURITIES - NET**			
	Realised	27.1	**14,329,599**	3,938,338
	Unrealised - measured at FVTPL	8.1	**(342,190)**	2,500,772
			13,987,409	6,439,110
27.1	**Gain / (loss) on securities - realised**			
	On:			
	Federal Government securities			
	- Market Treasury Bills		**3,571,547**	2,687,855
	- Pakistan Investment Bonds		**5,986,044**	199,593
	- Ijarah Sukuk		**4,126,426**	319,635
	Shares		**748,331**	1,016,487
	Non-Government debt securities		**10,718**	11,785
	Foreign securities		**(111,358)**	(607,490)
	Associates		**(2,109)**	310,473
			14,329,599	3,938,338

		(Unaudited) For the nine months ended	
		September 30, 2025	September 30, 2024
27.1.1	**Composition of gain / (loss) on securities - realised**	-------(Rupees in '000)-------	
	Net gain on securities measured at FVTPL	3,895,073	2,271,506
	Net gain on debt securities measured at FVOCI	10,436,635	1,356,359
	Net gain on sale of Associates	(2,109)	310,473
		14,329,599	3,938,338
28	**OTHER INCOME**		
	Incidental charges	461,094	388,717
	(Loss) / gain on sale of property and equipment - net	(33,378)	27,746
	Gain realised on closure of the Bank's branch	1,940,160	-
	Rent on properties	121,869	94,543
		2,489,745	511,006
29	**OPERATING EXPENSES**		
	Total compensation expense	45,058,246	42,405,637
	Property expense		
	Rent and taxes	997,286	870,537
	Insurance	190,864	186,960
	Utilities cost	4,158,404	4,330,285
	Security (including guards)	2,462,202	2,324,668
	Repair and maintenance (including janitorial charges)	4,241,570	3,879,608
	Depreciation on owned property and equipment	4,252,126	3,931,816
	Depreciation on right-of-use assets	2,861,831	2,849,531
		19,164,283	18,373,405
	Information technology expenses		
	Software maintenance	7,935,527	7,373,336
	Hardware maintenance	1,911,299	1,962,949
	Depreciation	3,258,085	3,095,730
	Amortisation	1,931,932	1,921,368
	Network charges	1,294,306	1,266,795
	Consultancy charges	273,216	396,348
		16,604,365	16,016,526
	Other operating expenses		
	Legal and professional charges	6,218,991	5,615,533
	Outsourced services costs	2,663,357	2,155,918
	Travelling and conveyance	1,192,228	1,536,748
	Insurance	868,160	636,903
	Remittance charges	364,125	342,448
	Cash transportation and sorting charges	2,342,623	2,432,834
	Repairs and maintenance	1,981,791	1,904,095
	Depreciation	843,139	491,285
	Training and development	158,330	490,644
	Postage and courier charges	683,262	701,056
	Communication	2,656,551	3,515,640
	Stationery and printing	2,521,838	2,927,847
	Marketing, advertisement and publicity	6,696,092	4,834,101
	Donations	809,210	643,452
	Auditor's remuneration	292,929	286,901
	Brokerage and commission	740,584	665,876
	Subscription	339,518	356,940
	Documentation and processing charges	10,470,160	8,995,424
	Entertainment	523,542	537,522
	Consultancy charges	1,871,259	1,976,301
	Deposits insurance premium expense	3,139,611	2,728,144
	Product feature cost	4,577,467	3,863,689
	Others	1,180,427	1,405,950
		53,135,194	49,045,251
		133,962,088	125,840,819

		Note	(Unaudited) For the nine months ended September 30, 2025	September 30, 2024
			-------(Rupees in '000)-------	
30	**OTHER CHARGES**			
	Penalties imposed by the State Bank of Pakistan		**102,354**	290,712
	Penalties imposed by other regulatory bodies		**10,072**	59,932
			112,426	350,644
31	**CREDIT LOSS ALLOWANCE / (REVERSALS) AND WRITE OFFS - NET**			
	Reversal of credit loss allowance against investments	8.3	**(658,634)**	(987,219)
	Credit loss allowance against loans and advances	9.3	**4,826,463**	12,002,079
	Charge / (reversal) of credit loss allowance against cash and cash equivalents		**2,446**	(1,637)
	Charge of credit loss allowance against other assets	13.1.1	**350,604**	344,847
	Charge of credit loss allowance against off-balance sheet obligations	20.1	**87,029**	2,553,118
	Recoveries against written off / charged off bad debts		**(706,319)**	(592,936)
	Recoveries against other assets written off		**-**	(1,548)
	Other write offs		**176,585**	430,687
			4,078,174	13,747,391
32	**TAXATION**			
	- Current			
	- For the period		**56,964,977**	49,662,219
	- Prior period		**6,309,843**	281,116
			63,274,820	49,943,335
	- Deferred			
	- For the period		**(1,068,363)**	(6,392,473)
	- Prior period		**(4,551,266)**	(269,267)
			(5,619,629)	(6,661,740)
			57,655,191	43,281,595
33	**BASIC AND DILUTED EARNINGS PER SHARE**			
	Profit for the period		**47,387,500**	43,389,937
			(Number)	
	Weighted average number of ordinary shares		**1,466,852,508**	1,466,852,508
			(Rupees)	
	Basic and diluted earnings per share		**32.31**	29.58

33.1 Diluted earnings per share has not been presented separately as the Bank does not have any convertible instruments in issue.

34 FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair values of traded investments are based on quoted market prices.

Unquoted equity securities are carried at fair value. The valuation is carried out using appropriate methodologies.

The fair values of unquoted debt securities, fixed term advances, fixed term deposits and borrowings, other assets and other liabilities, cannot be calculated with sufficient reliability due to the absence of a current and active market for such assets and liabilities and reliable data regarding market rates for similar instruments and therefore, are not reported as part of this disclosure.

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

All assets and liabilities for which fair value is measured or disclosed in these condensed interim unconsolidated financial statements are categorised within the following fair value hierarchy based on the lowest level input that is significant to the fair value measurement.

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

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

Level 3 - Fair value measurements using inputs that are not based on observable market data.

