

**CORPORATE AFFAIRS GROUP**

HO/CAG/RAU/2024/42

October 30, 2024

**The General Manager**  
Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
**Karachi**

Subject: **Transmission of Quarterly Report for the period ended September 30, 2024**

Dear Sir,

We have to inform you that the Quarterly Report of Allied Bank Limited for the period ended September 30, 2024 has been transmitted through PUCARS and is also available on Bank's Website.

You may please inform the TRE Certificate Holders of the Exchange accordingly.

Yours Sincerely,



**Adeel Javaid**  
Company Secretary &  
Chief Corporate Affairs Group

Encl: As above



# SCALING DIGITAL GROWTH



3<sup>rd</sup> Quarterly  
Report **2024**



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# Corporate Information

## Vision

To become a dynamic and efficient bank providing integrated solutions in order to be the first choice bank for the customers.

## Mission

- To provide value added services to our customers
- To provide high tech innovative solutions to meet customers' requirements
- To create sustainable value through growth, efficiency and diversity for all stakeholders
- To provide a challenging work environment and reward dedicated team members according to their abilities and performance
- To play a proactive role in contributing towards the society

## Core Values

- Integrity
- High Performance
- Excellence in Service
- Innovation and Growth

## Board of Directors

Mohammad Naeem Mukhtar  
 Sheikh Mukhtar Ahmad  
 Muhammad Waseem Mukhtar  
 Zafar Iqbal  
 Nazrat Bashir  
 Muhammad Kamran Shehzad  
 Mian Ikram Ul Haq  
 Aizid Razzaq Gill

Chairman / Non-Executive Sponsor Director  
 Non-Executive Sponsor Director  
 Non-Executive Sponsor Director  
 Non-Executive Director  
 Independent Director  
 Independent Director  
 Independent Director  
 Chief Executive Officer

### Audit Committee of the Board

Muhammad Kamran Shehzad (Chairman)  
 Nazrat Bashir  
 Mian Ikram Ul Haq

### e-Vision Committee

Mohammad Naeem Mukhtar (Chairman)  
 Muhammad Waseem Mukhtar  
 Muhammad Kamran Shehzad  
 Aizid Razzaq Gill

### Board Risk Management Committee

Sheikh Mukhtar Ahmad (Chairman)  
 Zafar Iqbal  
 Nazrat Bashir  
 Aizid Razzaq Gill

### Strategic Planning & Monitoring Committee

Muhammad Waseem Mukhtar (Chairman)  
 Zafar Iqbal  
 Nazrat Bashir  
 Aizid Razzaq Gill

### Human Resource & Remuneration Committee

Mian Ikram Ul Haq (Chairman)  
 Muhammad Waseem Mukhtar  
 Zafar Iqbal  
 Aizid Razzaq Gill (Permanent Invitee)

**Shariah Board**

Mufti Muhammad Iftikhar Baig  
(Chairman)

Mufti Mahmood Ahmad  
Mufti Tayyab Amin

**Chief Financial Officer**

Muhammad Atif Mirza

**Company Secretary**

Adeel Javaid

**Auditors**

EY Ford Rhodes  
Chartered Accountants

**Legal Adviser**

Mandviwalla & Zafar Advocates

**Shares Registrar**

CDC Share Registrar Services Limited  
(CDCSRL)

**Registered and Head Office**

3 Tipu Block, New Garden Town,  
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# Directors' Review

Dear Shareholders,

On behalf of the Board of Directors, we are pleased to present the financial results of Your Bank for the nine months ended September 30, 2024. The operating results and appropriations as recommended by the Board are included in the appended table:

	Nine Month Ended September 30,		Growth
	2024	2023	
	(Rupees in million)		
Profit after tax for the period	35,691	28,662	25
Accumulated profits brought forward	102,080	79,653	28
Transferred from surplus on revaluation of non-banking assets to un-appropriated profit – net of tax	3	1	172
Transferred from surplus on revaluation of fixed assets to un-appropriated profit – net of tax	140	52	169
Re-measurement on defined benefit obligation – net of tax	-	43	(100)
Transfer of surplus on account of disposal of equity investments - net of tax	1,423	-	100
<b>Profit available for appropriation</b>	<b>139,337</b>	<b>108,410</b>	<b>29</b>
Final cash dividend for the year ended December 31, 2023: Rs. 4.00 per share (2023: Year ended December 31, 2022: Rs. 2.50 per share)	(4,580)	(2,863)	60
First interim cash dividend for the year ending at December 31, 2024: Rs. 4.00 per share (2023: year ended December 31, 2023: Rs. 2.50 per share)	(4,580)	(2,863)	60
Second interim cash dividend for the year ending at December 31, 2024: Rs. 4.00 per share (2023: year ended December 31, 2023: Rs. 2.50 per share)	(4,580)	(2,863)	60
Transfer to Statutory Reserves	(3,569)	(2,866)	25
<b>Accumulated profits carried forward</b>	<b>122,027</b>	<b>96,956</b>	<b>26</b>
<b>Earnings Per Share (EPS) (Rs.)</b>	<b>31.17</b>	<b>25.03</b>	<b>25</b>

The Board is pleased to announce an interim cash dividend of Rs. 4.00 per share in addition to first and second interim cash dividends of Rs. 4.00 per share each, which have already been paid. Interim cash dividend for the nine months ended September 30, 2024 is Rs. 12.00 per share (September 30, 2023: Rs. 8.00 per share).

## Economic Review

The global economy is stabilizing with a more positive outlook, as inflation, high policy rates and lingering post pandemic effects are gradually subsiding. However, geopolitical tensions may continue to weigh on these positive economic developments. In October 2024 World Economic Outlook (WEO), the International Monetary Fund (IMF) has maintained its global growth forecast at 3.2% for 2024 and revised the projection to 3.2% for 2025 with slight decrease of 0.1% as compared to its previous projection made in July 2024 WEO.

Global inflation is gradually coming down; however, the slower-than-expected pace presents challenges for central banks and policymakers. Inflation in emerging markets and developing economies is expected to remain higher than in advanced economies. The IMF projected the Global inflation at 3.5% by the end of 2025, below the average level of 3.6% between 2000 and 2019.

Despite political volatility and ongoing structural challenges, Pakistan's economy has been recovering gradually. In its recent staff report on Pakistan, the IMF noted positive

developments such as easing fiscal pressure, the consistent implementation of reforms and improving financial conditions and business confidence. Based on these developments, the IMF has revised its GDP growth projection at 3.2% for FY'25 and 4.0% for FY'26, in the July 2024 World Economic Outlook. The IMF also estimates a sharp decline in domestic average inflation, from 23.4% in 2024 to 9.5% in 2025, as mentioned in its staff report on Pakistan.

The large-scale manufacturing (LSM) sector regained momentum after a period of contraction. LSM output increased by 2.4% in July 2024, compared to a contraction of 5.4% in July 2023. During this period, 14 out of 22 sectors experienced positive growth, including Textiles, Food, Beverages, Wearing Apparel, Coke and Petroleum Products, Chemicals, Automobiles and Paper & Board. Furthermore, vehicle production and sales rose by 19.5% and 16.3%, respectively, during Jul-Aug FY'25.

The agriculture sector is undergoing transition towards upgrading and innovating farming practices, thereby improving productivity. During Jul-Aug FY'25, the import of agricultural machinery and implements increased by 105.6% reaching US\$ 17.6 million, compared to the same period last year.

On the external front, the current account showed significant improvement during Jul-Sep FY'25, posting a deficit of US\$ 0.1 billion compared to deficit of US\$ 1.2 billion in the same period last year. Additionally, the current account posted a surplus of US\$ 0.1 billion in September 2024, compared to a deficit of US\$ 0.2 billion in September 2023.

Exports of goods and services improved during Jul-Sep FY'25, reaching US\$ 9.4 billion compared to US\$ 8.8 billion in the same period last year, showing a growth of 7.4%. According to the Pakistan Bureau of Statistics (PBS), the commodities that registered positive growth include rice, fruits & vegetables, knitwear, bedwear, readymade garments, and chemicals & pharma products. Additionally, IT exports grew to reach at US\$ 0.6 billion, up from US\$ 0.4 billion last year.

During Jul-Sep FY'25, imports were recorded at US\$ 16.8 billion, compared to US\$ 15.0 billion during the same period last year, reflecting a growth of 12%. According to the PBS, major imports showing an upward trend include petroleum crude, liquified natural gas, fertilizer, machinery, and iron & steel scrap.

Consequently, due to increase in imports partially offset by a surge in exports, the trade deficit stood at US\$ 7.4 billion during Jul-Sep FY'25, compared to US\$ 6.2 billion in the same period last year, reflecting a 19.1% increase.

Workers' remittances increased by 38.8%, reaching US\$ 8.8 billion during Jul-Sep FY'25, compared to US\$ 6.3 billion during the same period last year.

Foreign Direct Investment (FDI) registered net inflow at US\$ 771.1 million during Jul-Sep FY'25, compared to US\$ 520.2 million during the same period last year, marking a 48% increase. Private sector Foreign Portfolio Investment (FPI) recorded a net outflow of US\$ 22.8 million during Jul-Sep FY'25, compared to inflow of US\$ 9.6 million in the previous year. In contrast, Public FPI saw a significant net inflow of US\$ 155.3 million during Jul-Sep FY'25, compared to inflow of US\$ 0.2 million in the same period last year. Total Foreign Investment recorded inflow of US\$ 903.5 million during Jul-Sep FY'25 as compared to inflow of US\$ 530.1 million in FY'24.

Total Foreign Exchange reserves and Net reserves held by the State Bank of Pakistan (SBP) were recorded at US\$ 15,983 million and US\$ 10,702 million, respectively, as of September 27, 2024, in contrast with US\$ 12,393 million and US\$ 7,616 million, respectively, as of September 28, 2023.

Money supply (M2) was recorded at Rs. 36,263 billion as of September 30, 2024, compared to Rs. 31,525 billion as of September 30, 2023, reflecting a 15% increase. Currency in circulation (CIC) stood at Rs. 8,817 billion in September 30, 2024, up from Rs. 8,288 billion in September 30, 2023, representing a growth of 6%.

The stock market continues to trend upward, closing at 78,488 points at the end of August 2024. As of August 31, 2024, the KSE-100 index gained 601 points, while market capitalization increased by Rs. 117 billion, settling at Rs. 10,485 billion.

The US\$-PKR parity has shown a slight downward trend since September 2023, appreciating by 4% to stand at Rs. 277.71 as of September 30, 2024, compared to Rs. 287.74 on September 30, 2023.

According to the SBP, inflation has decreased during the first nine months of 2024, owing to delay in implementation of planned increases in energy prices and favorable movements in global oil and energy prices. The Monetary Policy Committee of SBP decided to lower the policy rate by 200 basis points, bringing it to 17.50% in its recent meeting.

The Consumer Price Index (CPI) inflation has declined sharply to 6.9% in September 2024, compared to 31.4% in September 2023. This decrease is attributed to several factors, including a drop in global oil prices, and enhanced business confidence.

## Financial Review

The banking sector maintained its soundness during the first nine months of 2024. The asset base expanded by 11%, reaching Rs. 49,942 billion as of September 30, 2024, compared to Rs. 45,067 billion on December 31, 2023. Investments made significant growth of 20% to stand at Rs. 30,694 billion as of September 30, 2024 up from Rs. 25,541 billion on December 31, 2023. Gross advances were Rs. 12,069 billion as of September 30, 2024 as compared to Rs. 12,347 billion as on December 31, 2023, declining by 2%. On the liabilities side, total deposits closed at Rs. 30,793 billion as of September 30, 2024 as compared to Rs. 27,679 billion as on December 31, 2023, reflecting a growth of 11%.

Allied Bank's steadfast commitment to providing world class, digitally integrated solutions for customers, along with its passion for innovative thinking, mission to create sustainable value for all stakeholders and enthusiasm to support the community and society continues with even greater zeal.

Your Bank performed robustly during the nine months ended September 30, 2024. Positive volumetric growth in average earning assets, supported by improving spreads and effective duration management of investments, enabled the Bank to post higher markup income of Rs. 291,215 million for the nine months ended September 30, 2024, compared to Rs. 264,341 million for the same period in 2023. This represents an increase of 10% or Rs. 26,874 million.

Markup/interest expense of Your Bank during the nine months ended September 30, 2024 increased to Rs. 201,058 million, up from Rs. 183,356 million for the same period in 2023, representing an increase of 10%. This rise is attributed to higher cost of deposits and increased interest on Right of use Assets, partially offset by lower borrowing expense.

Consequently, the net markup and interest income of Your Bank reached Rs. 90,157 million for the nine months ended September 30, 2024, compared to Rs. 80,985 million for the same period last year, showing an increase of 11%.

Fee income of Your Bank registered at Rs. 10,095 million as of September 30, 2024, compared to Rs. 7,714 million as of September 30, 2023, improving by 13%. This is mainly attributable to higher card-related fee, commission on remittances, branch banking customer fee and commission on trade.

Robust growth has been observed in capital gains, which surged to reach at Rs. 1,353 million during the nine months ended September 30, 2024, compared to Rs. 10 million in the previous year. This increase is mainly due to higher gains on Federal government securities and Eurobonds. Dividend income for the same period stood at Rs. 2,278 million, reflecting a decrease of 12% compared to Rs. 2,574 million as of September 30, 2023.

Foreign exchange income of Your Bank recorded at Rs. 5,447 million for the nine months ended September 30, 2024, compared to Rs. 5,781 million for the corresponding period in 2023, making a decrease of 6%. Other income stood at Rs. 672 million as of September 30, 2024, up from Rs. 93 million as of September 30, 2023.

As a result, non-markup income grew significantly by 23% reaching Rs. 19,845 million for the nine months ended September 30, 2024, compared to Rs. 16,171 million for the same period in 2023.

Your Bank's prudent expenditure control approach has effectively curtailed overall administrative expenses at Rs. 42,852 million as of September 30, 2024, compared to

## Director's Review

Rs. 36,799 million as of September 30, 2023, reflecting an increase of 16%. This rise is attributed to higher salaries and benefits, IT expenses, card related costs, repair and maintenance expenses, security service charges and utilities.

Profit generating indicators, such as net interest income and non-interest income have shown improvement. Consequently, profit before taxation (PBT) recorded at Rs. 70,115 million for the nine months ended September 30, 2024 as compared to Rs. 57,824 million for the corresponding period last year.

Your Bank posted a significant increase of 25% in profit after tax (PAT), closing at Rs. 35,691 million for the nine months ended September 30, 2024, compared to Rs. 28,662 million for the same period in 2023. In line with the increase in PAT, earnings per share (EPS) of Your Bank also rose by 25%, reaching Rs. 31.17 as of September 30, 2024, compared to Rs. 25.03 as of September 30, 2023.

Allied Bank is fostering digitization by offering more convenient and flexible banking solutions. This transformation is shifting traditional banking towards a futuristic model, enabling easier access to financial services through mobile banking, digital wallets and online platforms, which makes transactions faster and more efficient.

Allied Bank has expanded its outreach, achieving a milestone of over 1,500 branches, with a total of 1,506 branches, including 1,351 Conventional branches, 141 Islamic branches and 14 Digital branches. The Bank operates with large ATM network of 1,577 machines consisting of 1,330 onsite machines, 241 off-site machines and 6 mobile banking units (MBU).

Total assets of Your Bank stood at Rs. 2,623,822 million as of September 30, 2024, depicting a growth of 13% compared to Rs. 2,329,014 million as of December 30, 2023. This increase was driven by Lendings to Financial Institutions, Investments and Other assets. Additionally, net assets of Your Bank increased by 19% reaching Rs. 230,088 million as of September 30, 2024, compared to Rs. 194,254 million as of December 31, 2023.

Investments of Your Bank stood at Rs. 1,333,149 million as of September 30, 2024, reflecting robust growth of 16% compared to Rs. 1,150,318 million as of December 31, 2023. The increase in investments mainly pertains to increase in Treasury bills and Pakistan Investment Bonds.

Gross advances and net advances of Your Bank registered at Rs. 861,507 million and Rs. 847,637 million, respectively, as of September 30, 2024, compared to Rs. 794,138 million and Rs. 781,597 million, respectively, as of December 31, 2023.

The Bank's prudent Risk Management System resulted in a 1% reduction in the Non-performing Loans (NPLs), with the NPLs portfolio standing at Rs. 12,927 million as of September 30, 2024, compared to Rs. 13,039 million as of December 31, 2023.

Your Bank has continued its efforts to maintain a low infection ratio and a high overall coverage ratio, which

stood at 1.50% and 107%, respectively, as of September 30, 2024. No forced sale value (FSV) benefit was availed while determining provisions against non-performing loans, as permitted under guidelines of SBP.