Valuation techniques used in determination of fair values within Level 2 and Level 3

Federal Government securities	The fair values of Federal Government securities are determined on the basis of rates / prices sourced from Reuters.
Non-Government debt securities	Non-Government debt securities denominated in Rupees are valued on the basis of rates announced by the Mutual Funds Association of Pakistan (MUFAP). Non-Government debt securities denominated in other currencies are valued on the basis of rates taken from Bloomberg / Reuters.
Foreign Government debt securities	The fair values of foreign Government debt securities are determined on the basis of rates taken from Bloomberg / Reuters.
Unquoted equity securities	The fair values of unquoted equity investments are estimated using cashflow projections of the investee company. Where cashflow projections are not available, the estimate is based on comparable market data. Where both the above valuation techniques cannot be used due to unavailability of data, the Bank uses the adjusted break-up value method as disclosed in note 34.1.1 below. The valuations may be further discounted for marketability concerns.
Units of mutual funds	The fair values of units of mutual funds are determined based on their net asset values as published at the close of each business day.
Derivatives	The Bank enters into derivatives contracts with various counterparties. Derivatives that are valued using valuation techniques based on market observable inputs are mainly interest rate swaps and cross currency swaps. The most frequently applied valuation techniques include forward pricing and swap models using present value calculations.
Forward foreign exchange contracts and Forward Government securities transactions	The fair values of forward foreign exchange contracts and forward Government securities transactions are determined using forward pricing calculations.
Property and equipment and non-banking assets acquired in satisfaction of claims	Land, buildings and non-banking assets acquired in satisfaction of claims are revalued on a periodic basis using professional valuers. The valuation is based on their assessment of the market value of the assets.

34.1 Level 3 fair valuation of unlisted equity securities

34.1.1 Adjusted break-up value method:

The valuations are based on latest available financial statements of the investee company. These are adjusted for factors such as lack of control using haircuts ranging from 15% to 25%. A 1% change in the haircut actually applied would change the total fair value by Rs.14.513 million. Any change to the valuation is reflected in other comprehensive income, since all investments for which this method is used are classified as FVOCI.

34.2 Fair value of financial assets

The following table provides the fair values of those of the Bank's financial assets that are recognised or disclosed at fair value in these condensed interim unconsolidated financial statements:

	As at September 30, 2025 (Unaudited)				
	Carrying value	Level 1	Level 2	Level 3	Total
On balance sheet financial instruments	(Rupees in '000)				
Financial assets - measured at fair value					
Investments					
- Federal Government securities	3,110,682,558	-	3,110,682,558	-	3,110,682,558
- Shares - listed companies	28,711,424	23,058,720	5,652,704	-	28,711,424
- Shares - unlisted companies	15,195,418	-	13,744,082	1,451,336	15,195,418
- Non-Government debt securities - Listed	50,017,090	40,000,000	10,017,090	-	50,017,090
- Foreign securities					
Government debt securities	161,234,716	-	161,234,716	-	161,234,716
Non-Government debt securities - Listed	11,427,723	-	11,427,723	-	11,427,723
- National Investment Unit Trust units	112,583	-	112,583	-	112,583
- Real Estate Investment Trust units - Listed	3,870,005	3,870,005	-	-	3,870,005
- Preference Shares - Listed	935,500	935,500	-	-	935,500
	3,382,187,017	67,864,225	3,312,871,456	1,451,336	3,382,187,017
Financial assets - disclosed but not measured at fair value					
Investments					
- Federal Government securities	442,640,302	-	446,529,463	-	446,529,463
- Non-Government debt securities - Listed	898,969	-	847,763	-	847,763
- Foreign securities					
Government debt securities	12,127,589	-	12,190,413	-	12,190,413
- Associates	6,890,153	16,773,983	-	-	16,773,983
	462,557,013	16,773,983	459,567,639	-	476,341,622
	3,844,744,030	84,638,208	3,772,439,095	1,451,336	3,858,528,639

	As at September 30, 2025 (Unaudited)				
	Notional Value	Level 1	Level 2	Level 3	Total
Off-balance sheet financial instruments - measured at fair value	------------------------------ (Rupees in '000) ------------------------------				
Commitments					
- Forward foreign exchange contracts	**871,529,570**	**-**	**(971,926)**	**-**	**(971,926)**
- Forward Government securities transactions	**64,121,874**	**-**	**(33,050)**	**-**	**(33,050)**
- Derivative instruments	**34,279,869**	**-**	**(5,118,480)**	**-**	**(5,118,480)**

	As at December 31, 2024 (Audited)				
On balance sheet financial instruments	Carrying value	Level 1	Level 2	Level 3	Total
	------------------------------ (Rupees in '000) ------------------------------				
Financial assets - measured at fair value					
Investments					
- Federal Government securities	1,724,738,511	-	1,724,738,511	-	1,724,738,511
- Shares - listed companies	20,517,673	13,707,545	6,810,128	-	20,517,673
- Non-Government debt securities - Listed	50,242,039	40,400,000	9,842,039	-	50,242,039
- Foreign securities					
Government debt securities	125,266,055	-	125,266,055	-	125,266,055
Non-Government debt securities- Listed	11,052,524	-	11,052,524	-	11,052,524
- National Investment Unit Trust units	94,384	-	94,384	-	94,384
- Real Estate Investment Trust units	3,477,857	3,477,857	-	-	3,477,857
- Preference Shares - Listed	835,400	835,400	-	-	835,400
	1,936,224,443	58,420,802	1,877,803,641	-	1,936,224,443
Financial assets - disclosed but not measured at fair value					
Investments					
- Federal Government securities	369,541,547	-	367,672,502	-	367,672,502
- Non-Government debt securities - Listed	899,081	-	3,390,918	-	3,390,918
- Foreign securities					
Government debt securities	16,114,053	-	16,303,232	-	16,303,232
- Associates	6,823,870	12,347,748	-	-	12,347,748
	393,378,551	12,347,748	387,366,652	-	399,714,400
	2,329,602,994	70,768,550	2,265,170,293	-	2,335,938,843

	As at December 31, 2024 (Audited)				
Off-balance sheet financial instruments - measured at fair value	Notional Value	Level 1	Level 2	Level 3	Total
	------------------------------ (Rupees in '000) ------------------------------				
Commitments					
- Forward foreign exchange contracts	643,612,055	-	(376,149)	-	(376,149)
- Forward Government securities transactions	270,514,553	-	490,430	-	490,430
- Derivative instruments	48,832,145	-	(6,495,013)	-	(6,495,013)

34.2 Fair value of non-financial assets

	As at September 30, 2025 (Unaudited)				
	Carrying value	Level 1	Level 2	Level 3	Total
	------------------------------ (Rupees in '000) ------------------------------				
- Land and Buildings	**87,214,620**	**-**	**87,214,620**	**-**	**87,214,620**
- Non-banking assets acquired in satisfaction of claims	**483,729**	**-**	**483,729**	**-**	**483,729**
	87,698,349	**-**	**87,698,349**	**-**	**87,698,349**

	As at December 31, 2024 (Audited)				
	Carrying value	Level 1	Level 2	Level 3	Total
	------------------------------ (Rupees in '000) ------------------------------				
- Land and Buildings	84,644,775	-	84,644,775	-	84,644,775
- Non-banking assets acquired in satisfaction of claims	400,000	-	400,000	-	400,000
	85,044,775	-	85,044,775	-	85,044,775

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025

35 SEGMENT INFORMATION

35.1 Segment details with respect to Business Activities

	For the nine months ended September 30, 2025 (Unaudited)								
	Retail Banking	Consumer,SME & Agriculture Lending	Corporate, Commercial Investment Banking	Treasury	Financial Institutions	Branchless Banking	International	Head Office / Others	Total
	(Rupees in million)								
Profit and loss account									
Net mark-up / return / profit / interest income	(143,169)	42,037	54,437	213,030	9,412	(94)	14,236	(2,029)	187,860
Inter segment revenue / (expense) - net	224,980	(25,085)	(20,478)	(184,174)	(10,544)	1,538	252	13,511	-
Non mark-up / interest income	6,065	16,037	5,990	24,508	652	264	2,153	1,768	57,437
Total income	87,876	32,989	39,949	53,364	(480)	1,708	16,641	13,250	245,297
Segment direct expenses	36,015	21,400	3,267	1,839	216	1,846	15,214	56,380	136,177
Inter segment expense allocation	32,057	8,961	9,327	1,578	550	1,313	763	(54,549)	-
Total expenses	68,072	30,361	12,594	3,417	766	3,159	15,977	1,831	136,177
Credit loss allowance - (reversal) / charge	68	640	3,831	1	147	377	180	(1,165)	4,079
Profit / (loss) before tax	19,736	1,988	23,524	49,946	(1,393)	(1,828)	484	12,584	105,041

	As at September 30, 2025 (Unaudited)								
	Retail Banking	Consumer, SME & Agriculture Lending	Corporate, Commercial and Investment Banking	Treasury	Financial Institutions	Branchless Banking	International	Head Office / Others	Total
	(Rupees in million)								
Statement of financial position									
Cash and bank balances	197,737	-	732	229,662	-	-	90,842	(11)	518,962
Lendings to financial institutions	-	-	-	130,353	-	-	-	-	130,353
Inter segment lending	3,065,722	-	1,433	-	35,051	24,375	12,917	177,083	3,316,581
Investments	-	-	72,774	3,567,514	4,472	-	220,905	42,721	3,908,386
Advances - performing	-	321,462	936,088	-	145,999	-	322,623	24,784	1,750,956
Advances - non-performing	-	1,846	3,917	-	-	-	1,656	292	7,711
Others	31,908	5,059	80,584	96,641	3,742	2,256	36,228	254,634	511,052
Total assets	3,295,367	328,367	1,095,528	4,024,170	189,264	26,631	685,171	499,503	10,144,001
Borrowings	-	5,130	119,169	1,029,190	-	-	83,756	-	1,237,245
Subordinated debt	-	-	-	-	-	-	-	18,874	18,874
Deposits and other accounts	3,235,323	1,881	895,647	-	146,930	22,727	489,198	-	4,791,706
Inter segment borrowing	-	295,283	-	2,944,454	42,238	-	34,606	-	3,316,581
Others	60,045	26,073	80,713	17,647	95	3,904	18,810	149,174	356,461
Total liabilities	3,295,368	328,367	1,095,529	3,991,291	189,263	26,631	626,370	168,048	9,720,867
Equity	-	-	-	32,880	-	-	58,799	331,455	423,134
Total equity and liabilities	3,295,368	328,367	1,095,529	4,024,171	189,263	26,631	685,169	499,503	10,144,001
Contingencies and commitments	-	5,036	560,382	780,441	30,724	-	265,030	30,103	1,671,716

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025

	For the nine months ended September 30, 2024 (Unaudited)								
	Retail Banking	Consumer,SME & Agriculture lending	Corporate, Commercial and Investment Banking	Treasury	Financial Institutions	Branchless banking	International	Head Office / Others	Total
	(Rupees in million)								
Profit and loss account									
Net mark-up / return / profit / interest income	(259,080)	46,461	79,404	305,220	(6,298)	(170)	15,158	(5,561)	175,134
Inter segment revenue / (expense) - net	385,133	(33,446)	(41,102)	(331,190)	6,698	6,256	345	7,306	-
Non mark-up / interest income	4,949	15,806	5,882	15,377	721	1,414	6,178	2,881	53,208
Total income	131,002	28,821	44,184	(10,593)	1,121	7,500	21,681	4,626	228,342
Segment direct expenses	36,169	18,140	3,252	636	232	2,190	13,684	53,621	127,924
Inter segment expense allocation	28,797	8,351	8,967	1,445	510	988	727	(49,785)	-
Total expenses	64,966	26,491	12,219	2,081	742	3,178	14,411	3,836	127,924
Credit loss allowance - charge / (reversal)	600	2,260	15,852	-	110	14	(1,231)	(3,858)	13,747
Profit / (loss) before tax	65,436	70	16,113	(12,674)	269	4,308	8,501	4,648	86,671