Deposits of Your Bank reached at Rs. 1,926,440 million as of September 30, 2024, compared to Rs. 1,676,623 million as of December 31, 2023, registering a deposit growth of 15%.

Lending to Financial Institutions stood at Rs. 11,490 million as of September 30, 2024, compared to Rs. 9,418 million as of December 31, 2023, reflecting a growth of 22% mainly due to increase in Musharakah lending which was partially offset by lower Repo lending.

Return on Assets (ROA) of Your Bank registered at 1.93% as of September 30, 2024, compared to 1.79% as of December 31, 2023. Return on Equity (ROE) stood at 29.0% as of September 30, 2024. Capital Adequacy Ratio of Your Bank was 32.43% as of September 30, 2024, compared to 26.21% as of December 31, 2023 depicting a strong capital positioning.

### Future Outlook

The IMF has projected world real GDP growth at average of 3.2% for 2026 to 2029. On the domestic front, SBP has projected the real GDP growth in the range of 2.5% to 3.5% for FY'25. Whereas; IMF has anticipated the GDP growth of Pakistan at 3.2% for FY'25.

The Monetary Policy Committee (MPC) aims to achieve the medium-term inflation target of 5%-7%. The IMF has projected CPI of Pakistan at 7.8% for FY'26 and 6.5% for FY'29 on the back of continued tight monetary and fiscal policies.

### Entity Ratings

Pakistan Credit Rating Agency (PACRA) maintained the Bank's long-term and short-term credit rating at the highest level of "AAA" (Triple A) and "A1+" (A One Plus), respectively. These ratings indicate highest credit quality and an exceptionally strong capacity for payment of financial commitments. Your Bank has consolidated its position as one of the select group of financial institutions in the Country to maintain highest entity credit ratings.

### Corporate Governance Rating

VIS Credit Rating Company Limited (VIS) has maintained Corporate Governance Rating of Allied Bank Limited at "CGR-9++" out of maximum scale of 10. This Corporate Governance Rating of CGR-9++ indicates strong commitment of the Bank towards governance framework.

### Board of Directors

Composition of the Board of Directors and Board sub-committees is disclosed in the corporate information section of the report. Non-Executive Directors are paid a reasonable and appropriate remuneration for attending the Board of Directors and its committees' meetings. This remuneration is not at a level that could be perceived to

compromise independence and is within the prescribed threshold defined by SBP. No fee is paid to the Directors who do not attend a meeting. Similarly, fee is not paid for the proposals considered through circulation.

#### Acknowledgement

On behalf of the Board of Directors and the Management, we would like to place on record our gratitude; to esteemed shareholders and valued customers for placing their trust in Allied Bank; the Securities and Exchange Commission of Pakistan, the State Bank of Pakistan and other regulatory authorities for their consistent direction and oversight.

We would also like to extend appreciation to our colleagues for their diligent work towards meeting customer expectations and their dedication towards achieving the Bank's goals and objectives.

For and on behalf of the Board of Directors.

Aizid Razzaq Gill  
Chief Executive Officer

Mohammad Naeem Mukhtar  
Chairman Board of Directors

Lahore  
Date: October 30, 2024

## ڈارِ کیٹرز کا تجزیہ

مجزہ شہر ہولدرز:

بودا آف ڈارِ کیٹرز کی جانب سے ہم 30 ستمبر 2024ء کو اختتام پذیر فروہ کے عرصہ کے مالی تابع پیش کرتے ہوئے نہایت سرت محصل کرتے ہیں۔ بودا کی طرف سے سفارش کردہ کاروباری تابع اور تجھیں مندرجہ ذیل جدول میں درج ہے:

نواہ نئتھر 30 ستمبر			
نمودار	2023	2024	
%	ملین روپے		
25	28,662	35,691	روالہ مدٹ کا منافع بعد از ایکس
28	79,653	102,080	گزشتہ شدہ منافع
172	1	3	غیر بینکاری املاک کی قدر دیپاؤنٹ سے غیر تصرف شدہ منافع میں تنقیلی خالص ایکس
169	52	140	مصنی املاک کی قدر دیپاؤنٹ سے غیر تصرف شدہ منافع میں تنقیلی خالص ایکس
(100)	43	-	متنیں فوائد کی دوبارہ دیپاؤنٹ سے حاصل شدہ آمدنی خالص ایکس
100	-	1,423	اکوئی ریمیکاری کی فروخت سے سرپس میں تنقیلی خالص ایکس
29	108,410	139,337	ترف کے لیے درستاب منافع
			حتمی کیش ڈیوڈنڈ برائے سال نئتھر 31 ستمبر 2023 - 4.00 روپے نی حصہ
60	(2,863)	(4,580)	(سال نئتھر 31 ستمبر 2022 - 2.50 روپے نی حصہ)
			پہلے اعویزی کیش ڈیوڈنڈ برائے سال نئتھر 31 ستمبر 2024 - 4.00 روپے نی حصہ
60	(2,863)	(4,580)	(سال نئتھر 31 ستمبر 2023 - 2.50 روپے نی حصہ)
			دوسرے اعویزی کیش ڈیوڈنڈ برائے سال نئتھر 31 ستمبر 2024 - 4.00 روپے نی حصہ
60	(2,863)	(4,580)	(سال نئتھر 31 ستمبر 2023 - 2.50 روپے نی حصہ)
			ضوابطی ریزو میں تنقیلی
25	(2,866)	(3,569)	آئے تنقیل کیا جائیں شدہ منافع
26	96,956	122,027	آئے حصہ آمدنی
25	25.03	31.17	(EPS) روپے

بودا نہایت سرت کے ساتھ 4 روپے نی حصہ کے عبوری کیش ڈیوڈنڈ کا اعلان کرتا ہے جو پہلے سے ادا شدہ 4 روپے نی حصہ کی ڈیوڈنڈ کے پہلے اور دوسرا عبوری ڈیوڈنڈ کے علاوہ ہے۔ 30 ستمبر 2024 کو اختتام پذیر فروہ کی مدت کے لیے عبوری کیش ڈیوڈنڈ کی سطح 12 روپے نی حصہ رہی۔ (30 ستمبر 2023: 8.00 روپے نی حصہ)

محاذی تجزیہ:

بھگانی، بلند پائیکریں اور عالمی روایت کے بعد کے دیر پاڑات میں بذریعہ کی کے باعث عالمی میکیٹ ہریشپت پیش میں کے ساتھ اسٹکام کی جانب گاہمن ہے۔ تاہم، جغرافیائی و میاں تباہ ان بیش معاہی پیش رکون پر مسلسل اثر انداز ہوتے رہیں گے۔ اکتوبر 2024ء کی ولادا آنکاک آؤٹ لک (World Economic Outlook) (WEO) میں ہن الاقوامی مالیاتی نئٹ (آئی ایف) نے سال 2024ء کے لیے عالمی نمو کی پیش گوئی کو 3.2 فیصد کی شرح پر بقرار رکھا ہے۔ جگہ، سال 2025ء کے لیے، جولائی 2024ء کی ولادا

اکناک آٹھ لک میں تجھیں کی گئی 3.2 نیصد کی شرح میں 0.1 نیصد کی معقول تخفیف کے ساتھ اپنے تجھیں پر نظرثانی کی ہے۔

علیٰ افزایو زر بذریخ گم ہو رہا ہے۔ تاہم، اس کی فقار میں تو قع سے زیادہ سست روی مرکزی بیکون اور پالمنی سازوں کے لیے ملکات کھری کر رہی ہے۔ ابھری مذینوں اور ترقی پذیر میں افزایو زر کی شرح ترقی یافتہ میں میشتوں کی نسبیت بلند رہنے کی توقع ہے۔ آئی ایم ایف کی پیش بینی کے مطابق عالیٰ افزایو زر کی شرح سال 2025ء کے اختتام تک 3.5 فنڈر رہے گی جو کہ سال 2000ء اور 2019ء کے مابین کی 3.6 فنڈر کا درست شرح سے بھی کم ہے۔