	As at December 31, 2024 (Audited)								
	Retail Banking	Consumer,SME & Agriculture lending	Corporate, Commercial and Investment Banking	Treasury	Financial Institutions	Branchless banking	International	Head Office / Others	Total
	(Rupees in million)								
Statement of financial position									
Cash and bank balances	147,782	-	760	194,143	-	-	120,501	-	463,186
Lendings to financial institutions	-	-	-	84,294	-	-	-	-	84,294
Inter segment lending	2,763,575	-	-	-	-	38,086	1,685	241,961	3,045,307
Investments	-	-	72,132	2,097,402	5,990	-	182,484	40,920	2,398,928
Advances - performing	-	304,945	1,347,623	-	270,903	-	304,105	19,945	2,247,521
Advances - non-performing	-	1,778	5,433	-	-	-	-	232	7,443
Others	28,536	11,940	128,427	39,382	4,564	2,210	32,334	211,039	458,432
Total assets	2,939,893	318,663	1,554,375	2,415,221	281,457	40,296	641,109	514,097	8,705,111
Borrowings	-	4,016	138,192	534,990	-	-	110,548	-	787,746
Subordinated debt	-	-	-	-	-	-	-	18,874	18,874
Deposits and other accounts	2,885,744	1,902	676,751	-	43,673	36,788	446,310	-	4,091,168
Inter segment borrowing	-	284,309	672,964	1,825,666	237,630	-	24,738	-	3,045,307
Others	54,149	28,436	66,468	41,029	154	3,508	4,618	185,868	384,230
Total liabilities	2,939,893	318,663	1,554,375	2,401,685	281,457	40,296	586,214	204,742	8,327,325
Equity	-	-	-	13,536	-	-	54,895	309,355	377,786
Total equity and liabilities	2,939,893	318,663	1,554,375	2,415,221	281,457	40,296	641,109	514,097	8,705,111
Contingencies and commitments	-	2,303	616,679	680,203	53,116	-	315,419	30,474	1,698,194

36 RELATED PARTY TRANSACTIONS

The Bank has related party relationships with various parties including its Directors, Key Management Personnel, Group entities, subsidiaries, associated companies and employee benefit schemes of the Bank.

Transactions with related parties, other than those under terms of employment, are executed on an arm's length basis i.e. do not involve more than normal risk and are substantially on the same terms, including mark-up rates and collateral, as those prevailing at the time for comparable transactions with unrelated parties.

Contributions to and accruals in respect of staff retirement and other benefit schemes are made in accordance with the actuarial valuations / terms of the schemes.

Details of transactions and balances with related parties as at the period / year end are as follows:

	As at September 30, 2025 (Unaudited)					
	Directors	Key Management Personnel	Group Entities	Subsidiary companies	Associates	Other related parties
Statement of financial position	(Rupees in '000)					
Balances with other banks						
In current accounts	-	-	63,444	1,067,029	-	-
Investments						
Opening balance	-	-	-	37,073,602	7,080,101	13,758,615
Initial impact of fair valuation of unlisted equity securities	-	-	-	-	-	9,608,380
Exchange Adjustment	-	-	-	83,019	-	(259,146)
Investment made during the period	-	-	-	4,850,000	-	-
Investment redeemed / disposed off during the period	-	-	-	-	-	(1,533,500)
Revaluation of investment during the period	-	-	-	-	-	(664,201)
Reversal of credit loss allowance / reversal of provision for diminution in the value of investments	-	-	-	-	9,196	9,680
Closing balance	-	-	-	42,006,621	7,089,297	20,919,828
Credit loss allowance / provision for diminution in the value of investments - held	-	-	-	-	-	2,644
Advances						
Opening balance	1,295	505,825	5,093,585	2,026,128	125,000	11,441,125
Exchange adjustment	-	-	45,764	-	137	-
Addition during the period	11,304	353,955	20,599,447	464,296	2,812,861	15,783,717
Repaid during the period	(11,331)	(326,182)	(22,600,153)	(93,520)	(1,531,430)	(17,100,108)
Transfer in - net	-	71,427	-	-	-	-
Closing balance	1,268	605,025	3,138,643	2,396,904	1,406,568	10,124,734
Other Assets						
Interest / mark-up accrued	-	427	15,248	259,229	28,624	353,812
Receivables from defined benefit plan	-	-	-	-	-	1,101,998
Prepaid insurance	-	-	-	-	715,361	-
Advance rent	-	2,865	18,406	-	51,724	-
Other receivables / prepayments	-	-	-	101,059	-	12,978
	-	3,292	33,654	360,288	795,709	1,468,788
Borrowings						
Opening balance	-	-	-	2,228,400	20,612,700	4,506,950
Exchange adjustment	-	-	-	21,847	203,759	24,760
Borrowings during the period	-	-	-	2,531,527	115,043,848	10,250,739
Settled during the period	-	-	-	(4,781,774)	(122,919,710)	(7,875,862)
Closing balance	-	-	-	-	12,940,597	6,906,587
Deposits and other accounts						
Opening balance	56,743	346,426	32,227,130	3,756,121	4,154,222	3,387,662
Exchange adjustment	252	1,430	51,896	-	310	2,958
Received during the period	289,681	2,933,495	274,367,344	614,562,574	1,757,516,180	104,973,023
Withdrawn during the period	(240,538)	(2,754,850)	(270,766,064)	(612,551,220)	(1,728,311,351)	(103,460,277)
Transfer in - net	-	12,494	-	-	-	-
Closing balance	106,138	538,995	35,880,306	5,767,475	33,359,361	4,903,366
Other liabilities						
Interest / mark-up payable	385	3,616	199,997	574	93,391	27,408
Payable to defined benefit plan	-	-	-	-	-	833,435
Donation payable	-	-	-	-	-	788,045
Unearned income	-	-	16,428	81,744	-	-
Insurance payable	-	-	-	-	30,909	-
Other payables	-	-	-	45,981	-	3,453
	385	3,616	216,425	128,299	124,300	1,652,341