سیاسی عدم احکام اور جاری اصلاحاتی جیلوگر کے باوجود، پاکستان کی محیثت بدتر ہجات ہو رہی ہے۔ پاکستان کے بارے میں ابتدی خالرپورٹ میں آئی ایماف نے ان مشیت پیش رفتوں کا اظہار لیا ہے، جن میں مالیاتی بادوں میں آسانی، اصلاحات کا مسلسل فناور اور بہتری میں صورت حال، کاروباری اعتماد شامل ہیں۔ ان پیش رفتوں کے تاثر میں، آئی ایماف کے جولائی 2024ء کی ولادت آنکا آنکہ اکٹ میں یونیورسٹی کی نومکو بارے میں اپنے تجھیے میں ظرفیتی کوتے ہوئے اسکی شرح میں اپنی مال سال 2024-2025ء کے نصف دار مالی سال 2025-2026ء کے لیے 4 فنصدر بخوبی کے۔ آئی ایماف نے پاکستان پر اپنی سانپر رپورٹ میں درج یقین کے اندازے کے مطابق دنیا اوسط افزایشی شرح میں جنکی کی سانپر رپورٹ کی وجہ سے جو سال 2024ء کی 23.4% نصفدی شرح کی نسبت سال 2025ء میں 9.5% نصفدیکا ہے۔

بڑے پیارے کی پیداواری صحت نے سکواڈ کی ایک مدت گزارنے کے بعد دوبارہ تحریک پکڑی ہے۔ بڑے پیارے کی صحت کی پیداوار میں جولائی 2023ء میں 5.4 کے سکواڈ کے تناوب میں، جولائی 2024ء کے دوران، 2.4 فینڈ کا اضافہ دیکھا گیا۔ اس مدت کے دوران 22 میں 12 شعبوں جن میں بیکٹنیکس، خوراک، مشروبات، لمپریسات، کوکلے اور پرچم پر آئنکس، سیکلکر، آئومو بالکر اور کافڈر بورڈ کے شعبے شامل ہیں، میں ثبت ترقی بھی ہے۔ میری برادر، مالی سال 2025ء کے جولائی تاکتے کے عرصہ میں گاؤں کی پیداوار اور فوجت میں بالترتیب 19.5 فینڈ کا اضافہ ہو۔

زراعت کا شعبہ جدید اور اخترائی فارمگل کے طریقوں کے استعمال اور نتائج کے مراحل سے گور رہا، جس سے پھر اور ارش اضافہ ہوگا۔ مالی سال 2025 کے جملائی تباہی میں زرعی مشغیری اور آلات کی ترقیات میں گزینہ سال کے مقابلے میں 105.6 ملین روپے اضافہ ہوا جس کا مجموعہ 17.6 ملین روپے کی تاریخی پہنچ کیا۔

بیرونی خانوادہ، کرنٹ اکاؤنٹ میں مالی سال 2025ء کے جلائی تا تحریک مدت میں نمایاں بہتری درج ہوئی جوکہ گزشہ سال کے مماثل عرصے کے 1.2 ملین امریکی ڈالر کے خارج کی نسبت 0.1 ملین امریکی ڈالر کے خارجے پر روپت ہوا۔ علاوہ ازیں، کرنٹ اکاؤنٹ کی مدیں ستمبر 2023ء میں درج شدہ 0.2 ملین امریکی ڈالر کے خارجے کے مقابلے میں ستمبر 2024ء میں 0.1 ملین امریکی ڈالر کا سرپلٹ رکارڈ ہوا۔

ماں سال 2025 کے جواہی تا تجبر کے عرصے میں براہمات گزشت سال کے 8.8 ملین امریکی ڈالر کے حجم سے 7.4 ملین امریکی ڈالر کے خلاف کا اندازج کرتے ہوئے، 9.4 ملین امریکی ڈالر پر شمار ہو گیں۔ پاکستان کے ادارہ ثماریات کے مطابق جن اشیاء میں بھرپری کا رجحان دیکھا گیا ان میں چاول، پکا اور سبزیاں، بٹے کوئے پلے (بٹ دیر)، بید و پیر، تار شدہ بیسٹس اور کیمپنکر و فارما پروگرکس شامل ہیں، علاوہ ازاں، آئندی کی براہمات گزشت سال کے 0.4 ملین امریکی ڈالرز سے بڑھ کر 0.6 ملین امریکی ڈالر پر تکمیل کی گئی۔

ماں سال 2025 کے جواہی تا تجھری مدت میں دو آمادت گزشہ سال کے مہاشی عرصہ کے 15 ملین امریکی ڈالر کے تخم کے مقابلے میں 12 فنڈمیٹ نوکس اسٹھن 16.8 ملین امریکی ڈالر پر ریکارڈ ہو گیں۔ پاکستان کے ادارہ شعبہ تیاریات کے مطابق خام میں، ماخ قدرتی گیس، کھاد، مشینی اور لوہے و اشیل کے اسکریپ کی آمادت میں غایاں طور پر بھروسی کا رجحان دیکھا گا۔

چنانچہ، ریاستیں اضافے کے باعث، یعنی بارہ ملین میں سو نئے والی بھرپوری نے قدرے دیکھ لیا، میں اسال 2025، کے جزوی تا تتمم کے عرصے کے دوران، تجارتی صادرات گزشتہ سالی میکھی مدت کے 6.2 ملین امریکی دالر کے حجم کی نسبت 19.1 فیصد کے اضافے کا خارجہ کر کر تھے جو 7.4 ملین امریکی دالر پر درج ہوا۔

کارکوں کی ترسنات ہر ماں سال 2025ء کے جلوائی تا ہجتکے دوران 8.8 ملین امریکی ڈالر پر چلکیں جو کہ گزشتہ سال کے مماثلی عرصہ کے 6.3 ملین ڈالرز کے جنم سے فائدہ کے انتباہی مظہر ہیں۔

تمیر کرنا ہر اس سریاکار کا خاص بھاگ ہے اسی سال 2025 کے جواہی تا تمیکرے دو ان 771.6 میلین امریکی ڈالر پر ٹکنیکی جو کر گزشتہ سال کے مماثل عرصہ کے 520.2

نیجی بیکن غیر ملکی پورٹ فویور سرمایکاری کا خالص بہاؤ گزشتہ سال کے مماثل عرصہ کے 9.60 ملین ڈالر کے جمکن نسبت میں سال 2025ء کے جوانی تا جنم کے دوران 22.8 ملین امریکی ڈالر پر درج ہوا۔ اس کے مقابل میں پہلے غیر ملکی پورٹ فویور سرمایکاری میں مالی سال 2025ء کے جوانی تا جنم کے عرصے میں 155.3 ملین امریکی ڈالر کا قابل ذکر خالص بہاؤ دیکھا گیا تھا، گزشتہ سال کی اسی مدت میں اس کا بہاؤ 0.2 ملین امریکی ڈالر تھا۔ کل غیر ملکی سرمایکاری میں مالی سال 2025ء کے جوانی تا جنم کے عرصے کے دوران مالی سال 2024ء کے 530.1 ملین امریکی ڈالر کے مقابلے میں 903.5 ملین امریکی ڈالر کا بہاؤ دیکھا گیا۔

غیر ملکی زر مہارکے خاتر اور ایشیت پیک آف پاکستان کے پاس دستیاب ڈیگر 27 ستمبر 2024ء تک بالترتیب 15,983 ملین امریکی ڈالر اور 10,702 ملین امریکی ڈالر پر درج ہوئے تھے اس کے مقابل میں 28 ستمبر 2023ء تک ان کا حجم بالترتیب 12,393 ملین امریکی ڈالر اور 7,616 ملین امریکی ڈالر پر پورٹ ہوا تھا۔

منی سپائی (ایم-2) 30 ستمبر 2023ء کی 31,525 ملین روپے کی طبقے سے 15 نیصد کے اضافے کے ساتھ 30 ستمبر 2024ء کی 36,263 ملین روپے پر رکارڈ ہوئی۔ کرنی کی سروکش 30 ستمبر 2023ء کی 8,288 ملین روپے کی طبقے سے 8 ملین نیصد کے اضافے کے ساتھ 30 ستمبر 2024ء کی 8,817 ملین روپے پر رکارڈ ہوئی۔

استاک مارکیٹ کی بلند پروازی کا عمل جاری ہے جوکہ اگست 2024ء تک 78,488 پاپیٹس پر رکارڈ ہوئی۔ 31 اگست 2024ء کو کے اسی 100 انڈیکس میں 601 یسر پاپیٹس کا اضافہ ہو گی، مارکیٹ کپٹلائزشن 117 ملین کے اضافے کے ساتھ 10,485 ملین روپے پر شمار ہوئی۔

امریکی ڈالر اور پاکستان روپے کی شرح تباہی میں ستمبر 2023ء سے کمی رکھا جاتا ہے۔ 4 نیصد کے اضافے کے ساتھ یہ شرح 30 ستمبر 2023ء کی 287.74 روپے فی ڈالر کی طبقے کے مقابلے میں 30 ستمبر 2024ء تک 277.71 روپے فی ڈالر پر آگئی۔

ایشیت پیک آف پاکستان کے مطابق سال 2024 کے ابتدائی نوماہ کے دوران افزایزر میں توہانی کی قیومیں متوخ اضافے میں تاخیر اور عالمی طبقے پر تعلیم و توہانی کی قیومیں میں ثابت رکھا جاتا ہے، کمی رکھا جاتی ہے۔ ایشیت پیک آف پاکستان کی ایشیت پالیسی کمٹی نے اپنے حالی معتقد اجلاس میں پاپیٹی ریٹ میں 200 نیصد پاپیٹس کی کمی کا فیصلہ کرتے ہوئے اس کی شرح کو 17.50 نیصد پر مقرر کیا۔

کنزیور پر اس انڈیکس افزایزر ستمبر 2023ء کی 31.4 نیصد کی شرح کی نسبت ستمبر 2024ء کے دوران جیزترین کمی کے ساتھ 6.9 نیصد کی شرح پر آگئی۔ اس کی میں بہت سے عوام کا فرقہ تھے جن میں محلی عالی قیومیں کی اور کاروباری اختلاف اضافہ شامل ہے۔

#### مالیاتی تجزیہ:

سال 2024ء کے ابتدائی نوماہ کے دوران بیکاری کے شعبے نے اپنی مشبوطی کو برقرار کھلا۔ اثاثجات کی اساس 31 ستمبر 2023ء کے مقابلے میں 11 میں نیصد کی دعوت پاتے ہوئے 30 ستمبر 2024ء تک 49,942 ملین روپے پر درج ہوئی۔ سرمایکاری 31 ستمبر 2023ء کے مقابلے میں 25,541 ملین روپے کے مقابلے میں 20 نیصد کی نمایاں نوکے ساتھ 30 ستمبر 2024ء تک 30,694 ملین روپے پر درج ہوئی۔ کل ترکھات 31 ستمبر 2023ء کے مقابلے میں 12,347 ملین روپے کے مقابلے میں 2 نیصد کی کمی کے ساتھ 30 ستمبر 2024ء تک 12,069 ملین روپے پر رکارڈ ہوئے۔ واجات کے حوالے سے کل پیٹاٹس ستمبر 2023ء کے 27,679 ملین روپے کے مقابلے میں 11 نیصد کی نمایاں درجات کے ساتھ 30 ستمبر 2024ء تک 30,793 ملین روپے پر جا پہنچے۔

الاعیانی پیک اپنے صارفین کو عالمی معیار کی ڈیجیٹل مربوط خدمات و سہولیات کی فراہمی، اور اسکے ساتھ اپنے جدید اور افرادی سوچ کے جذبے، اپنے تمام اسیک ہولڈرز کے لیے پائیدار تدریکی کمی کی فراہمی کے ملن اور اپنی کمیونٹی اور معاشرے کی خدمت کو پہلے سے کہیں زیادہ دلوں اور جوش سے سر انجام دینے کے لیے پر عزم اور کار بند ہے۔

30 ستمبر 2024ء کو اختتام پذیر نوماہ کے عرصے کے دوران، آپ کے پیک نے مشبوط کا رکورڈیگا مظاہرہ کیا ہے۔ اوسط پیداواری اثاثوں میں مقداری نہیں ہے، بلکہ ہوتے ہی پڑیں اور سرمایکاری کے مزدوں ملکی اختتام کا تعاون بھی حاصل رہا، کی بدولت آپ کا پیک 30 ستمبر 2024ء کو اختتام پذیر نوماہ کی مدت کے دوران سال 2023ء کے مماثل عرصہ کے 264,341 ملین روپے کے جمکن کمی نسبت 291,215 ملین روپے کی بلند ترکھات اپ آمدی حاصل کرنے کا ملی ہوا۔ یہ 10 نیصد یا 26,874 ملین روپے کے اضافے کا مظہر ہے۔

30 ستمبر 2024ء کو اختتام پذیر نوماہ کی مدت کے دوران آپ کے پیک کے ماک اپ ائرنس اخراجات سال 2023ء کے مماثل عرصہ کے 183,356 ملین روپے کے جمکن کی نسبت 10 نیصد کے اضافے کے ساتھ 201,058 ملین روپے پر درج ہوئے۔ اس اضافے میں پیٹاٹس کی بلند لگات اور استعمال کے حق سے مخلص اثاثجات کے ائرنس

کے اضافے کا بیانی کردار تھا۔ جس کو حاصل کردہ قرضوں کے اخراجات میں کمی نے جزوی طور پر زائل کیا۔

چنانچہ اپنے بینک کی خالص مارک اپ اور انٹرست آمدی سال 2023 کے مالی عرصہ کے 80,985 ملین روپے کی سطح کی مقابل میں 11 نیصد کے اضافے کے ساتھ 90,157 ملین روپے پر درج ہوئے۔

آپکے بینک کی فیس آمدی 30 ستمبر 2023ء کے 7,714 ملین روپے کے جم میں 13 نیصد کی بھری کے ساتھ 30 ستمبر 2024ء، اسکی 10,095 ملین روپے پر رخصی کی گئی۔ اس اضافے میں کارڈ سے متعلق بلندیں، تبلیغات کے کمیں، برائی بینکنک کے صارفین کی فیس اور تجارت پرکشش کی آمدی کا بیانی کردار تھا۔

کمپیوٹر گزیر کی مدین مضمونہ کامشاہدہ کیا گیا جوکہ 30 ستمبر 2024ء کو اختتام پذیر نواہ کے عرصہ کے دوران پچھلے سال کی 10 ملین روپے کی آمدی کے مقابلے میں بڑھتے ہوئے 1,353 ملین روپے کی سطح پر جا چکے، اس اضافے کی بیانی وجہ واقعی حکومت کے تسلکات اور یورپ بائزنسے حاصل ہونے والے بلند گزیرتھے۔ ڈیویڈ آمدی اسی مالی عرصہ میں 2,278 ملین روپے ریٹ جوکہ 30 ستمبر 2023ء تک کی درج شدہ 2,574 ملین روپے کی آمدی کی نسبت 12 نیصد کی کمی کا اعتماد ہے۔

آپکے بینک کی فارن ایکچچ آمدی 30 ستمبر 2024ء کو اختتام پذیر نواہ کی مدین کے دوران، سال 2023 کے تقلیلی عرصہ کے 5,781 ملین روپے کے جم میں 6 نیصد کی کمی غایب کرتے ہوئے 5,447 ملین روپے پر درج ہوئی۔ دیگر آمدی 30 ستمبر 2023ء کی 93 ملین روپے کی سطح سے بڑھ کے 30 ستمبر 2024ء، اسکی 672 ملین روپے پر ریکارڈ ہوئی۔

جس کے تینے میں نان مارک آمدی 23 نیصد کے قابل ذکر اضافے کے ساتھ 30 ستمبر 2024ء کو اختتام پذیر نواہ کی مدین کے دوران 19,845 ملین روپے پر جا چکی جبکہ اس کے مقابلے میں اس کا جم 16,171 ملین روپے تھا۔

آپکے بینک اپنے اضافات کی کمزی گھرانی کی داشمندانہ حکمت عملی کی بدولت بھروسی انتظامی اخراجات میں موفر کی کے ساتھ ان کو 30 ستمبر 2024ء، اسکی 42,852 ملین روپے پر شمار کیا گیا۔ جو کہ ستمبر 2023ء تک کی 36,799 ملین روپے سے 16 نیصد کے اضافے ہے۔ اضافات میں تجوہوں اور دیگر کوہیات، آئی اضافات، کارڈ سے متعلق لاغتوں، مرد اور دیگر بھال کے اخراجات، سکریٹری سروہرکے اخراجات اور یونیلینک کے اخراجات کی بروجھی کامیابی کو نمایاں کردار رہا۔

منافع پیدا کرنے والے اشارے یہ سماکہ خالص انٹرست آمدی میں نان انٹرست آمدی میں بھری۔ کمی گئی ہے۔ چنانچہ، منافع قابل ازگش سال کی تقلیلی مدین کی 57,824 ملین روپے کی سطحی نسبت 30 ستمبر 2024ء کو اختتام پذیر نواہ کی مدین میں 70,115 ملین روپے پر درج ہوئے۔

آپکے بینک کے منافع بعد ازاں میں 25 نیصد کی نمایاں بروجھی ریکارڈ ہوئی جو کسی سال 2023ء کی 28,662 ملین روپے کی آمدی سے 30 ستمبر 2024ء کو اختتام پذیر نواہ کے عرصہ میں 35,691 ملین روپے پر شمار ہوا۔