	As at September 30, 2025 (Unaudited)					
	Directors	Key Management Personnel	Group Entities	Subsidiary companies	Associates	Other related parties
	---------- (Rupees in '000) ----------					
Contingencies and Commitments						
Letter of credit	-	-	782,952	-	-	163,256
Guarantees	-	-	392,773	-	-	3,541,727
Forward purchase of Government securities	-	-	343,130	-	-	-
Forward purchase of foreign exchange contracts	-	-	-	-	-	-
Interest rate swaps	-	-	-	-	-	-
	-	-	1,518,855	-	-	3,704,983
Others						
Securities held as custodian	-	183,947	19,717,135	-	300,998,565	52,574,210

	For the nine months ended September 30, 2025 (Unaudited)					
	Directors	Key Management Personnel	Group Entities	Subsidiary companies	Associates	Other related parties
	---------- (Rupees in '000) ----------					
Profit and loss account						
Income						
Mark-up / return / profit / interest earned	2	15,470	217,832	817,600	51,771	1,156,358
Fee and commission income	670	5,530	329,581	212,372	1,114,505	16,049
Dividend income	-	-	-	-	1,722,566	2,127,997
Gain on sale of securities - net	-	-	-	-	3,037	928
Rent on properties	-	-	-	115,312	-	248
Gain on disposal of property and equipment	-	-	-	-	2,091	-
Other income	-	-	-	172	-	-
Expense						
Mark-up / return / profit / interest expensed	1,247	14,598	1,365,807	341,280	1,943,391	670,824
Operating expenses						
Total compensation expense	-	1,942,647	-	-	-	1,324,006
Non-Executive Directors' fees	65,250	-	-	-	-	-
Insurance premium expense	-	-	-	-	2,270,148	-
Product feature cost	-	-	278,723	-	-	-
Travelling	-	-	7,510	11,851	-	-
Software maintenaince	-	-	-	-	-	16,062
Rent and taxes	-	-	41,417	-	51,719	4,694
Subscription	-	-	-	-	-	12,115
Donation	-	-	-	-	-	788,045
Brokerage and commission	-	-	-	-	-	293,950
Documentation and processing charges	-	-	-	-	-	24,242
Marketing, advertisment and publicity	-	-	-	186,961	-	-
Other expenses	-	-	1,274	41,250	-	18,332
Reversal of credit loss allowance / reversal of provision for diminution in the value of investments	-	-	-	-	57,088	9,680
Others						
Purchase of Government securities	-	122,502	125,608,943	72,101,858	116,752,988	16,982,458
Sale of Government securities	1,183	264,684	182,101,271	81,940,176	197,836,793	26,758,745
Purchase of foreign currencies	-	-	10,397,188	23,660,487	166,766	245,091
Sale of foreign currencies	-	-	4,417,767	19,987,839	7,225,708	1,945,374
Insurance claims settled	-	-	-	-	444,229	-

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025

	As at December 31, 2024 (Audited)					
	Directors	Key Management Personnel	Group Entities	Subsidiary companies	Associates	Other related parties
Statement of financial position	(Rupees in '000)					
Balances with other banks						
In current accounts	-	-	103,491	592,339	-	-
Investments						
Opening balance	-	-	-	29,172,923	7,058,755	17,121,424
Impact of adoption of IFRS 9	-	-	-	-	-	60,639
Exchange Adjustment	-	-	-	(99,321)	20,766	(408,119)
Investment made during the year	-	-	-	8,000,000	580	-
Investment redeemed / disposed off during the year	-	-	-	-	-	(2,837,500)
Revaluation of investment during the year	-	-	-	-	-	(165,505)
Credit loss allowance in the value of investments	-	-	-	-	-	(12,324)
Closing balance	-	-	-	37,073,602	7,080,101	13,758,615
Credit loss allowance / provision for diminution in the value of investments - held	-	-	-	-	57,088	12,324
Advances						
Opening balance	1,969	649,863	5,352,719	2,086,003	375,000	10,200,880
Exchange adjustment	-	-	(1,169,263)	-	-	-
Addition during the year	14,004	339,935	34,360,119	46,492	-	21,552,947
Repaid during the year	(14,678)	(272,714)	(33,449,990)	(106,367)	(250,000)	(20,315,737)
Transfer (out) / in - net	-	(211,259)	-	-	-	3,035
Closing balance	1,295	505,825	5,093,585	2,026,128	125,000	11,441,125
Other Assets						
Interest / mark-up accrued	-	930	44,109	202,604	7,620	325,079
Receivable from defined benefit plan	-	-	-	-	-	1,101,998
Prepaid insurance	-	-	-	-	612,913	-
Other receivables / prepayments	-	2,887	28,294	216,168	-	17,196
	-	3,817	72,403	418,772	620,533	1,444,273
Borrowings						
Opening balance	-	-	5,169,268	1,409,304	16,686,344	4,536,746
Exchange adjustment	-	-	-	(16,436)	(1,588,155)	(29,796)
Borrowings during the year	-	-	-	6,415,957	158,918,166	10,026,383
Settled during the year	-	-	(5,169,268)	(5,580,425)	(153,403,655)	(10,026,383)
Closing balance	-	-	-	2,228,400	20,612,700	4,506,950
Deposits and other accounts						
Opening balance	23,411	572,514	23,823,074	3,698,361	33,215,657	1,363,336
Exchange adjustment	(88)	(5,571)	(336,548)	-	(4,913)	(17,377)
Received during the year	622,797	4,826,380	410,951,033	916,794,508	1,366,033,832	56,443,170
Withdrawn during the year	(589,377)	(4,816,766)	(402,210,429)	(916,736,748)	(1,395,090,354)	(54,404,861)
Transfer (out) / in - net	-	(230,131)	-	-	-	3,394
Closing balance	56,743	346,426	32,227,130	3,756,121	4,154,222	3,387,662
Other liabilities						
Interest / mark-up payable	160	948	159,756	10,179	103,264	47,077
Payable to defined benefit plan	-	-	-	-	-	692,228
Donation payable	-	-	-	-	-	867,797
Unearned income	-	-	7,781	-	-	-
Insurance payable	-	-	-	-	3,992	-
Other payables	-	-	-	245,089	966	-
	160	948	167,537	255,268	108,222	1,607,102
Contingencies and Commitments						
Letters of credit	-	-	857,611	-	-	261,003
Letters of guarantee	-	-	187,974	500	-	3,541,727
Forward purchase of Government securities	-	-	-	-	-	351,855
Forward purchase of foreign exchange contracts	-	-	1,002,095	139,275	-	6,931,972
Interest rate swaps	-	-	-	-	125,000	-
	-	-	2,047,680	139,775	125,000	11,086,557
Others						
Securities held as custodians	-	143,390	19,906,410	-	306,748,350	36,152,635