منافع بعد ازاں میں ہونے والے اضافے کی مطابقت میں آپکے بینک کی فی حصہ آمدی 30 ستمبر 2023ء کی 25.03 روپے فی حصہ کے تاب میں 25 نیصد کے اضافے کے اندر جس کے ساتھ 30 ستمبر 2024ء، اسکی 31.17 روپے فی حصہ پر حصر ہوئے۔

الائینڈ بینک مزید آسان اور پلکار سہولتوں کی فراہمی کے ذریعے ذمہ دار تینش کے عمل کو فروغ دے رہا ہے۔ اس بیت سازی سے رواجی بینک کو مستقبل کے مادلوں میں منتظر کیا جا رہا ہے۔ تاکہ موبائل بینکنگ، ذمہ داری اور آن لائن پیٹ فارم کے ذریعے مالیاتی خدمات تک رسائی کو کلں بنایا جاسکے۔

الائینڈ بینک نے اپنی پیٹ فارم اور وسعت میں مزید اضافہ کرتے ہوئے 1,500 سے زائد برائیوں کا سکے میں عبور کیا ہے۔ جس کے بعد اس کی کل برائیوں کی تعداد 1,506 تک بیٹھ گئی ہے۔ جس میں 1,351 رواجی برائیں، 141 اسلامک برائیں اور 14 ذمہ داری برائیں شامل ہیں۔ بینک کی 11,577 ایک وقت بینٹ وک میں مستنبتے ہے جس میں 1,330 آن سائٹ نشیں، 241 آف سائٹ نشیں اور 6 موبائل بینکنگ پیٹش شامل ہیں۔

آپکے بینک کے کل اضافات 31 دسمبر 2023ء کے 2,329,014 ملین روپے کے جم کے مقابلے میں 30 ستمبر 2024ء، اسکی 13 نیصد کی نمودرے کے ساتھ 2,623,822 ملین روپے پر درج ہوتے۔ اس اضافے کے بیانی عوامل میں مالیاتی اداروں کو فراہم کیتے گئے قرضوں، سرمایہ کاری اور دیگر املاٹوں میں ہونے والا اضافہ تقدیم ہے۔ آپکے بینک کے خالص اضافات 31 دسمبر 2023ء، اسکی 194,254 ملین روپے کی سطح کے مقابلے میں 30 ستمبر 2024ء، اسکی 19 نیصد کے اضافے کے ساتھ 230,088 ملین

روپے پر درج ہوئے۔

آپ کے بیک کی سرمایکاری کا جم 31 دسمبر 2023ء کی 1,150,318 ملین روپے کی سطح سے 16 نصف کی توانا و مصبوط موکے ساتھ 30 نومبر 2024ء تک 1,333,149 ملین روپے کی توانا و مصبوط موکے ساتھ 30 نومبر 2024ء تک زیادہ کردار تثییری بڑا اور پاکستان اونٹسٹٹ پائزرس کی جانبے والی سرمایکاری کی بڑھتی کارہ۔

آپ کے بیک کے کل قرضہات اور خالص قرضہات، 31 دسمبر 2023ء کی 794,138 ملین روپے اور 781,597 ملین روپے کی بالترتیب سطح کے مقابلے میں 30 نومبر 2024ء تک بالترتیب 861,507 ملین روپے اور 847,637 ملین روپے پر ریکارڈ ہوئے۔

بیک کو اپنے خدشات کے توارک کے داشمنانہ نظام کے باعث غیر فعال قرضوں میں 1 نصف کی حاصل ہوئی جس کے بعد اس پورٹفولیو کا جم 31 دسمبر 2023ء تک کے 13,039 ملین روپے سے کم ہوتا ہوا 30 نومبر 2024ء تک 12,927 ملین روپے پر شمار کیا گیا۔

آپ کا بیک اپنی کم اکٹیشن تاب و اور بلند جمیعی کو سچ کی شرح کو برقرار رکھنے کے لیے اپنی کاؤنٹن کو جاری رکھے ہوئے ہے۔ جوکہ 30 نومبر 2024ء تک بالترتیب 1.50 نصف کار 107 نصف کی توانا و مصبوط موکے ساتھ ہے۔ اسٹیٹ بیک آف پاکستان کی گائیڈ لائنز میں اجازت کے باوجود غیر فعال قرضہات کے لیے مخصوص اخراجات (پروڈینن) کا شار کرنے وقت جری فروخت کے فوائد کو شامل نہیں کیا گی۔

آپ کے بیک کے فیپارٹس 31 دسمبر 2023ء کی 1,676,623 ملین روپے کی سطح کی نسبت 15 نصف کے اضافے کے اندراع کے ساتھ 30 نومبر 2024ء تک 1,926,440 ملین روپے پر درج ہوئے۔ مالی اداروں کو فراہم کیے گئے قرضوں میں 31 دسمبر 2023 کے 9,418 ملین روپے کے جم کے مقابلے میں 22 نصف کی نمو کے ساتھ 30 نومبر 2024ء تک 11,490 ملین روپے کی سطح کے اندراج ہوئے جس کی بنیادی وجہ مشارق قرضہات میں اضافہ تھا جوکہ روپے لینڈنگ (Repo Lending) میں کی سے کسی قدر زائل بھی ہوا۔

آپ کے بیک کے اضافہات پر آمدی کی شرح 31 دسمبر 2023ء کی 79.0 نصف کے مقابلے میں 30 نومبر 2024ء تک 93.1 نصف پر رپورٹ ہوئی۔ آمدی کی آمدی کی شرح 30 نومبر 2024ء تک 29.0 نصف پر درج ہوئی۔ آپ کے بیک کے سرمائی کی مقولیت کی شرح 31 دسمبر 2023ء کی درج شدہ 26.21 نصف کی سطح کے تاب میں 30 نومبر 2024ء تک 32.43 نصف پر جا چکی جوکہ سرمائی کی مصبوط اور توانا صورت حال کی عکاسی ہے۔

#### مستقبل کی پیش نیتی:

آئی ایف نے مالی جی ڈی پی کی حقیقی نمو کی شرح سال 2026ء، سال 2029ء تک 3.2 نصف کی اوسط سطح پر تجھیہ کی ہے۔ داخلی خاپر، اسٹیٹ بیک آف پاکستان نے مالی سال 2025ء کے لیے جی ڈی پی کی حقیقی نمو 2.5 نصف سے 3.5 نصف کی شرح تک رہنے کا اعلان کیا ہے۔ جبکہ، آئی ایف نے مالی سال 2025ء کے لیے پاکستان کی جی ڈی پی کی مولی شرح 3.2 نصف پر رہنے کی پیش نیتی کی۔

ماہیزی پالسی کمیٹی (آئی ایف) درجیاتی مدت میں افرادوں کی شرح کو 5 نصف تا 7 نصف کے بھنگ تک کا ارادہ رکھتی ہے۔ مسلسل جاری کوئی مالی ایتی اور اضافی پالیسیوں کے نظاذ کیا جادے ہے، آئی ایف نے پاکستان کے جی ڈی آئی کی شرح کو مالی سال 2026ء کے لیے 7.8 نصف اور مالی سال 2029ء کے لیے 6.5 نصف پر تجھیہ کی ہے۔

#### استثیتی ریٹنگ:

پاکستان کی پیٹریٹ بیکنگ لیمیٹڈ (PACRA) نے بیک کی طوبی المدی اور قابل المدی ریٹنگ کو بالترتیب "AAA" ٹریل اے اور "A1+" (اے ون پلس) کی اعلیٰ سطح پر برقرار رکھا ہے۔ درجہ بندیاں بیک کے قرضہات کے اعلیٰ میکار اور اپنی مالی ایتی ذمداداریوں کی ادائیگیوں کی اعتمادی مصبوط صلاحیتوں کی عکاس ہیں۔ آپ کے بیک نے، ملک کے مالی ادارے جو بلندترین کارپوریٹ بیک کے حوال میں، کے اپنی ذمیت کے حصول گردپس میں اپنی ذمیت کو مزید مکمل کیا ہے۔

#### کارپوریٹ گرنسٹ ریٹنگ:

وی آئی ایس (VIS) کارپوریٹ بیک کمپنی لیمیٹڈ نے الائیڈ بیک لیمیٹڈ (اے بی ایل) کی کارپوریٹ گوئنیس کی درج بندی کو برقرار رکھنے ہوئے زیادہ سے زیادہ 10 کے پیمانے میں سے "CGR-9++" کی سطح پر تھیں کیا ہے۔ کارپوریٹ گرنسٹ کی "CGR-9++" کی ریٹنگ بیک کے مصبوط اور مکالم گوئنیس کے نظام (فیم وک) پر مسلسل تھیں اور اعادہ کا مٹھریں۔

### بوروڈ آف ڈائریکٹرز

بوروڈ آف ڈائریکٹرز اور بوروڈ کی ذیلی کمیٹیوں کی بناد کو کارپوریٹ معلومات کے جزو میں درج کیا گیا ہے۔ غیر انتظامی ڈائریکٹر کو بوروڈ یا اور اسکی کمیٹی کے اعلان میں شریک ہونے کے لیے ایک مناسب اور موزوں معاوضہ دیا جاتا ہے۔ معاوضے کا معیار ایسا نہیں ہے کہ جس سے یہ تاثر بھی ملے کہ کسی آزاد حیثیت پر کوئی سمجھوتہ نہیں ہے اور یہ امتیز بینک آف پاکستان کی تعین کردہ حدود کی مطابقت میں ہے۔ جو ڈائریکٹر اعلان میں شریک نہیں ہوا اسکے کوئی معاوضہ ادا نہیں کیا جاتا ہے۔ اسی طرح اسکی سفارشات جن پر کریشن کے ذریعہ غور اور جانچا جاتا ہے ان کا بھی کوئی معاوضہ نہیں دیا جاتا۔

### تسلیم و تحسین:

بوروڈ آف ڈائریکٹر اور تین حصتیں کی جانب سے، ہم اپنے مجزہ شیرٹ ہولڈرز اور قابل قدر صارفین کے الائینڈ بینک پر اسکے اعتبار، سکیورٹی ایڈ آئی ٹیکن آف پاکستان، امتیز بینک آف پاکستان، اور دیگر انتظامی اداروں کا ان کی مسلسل رہنمائی اور اعانت پر انتہائی خلائق سے ٹکریب ادا کرتے ہیں۔

ہم اپنے ملازمین کا صارفین کی توقعات پر پورا اترنے کے لیے نہایت ذمہ داری اور مستعدی کے ساتھ کام کرنے اور بینک کے اخراج و مقامد کے حصول کے لیے اختک مخت اور گن کا بھی بھرپور طریقے سے اعتراف کرتے ہیں۔

مجانب و برائے بوروڈ آف ڈائریکٹر

محمد نصیر مختار  
چیف ایگریکیو ڈیسر

ایم رزانگل  
چیف ایگریکیو ڈیسر

لاہور  
30 اکتوبر 2024ء



# UNCONSOLIDATED FINANCIAL STATEMENTS

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for the nine months ended September 30, 2024

# Unconsolidated Statement of Financial Position

(Un-audited) as at September 30, 2024

	Note	September 30, 2024	December 31, 2023	(Audited)
		Rupees in '000		
<b>ASSETS</b>				
Cash and balances with treasury banks	7	173,140,143	156,136,308	
Balances with other banks	8	1,699,980	2,455,601	
Lendings to financial institutions - net	9	11,461,542	9,418,003	
Investments - net	10	1,333,148,852	1,150,318,089	
Advances - net	11	847,636,989	781,597,230	
Property and equipment	12	124,050,954	113,778,667	
Right-of-use assets	13	7,792,317	8,287,055	
Intangible assets	14	3,666,004	3,409,291	
Deferred tax assets		-	3,821,594	
Other assets - net	15	121,224,752	100,094,817	
		2,623,821,533	2,329,316,655	
<b>LIABILITIES</b>				
Bills payable	17	8,527,430	9,322,405	
Borrowings	18	342,018,723	373,674,042	
Deposits and other accounts	19	1,926,439,908	1,676,623,075	
Lease liabilities	20	10,278,950	10,632,854	
Sub-ordinated debt		-	-	
Deferred tax liabilities - net	21	8,604,216	-	
Other liabilities	22	97,865,558	64,809,815	
		2,393,734,785	2,135,062,191	
<b>NET ASSETS</b>				
		230,086,748	194,254,464	
<b>REPRESENTED BY</b>				
Share capital	23	11,450,739	11,450,739	
Reserves		41,226,026	37,961,636	
Surplus on revaluation of assets - net of tax	24	55,383,298	40,039,632	
Unappropriated profit		122,026,685	104,802,457	
		230,086,748	194,254,464	
<b>CONTINGENCIES AND COMMITMENTS</b>				
		25		

The annexed notes 1 to 44 form an integral part of these unconsolidated condensed interim financial statements.

Muhammad Atif Mirza  
Chief Financial Officer

Aizid Razzaq Gill  
President and Chief Executive

Mian Ikram Ul Haq  
Director

Nazrat Bashir  
Director

Mohammad Naeem Mukhtar  
Chairman

# Unconsolidated Profit and Loss Account

(Un-audited) for the nine months ended September 30, 2024

Note		Nine Months Ended		Quarter Ended	
		September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
		Rupees in '000			
Mark-up / return / interest earned	27	291,214,999	264,340,533	98,863,021	95,209,785
Mark-up / return / interest expensed	28	201,058,376	183,355,620	67,187,656	65,127,284
Net mark-up / interest income		90,156,623	80,984,913	31,675,365	30,082,501
<b>NON MARK-UP / INTEREST INCOME</b>					
Fee and commission income	29	10,095,246	7,713,579	3,617,234	2,658,433
Dividend income		2,277,653	2,573,872	635,218	940,240
Foreign exchange income		5,447,057	5,780,773	1,372,339	1,420,976
Income from derivatives		-	-	-	-
Gain on securities - net	30	1,352,662	9,727	514,403	(201,379)
Net gain / (loss) on derecognition of financial assets measured at amortised cost		-	-	-	-
Other income	31	672,215	93,252	335,545	44,894
<b>Total non mark-up / interest income</b>		<b>19,844,833</b>	<b>16,171,203</b>	<b>6,474,739</b>	<b>4,863,164</b>
<b>Total income</b>		<b>110,001,456</b>	<b>97,156,116</b>	<b>38,150,104</b>	<b>34,945,665</b>
<b>NON MARK-UP / INTEREST EXPENSES</b>					
Operating expenses	32	41,228,612	35,336,258	14,000,607	11,965,807
Workers welfare fund		1,402,296	1,195,719	472,104	461,574
Other charges	33	221,386	267,453	(10,383)	108,781
<b>Total non mark-up / interest expenses</b>		<b>42,852,294</b>	<b>36,799,430</b>	<b>14,462,328</b>	<b>12,536,162</b>
<b>Profit before credit loss allowance</b>		<b>67,149,162</b>	<b>60,356,686</b>	<b>23,687,776</b>	<b>22,409,503</b>
Credit loss allowance / Provisions and write offs - net	34	(2,965,620)	2,532,240	82,609	(211,384)
Extra-ordinary / unusual items		-	-	-	-
<b>PROFIT BEFORE TAXATION</b>		<b>70,114,782</b>	<b>57,824,446</b>	<b>23,605,167</b>	<b>22,620,887</b>
<b>Taxation</b>	35	<b>34,423,970</b>	<b>29,162,869</b>	<b>11,555,076</b>	<b>11,402,342</b>
<b>PROFIT AFTER TAXATION</b>		<b>35,690,812</b>	<b>28,661,577</b>	<b>12,050,091</b>	<b>11,218,545</b>
<b>In Rupees</b>					
Basic and Diluted earnings per share	36	31.17	25.03	10.52	9.80

The annexed notes 1 to 44 form an integral part of these unconsolidated condensed interim financial statements.

Muhammad Atif Mirza  
Chief Financial Officer

Aizid Razzaq Gill  
President and Chief Executive

Mian Ikram Ul Haq  
Director

Nazrat Bashir  
Director

Mohammad Naeem Mukhtar  
Chairman

## Unconsolidated Statement of Comprehensive Income

(Un-audited) for the nine months ended September 30, 2024

	Nine Months Ended September 30, 2024	September 30, 2023	Quarter Ended September 30, 2024	September 30, 2023
	Rupees in '000			
Profit after taxation for the period	35,690,812	28,661,577	12,050,091	11,218,545
<hr/>				
<b>Other comprehensive income</b>				
<i>Items that may be reclassified to profit and loss account in subsequent periods:</i>				
Effect of translation of net investment in foreign branches	(304,691)	2,790,695	(73,446)	(302,406)
Movement in surplus on revaluation of investments - net of tax	-	90,234	-	5,854,295
Movement in surplus on revaluation of debt investments through FVOCI - net of tax	5,737,824	-	3,384,279	-
	5,433,133	2,880,929	3,310,833	5,551,889
<i>Items that will not be reclassified to profit and loss account in subsequent periods:</i>				
Movement in surplus on revaluation of equity investments through FVOCI - net of tax	3,347,891	-	2,679,721	-
	3,347,891	-	2,679,721	-
<b>Total comprehensive income</b>	<b>44,471,836</b>	<b>31,542,506</b>	<b>18,040,645</b>	<b>16,770,434</b>

The annexed notes 1 to 44 form an integral part of these unconsolidated condensed interim financial statements.