	For the nine months ended September 30, 2024 (Unaudited)					
	Directors	Key Management Personnel	Group Entities	Subsidiary companies	Associates	Other related parties
	------------------------------ (Rupees in '000) ------------------------------					
Profit and loss account						
Income						
Mark-up / return / profit / interest earned	19	21,348	322,253	986,257	50,483	1,942,900
Fee and commission income	746	8,316	284,333	106,710	769,088	10,326
Dividend income	-	-	-	-	1,524,406	1,931,325
Unrealised loss on derivatives	-	-	-	-	(9,004)	-
Gain on sale of securities - net	-	-	-	-	3,015	-
Rent on properties	-	-	-	87,945	-	150
Gain on disposal of property and equiment	-	-	-	-	6,398	-
Other income	-	-	-	27,581	-	-
Expense						
Mark-up / return / profit / interest expensed	2,449	36,643	1,104,356	404,624	2,801,455	571,289
Operating expenses						
Total compensation expense	-	2,541,482	-	-	-	10,376,229
Non-Executive Directors' fees	74,250	-	-	-	-	-
Insurance premium expense	-	-	-	-	1,912,475	-
Product Feature Cost	-	-	220,485	-	-	-
Travelling	-	-	19,151	1,051	-	-
Software maintenaince	-	-	-	-	-	10,837
Rent and taxes	-	-	26,894	-	50,916	964
Subscription	-	-	-	-	-	7,945
Donation	-	-	-	-	-	629,352
Brokerage and Commission	-	-	-	-	-	236,338
Documentation and processing charges	-	-	-	-	-	28,615
Marketing,advertisement and publicity	-	-	-	543,731	-	-
Utilities cost	-	-	-	3,229	-	-
Other expenses	-	-	-	12,523	-	4,680
Provision / credit loss allowance for diminution in the value of investments	-	-	-	-	22,151	20,070
Others						
Purchase of Government securities	-	124,730	134,390,410	188,230,848	182,083,857	6,198,398
Sale of Government securities	-	205,685	143,104,568	188,209,200	90,619,495	15,091,672
Purchase of foreign currencies	-	-	8,702,120	28,044,498	135,958	82,651
Sale of foreign currencies	-	-	5,547,197	21,292,806	2,605,488	1,226,793
Insurance claims Settled	-	-	-	-	291,448	-

36.1 Balances and transactions with group entities include deposits of Rs 0.441 million (December 31, 2024: Rs 0.638 million) from the parent and Rs 8,294 (September 30, 2024: Rs 2.516 million) as mark-up expense thereon.

37 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

	(Unaudited) September 30, 2025	(Audited) December 31, 2024
	----------- (Rupees in '000) -----------	
Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	**14,668,525**	14,668,525
Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier 1 (CET 1) Capital	**319,553,260**	296,656,489
Eligible Additional Tier 1 (ADT 1) Capital	**12,713,366**	13,519,903
Total Eligible Tier 1 Capital	**332,266,626**	310,176,392
Eligible Tier 2 Capital	**89,463,977**	73,236,490
Total Eligible Capital (Tier 1 + Tier 2)	**421,730,603**	383,412,882
Risk Weighted Assets (RWAs):		
Credit Risk	**1,575,870,626**	1,549,436,526
Market Risk	**287,395,213**	185,097,775
Operational Risk	**367,384,573**	367,384,573
Total	**2,230,650,412**	2,101,918,874
CET 1 CAR	**14.33%**	14.11%
Tier 1 CAR	**14.90%**	14.76%
Total CAR	**18.91%**	18.24%
Bank specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus any other buffer requirement)	**8.50%**	8.50%
of which: capital conservation buffer requirement	**1.50%**	1.50%
of which: countercyclical buffer requirement	**-**	-
of which: D-SIB buffer requirement	**1.00%**	1.00%
CET1 available to meet buffers (as a percentage of risk weighted assets)	**8.33%**	8.11%
Other information:		
Minimum capital requirements prescribed by the SBP		
CET1 ratio (%)	**8.50%**	8.50%
Tier 1 ratio (%)	**10.00%**	10.00%
Total capital ratio (%)	**12.50%**	12.50%

Leverage Ratio (LR)	(Unaudited) September 30, 2025	(Audited) December 31, 2024
	----------- (Rupees in '000) -----------	
Eligible Tier-1 Capital	**332,266,626**	310,176,392
Total Exposure	**7,596,576,674**	6,802,909,769
Leverage Ratio (%)	**4.37%**	4.56%
Minimum Requirement (%)	**3.00%**	3.00%
Liquidity Coverage Ratio (LCR)		
Average High Quality Liquid Assets	**2,487,839,142**	2,320,570,154
Average Net Cash Outflow	**988,097,689**	869,235,371
Liquidity Coverage Ratio (%)	**251.78%**	266.97%
Minimum Requirement (%)	**100.00%**	100.00%
Net Stable Funding Ratio (NSFR)		
Total Available Stable Funding	**4,411,803,785**	4,156,125,271
Total Required Stable Funding	**2,590,927,943**	2,732,852,018
Net Stable Funding Ratio (%)	**170.28%**	152.08%
Minimum Requirement (%)	**100.00%**	100.00%

37.1 For the purpose of calculating CAR, the SBP has allowed banks to phase in the impact on opening retained earnings of the ECL calculated for financial assets classified as stage 1 and stage 2. The phasing is allowed over a period of five years. Had there been no such relaxation, the Bank's total CAR would have been lower by 42 bps and the Leverage Ratio would have been lower by 11 bps.

38 ISLAMIC BANKING BUSINESS

The Bank operates 458 (December 31, 2024: 408) Islamic Banking branches and 560 (December 31, 2024: 581) Islamic Banking windows.

STATEMENT OF FINANCIAL POSITION	Note	(Unaudited) September 30, 2025	(Audited) December 31, 2024
ASSETS		-------(Rupees in '000)-------	
Cash and balances with treasury banks		51,781,890	39,849,968
Balances with other banks		1,738,481	760,800
Due from financial institutions	38.1	58,300,000	30,000,000
Investments	38.2	410,739,275	349,841,214
Islamic financing and related assets - net	38.3	210,028,285	193,867,617
Property and equipment		7,239,895	7,307,282
Right-of-use assets		8,167,923	7,553,230
Intangible assets		31,782	43,133
Due from Head Office		8,922,717	-
Deferred tax assets		-	-
Other assets		29,070,880	25,835,979
		786,021,128	655,059,223
LIABILITIES			
Bills payable		34,604	39,072
Due to financial institutions	38.4	17,705,998	45,450,071
Deposits and other accounts	38.5	650,005,457	494,894,964
Due to Head Office		-	5,926,658
Lease liabilities		11,616,644	10,332,557
Subordinated debt		-	-
Deferred tax liabilities		4,651,458	1,904,986
Other liabilities		25,226,142	33,565,331
		709,240,303	592,113,639
NET ASSETS		76,780,825	62,945,584
REPRESENTED BY			
Islamic Banking Fund		500,000	500,000
Reserves		-	-
Surplus on revaluation of investments - net of tax		4,296,192	4,361,869
Unappropriated profit	38.6	71,984,633	58,083,715
		76,780,825	62,945,584
Contingencies and commitments	38.7		

PROFIT AND LOSS ACCOUNT	Note	(Unaudited) For the nine months ended September 30, 2025	(Unaudited) For the nine months ended September 30, 2024
		-------(Rupees in '000)-------	
Profit / return earned	38.8	56,782,666	74,490,881
Profit / return expensed	38.9	21,757,088	38,149,118
Net profit / return		35,025,578	36,341,763
Other income			
Fee and commission income		1,723,994	1,657,490
Dividend income		-	-
Foreign exchange income		412,046	634,057
Income from derivatives		-	-
Gain on securities- net		656,230	93,155
Others		-	-
Total other income		2,792,270	2,384,702
Total income		37,817,848	38,726,465
Other expenses			
Operating expenses		9,907,684	8,883,836
Workers' Welfare Fund		592,523	526,646
Other charges		975	562
Total other expenses		10,501,182	9,411,044
Profit before credit loss allowance		27,316,666	29,315,421
(Reversal) / charge of credit loss allowance and write offs - net		(2,309,497)	2,983,144
Profit before taxation		29,626,163	26,332,277
Taxation		15,701,866	12,902,816
Profit after taxation		13,924,297	13,429,461

	(Unaudited) September 30, 2025	(Audited) December 31, 2024
38.1 Due from Financial Institutions	-------(Rupees in '000)-------	
Call money lendings	**8,300,000**	8,000,000
Secured lendings	**50,000,000**	22,000,000
	58,300,000	30,000,000

38.2 Investments by segments

	September 30, 2025 (Unaudited)			
	Cost / amortised cost	Credit loss allowance	Surplus / (deficit)	Carrying value
	------------------------ (Rupees in '000) ------------------------			
Debt Instruments				
Fair value through profit and loss (FVTPL)				
Federal Government securities				
- Ijarah Sukuk	**18,654,623**	-	**11,192**	**18,665,815**
- Other Federal Government securities	**873,070**	-	-	**873,070**
Non-Government debt securities				
- Listed	**191,674**	-	**1,871**	**193,545**
- Unlisted	**801,000**	-	-	**801,000**
	20,520,367	-	**13,063**	**20,533,430**
Fair value through other comprehensive income (FVOCI)				
Federal Government securities				
- Ijarah Sukuk	**295,453,561**	-	**8,906,549**	**304,360,110**
Non-Government debt securities				
- Listed	**42,000,000**	**(19,563)**	**38,563**	**42,019,000**
	337,453,561	**(19,563)**	**8,945,112**	**346,379,110**
Amortised cost				
Federal Government securities				
- Ijarah Sukuk	**32,347,734**	-	-	**32,347,734**
Non-Government debt securities				
- Unlisted	**12,108,816**	**(629,815)**	-	**11,479,001**
	44,456,550	**(629,815)**	-	**43,826,735**
Total Investments	**402,430,478**	**(649,378)**	**8,958,175**	**410,739,275**

	December 31, 2024 (Audited)			
	Cost / amortised cost	Credit loss allowance	Surplus / (deficit)	Carrying value
	------------------------ (Rupees in '000) ------------------------			
Fair value through profit and loss (FVTPL)				
Federal Government securities				
- Ijarah Sukuk	10,273,922	-	71,409	10,345,331
- Other Federal Government securities	2,580,725	-	-	2,580,725
Non-Government debt securities				
- Listed	191,668	-	6	191,674
- Unlisted	801,000	-	-	801,000
	13,847,315	-	71,415	13,918,730
Fair value through other comprehensive income (FVOCI)				
Federal Government securities				
- Ijarah Sukuk	242,713,829	-	8,583,533	251,297,362
Non-Government debt securities				
- Listed	42,750,000	(17,539)	498,773	43,231,234
- Unlisted	600,000	(6,984)	4,922	597,938
	286,063,829	(24,523)	9,087,228	295,126,534
Amortised cost				
Federal Government securities				
- Ijarah Sukuk	28,274,899	-	-	28,274,899
Non-Government debt securities				
- Unlisted	13,148,915	(627,864)	-	12,521,051
	41,423,814	(627,864)	-	40,795,950
Total Investments	341,334,958	(652,387)	9,158,643	349,841,214

	September 30, 2025 (Unaudited)			
	Stage 1	Stage 2	Stage 3	Total
	(Rupees in '000)			
38.2.1 Particulars of credit loss allowance				
Non Government debt securities	**37,378**	**-**	**612,000**	**649,378**

	December 31, 2024 (Audited)			
	Stage 1	Stage 2	Stage 3	Total
	(Rupees in '000)			
Particulars of credit loss allowance				
Non Government debt securities	40,387	-	612,000	652,387

	(Unaudited) September 30, 2025	(Audited) December 31, 2024
38.3 Islamic financing and related assets - net	(Rupees in '000)	
Diminishing Musharakah	**95,322,831**	100,521,115
Running Musharakah	**49,227,635**	34,004,211
Wakalah	**15,463,833**	16,255,807
Ijarah	**5,250,029**	5,462,128
Murabaha	**10,717,578**	7,325,575
Salam	**-**	72,849
Tijarah	**1,461,239**	2,941,173
Istisna	**2,967,736**	1,709,722
Musawamah	**1,788,257**	1,241,904
Advance for Diminishing Musharakah	**9,367,013**	4,479,502
Advance for Ijarah	**530,687**	1,902,161
Advance for Murabaha	**2,939,824**	4,749,266
Advance for Salam	**337,500**	1,054,907
Advance for Istisna	**17,925,745**	15,624,612
Advance for Musawamah	**654,088**	458,382
Inventories against Murabaha	**875,176**	1,693,949
Inventories against Tijarah	**3,755,221**	5,064,547
Inventories against Istisna	**3,459,091**	3,627,510
Islamic financing and related assets - gross	**222,043,483**	208,189,320
Credit loss allowance against Islamic financing and related assets		
- Stage 1	**(2,668,632)**	(598,558)
- Stage 2	**(1,478,634)**	(2,040,479)
- Stage 3	**(7,867,932)**	(11,682,666)
	(12,015,198)	(14,321,703)
Islamic financing and related assets - net of credit loss allowance	**210,028,285**	193,867,617

38.4 Due to financial institutions		
Unsecured acceptances of funds	**-**	25,300,000
Acceptances from the SBP under:		
- Islamic export refinance scheme	**3,548,492**	8,125,691
- Islamic export refinance scheme for bill discounting	**1,402,358**	1,161,546
- Islamic long term financing facility	**4,827,563**	5,560,838
- Islamic financing facility for renewable energy power plants	**501,414**	562,579
- Islamic refinance facility for modernization of Small & Medium Enterprises (SMEs)	**165,381**	216,725
- Islamic refinance facility for combating COVID-19	**275,255**	314,577
- Islamic temporary economic refinance facility	**1,485,535**	1,866,240
Acceptances from Pakistan Mortgage Refinance Company	**5,500,000**	2,000,000
Overdrawn nostro accounts	**-**	341,875
	17,705,998	45,450,071

		Note	(Unaudited) September 30, 2025	(Audited) December 31, 2024
			------(Rupees in '000)------	
38.5	**Deposits and other accounts**			
	Customers			
	Current deposits		**291,703,229**	125,193,794
	Savings deposits		**295,718,161**	345,117,509
	Term deposits		**26,548,962**	19,019,144
			613,970,352	489,330,447
	Financial Institutions			
	Current deposits		**294,413**	70,917
	Savings deposits		**34,172,609**	5,491,954
	Term deposits		**1,568,083**	1,646
			36,035,105	5,564,517
			650,005,457	494,894,964
38.6	**Islamic Banking business unappropriated profit**			
	Opening Balance		**58,083,715**	43,688,438
	Impact of adoption of IFRS 9		**-**	(2,603,420)
	Add: Islamic Banking profit for the period / year		**29,626,163**	37,011,071
	Less: Taxation		**(15,701,866)**	(19,985,978)
	Less: Transferred / Remitted to Head Office		**(23,379)**	(26,396)
	Closing Balance		**71,984,633**	58,083,715
38.7	**Contingencies and commitments**			
	- Financial Guarantees		**98,337**	-
	- Performance Guarantees		**6,422,017**	8,005,532
	- Commitments	38.7.1	**59,722,913**	64,541,386
			66,243,267	72,546,918
38.7.1	**Commitments**			
	Trade-related contingent liabilities		**23,116,082**	42,534,511
	Commitments in respect of forward foreign exchange contracts	38.7.1.1	**36,606,831**	22,006,875
			59,722,913	64,541,386
38.7.1.1	**Commitments in respect of forward foreign exchange contracts**			
	Purchase		**19,066,706**	11,536,610
	Sale		**17,540,125**	10,470,265
			36,606,831	22,006,875

		(Unaudited) For the nine months ended	
		September 30, 2025	September 30, 2024
		------(Rupees in '000)------	
38.8	**Profit / return earned**		
	On:		
	Financing	**20,839,733**	32,211,107
	Investments	**34,807,153**	39,995,583
	Amounts due from financial institutions	**1,135,780**	2,284,191
		56,782,666	74,490,881
38.9	**Profit / return expensed**		
	On:		
	Deposits and other accounts	**16,482,127**	33,384,369
	Amounts due to financial institutions	**3,876,190**	3,227,924
	Foreign currency deposits for Wa'ad based transactions	**312,025**	650,729
	Lease liability against right-of-use assets	**1,086,746**	886,096
		21,757,088	38,149,118

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025

39 NON-ADJUSTING EVENTS AFTER THE BALANCE SHEET DATE

39.1 The Board of Directors, in its meeting held on October 23, 2025 has declared a cash dividend of Rs 5.00 per share in respect of the quarter ended September 30, 2025 (September 30, 2024: Rs 4.00 per share). These condensed interim unconsolidated financial statements do not include the effect of this appropriation which will be accounted for subsequent to the period end.

40 DATE OF AUTHORISATION FOR ISSUE

These condensed interim consolidated financial statements were authorised for issue in the Board of Directors meeting held on October 23, 2025.

41 GENERAL

41.1 Comparative figures have been re-arranged and reclassified for comparison purposes.

Muhammad Nassir Salim President and Chief Executive Officer	**Irfan Ahmed Meer** Chief Financial Officer	**Khaleel Ahmed** Director	**Moez Ahamed Jamal** Director	**Dr. Najeeb Samie** Director