Muhammad Atif Mirza  
Chief Financial Officer

Aizid Razzaq Gill  
President and Chief Executive

Mian Ikram Ul Haq  
Director

Nazrat Bashir  
Director

Mohammad Naeem Mukhtar  
Chairman

# Unconsolidated Statement of Changes In Equity

(Un-audited) for the nine months ended September 30, 2024

Share capital	Capital reserve Exchange translation reserve	Statutory reserve	Revenue reserve General reserve	Surplus on revaluation of			Unappropriated profit	Total
				Investments	Property and equipment	Non-banking assets		
Rupees in '000								
Balance as at January 01, 2023 (Audited)	11,450,739	5,333,240	26,096,213	6,000	(18,133,865)	22,523,816	892,450	79,632,815
Profit after taxation for the nine months ended September 30, 2023	-	-	-	-	-	-	28,661,577	28,661,577
<b>Other Comprehensive Income - net of tax:</b>								
Surplus on revaluation of investments - net of tax	-	-	-	-	90,234	-	-	90,234
Effect of change in tax rate on revaluation surplus of fixed assets - net of tax	-	-	-	-	-	(248,344)	-	(248,344)
Effect of change in tax rate on revaluation surplus of non banking assets - net of tax	-	-	-	-	-	-	(2,700)	(2,700)
Effect of change in tax rate on remeasurement of defined benefit obligations - net of tax	-	-	-	-	-	-	42,981	42,981
Effect of translation of net investment in foreign branches	-	2,790,695	-	-	-	-	-	2,790,695
	-	2,790,695	-	-	90,234	(248,344)	(2,700)	42,981
Transfer to statutory reserve	-	-	2,866,158	-	-	-	-	(2,866,158)
Transfer of revaluation surplus on change in use - net of tax	-	-	-	-	-	100,467	(100,467)	-
Transferred from surplus in respect of incremental depreciation of fixed assets to un-appropriated profit-net of tax	-	-	-	-	-	(52,110)	-	52,110
Transferred from surplus in respect of incremental depreciation of non-banking assets to un-appropriated profit-net of tax	-	-	-	-	-	(965)	965	-
<b>Transactions with owners recognized directly in equity</b>								
Final cash dividend for the year ended December 31, 2023 (Rs. 2.5 per ordinary share)	-	-	-	-	-	-	(2,862,685)	(2,862,685)
First interim cash dividend for the year ended December 31, 2023 (Rs. 2.5 per ordinary share)	-	-	-	-	-	-	(2,862,685)	(2,862,685)
Second interim cash dividend for the year ended December 31, 2023 (Rs. 2.5 per ordinary share)	-	-	-	-	-	-	(2,862,685)	(2,862,685)
	-	-	-	-	-	-	(8,598,055)	(8,598,055)
Balance as at September 30, 2023 (Un-audited)	11,450,739	8,123,935	28,962,371	6,000	(18,043,631)	22,223,362	878,785	96,956,235
Profit after taxation for the three months ended December 31, 2023	-	-	-	-	-	-	-	12,021,410
<b>Other Comprehensive Income - net of tax:</b>								
Surplus on revaluation of investments - net of tax	-	-	-	-	11,165,883	-	-	11,165,883
Surplus on revaluation of fixed assets - net of tax	-	-	-	-	-	23,733,750	-	23,733,750
Surplus on revaluation of non-banking assets - net of tax	-	-	-	-	-	98,788	-	98,788
Re-measurement gain on defined benefit obligation - net of tax	-	-	-	-	-	-	444,869	444,869
Effect of translation of net investment in foreign branches	-	(332,811)	-	-	-	-	-	(332,811)
	-	(332,811)	-	-	11,165,883	23,733,750	98,788	444,869
Transfer to statutory reserve	-	-	1,202,141	-	-	-	-	(1,202,141)
Transferred from surplus in respect of incremental depreciation of fixed assets to un-appropriated profit-net of tax	-	-	-	-	-	(16,983)	-	16,983
Transferred from surplus in respect of incremental depreciation of non-banking assets to un-appropriated profit-net of tax	-	-	-	-	-	(322)	322	-
<b>Transactions with owners, recognized directly in equity</b>								
Third interim cash dividend for the year ended December 31, 2023 (Rs. 3 per ordinary share)	-	-	-	-	-	-	(3,435,221)	(3,435,221)
Balance as at December 31, 2023 (Audited)	11,450,739	7,791,124	30,164,512	6,000	(6,877,748)	46,940,129	977,251	104,892,457
Effect of adoption of IFRS 9 - Note 3.2.5	-	-	-	-	7,824,153	-	-	(7,222,800)
Balance as at January 01, 2024 - as restated	11,450,739	7,791,124	30,164,512	6,000	946,385	45,940,129	977,251	102,079,657
Profit after taxation for the nine months ended September 30, 2024	-	-	-	-	-	-	-	35,690,812
<b>Other Comprehensive Income - net of tax:</b>								
Surplus on revaluation of debt investments - net of tax	-	-	-	-	5,737,824	-	-	5,737,824
Surplus on revaluation of equity investments - net of tax	-	-	-	-	3,347,891	-	-	3,347,891
Effect of translation of net investment in foreign branches	-	(304,691)	-	-	-	-	-	(304,691)
	-	(304,691)	-	-	9,085,715	-	-	8,781,024
Transfer to statutory reserve	-	-	3,569,081	-	-	-	-	(3,569,081)
Transferred of revaluation surplus on change in use -net of tax	-	-	-	-	-	17,034	(17,034)	-
Transferred from surplus in respect of incremental depreciation of fixed assets to un-appropriated profit-net of tax	-	-	-	-	-	(135,485)	-	135,485
Surplus realised on disposal of revalued fixed assets - net of tax	-	-	-	-	-	(4,684)	-	4,684
Transferred from surplus in respect of incremental depreciation of non-banking assets to un-appropriated profit-net of tax	-	-	-	-	-	(2,620)	2,620	-
Transfer of surplus on account of disposal of equity investments - net of tax	-	-	-	-	(1,423,393)	-	-	1,423,393
<b>Transactions with owners, recognized directly in equity</b>								
Final cash dividend for the year ended December 31, 2023 (Rs. 4 per ordinary share)	-	-	-	-	-	-	(4,580,295)	(4,580,295)
First interim cash dividend for the year ended December 31, 2024 (Rs. 4 per ordinary share)	-	-	-	-	-	-	(4,580,295)	(4,580,295)
Second interim cash dividend for the year ended December 31, 2024 (Rs. 4 per ordinary share)	-	-	-	-	-	-	(4,580,295)	(4,580,295)
	-	-	-	-	-	-	(13,740,885)	(13,740,885)
Balance as at September 30, 2024	11,450,739	7,486,433	33,733,593	6,000	8,608,707	45,816,994	957,597	122,026,685
The annexed notes 1 to 44 form an integral part of these unconsolidated condensed interim financial statements.								

Muhammad Atif Mirza

Chief Financial Officer

Nazrat Bashir

Director

Aizid Razzaq Gill

President and Chief Executive

Mohammad Naeem Mukhtar

Chairman

Mian Ikram Ul Haq

Director

# Unconsolidated Cash Flow Statement

(Un-audited) for the nine months ended September 30, 2024

	Note	September 30, 2024	September 30, 2023
		Rupees in '000	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit before taxation		70,114,782	57,824,446
Less: Dividend income		(2,277,653)	(2,573,872)
		67,837,129	55,250,574
<b>Adjustments:</b>			
Net mark-up / interest income		(90,156,623)	(80,984,913)
Depreciation - Operating Fixed Assets		4,766,740	3,429,033
Depreciation - Non Banking Assets		19,549	7,504
Depreciation on right of use assets		1,389,671	1,320,040
Finance charges on leased assets		1,006,027	865,729
Amortization		468,590	435,191
Credit loss allowance and write offs	34	(2,957,928)	2,537,829
Unrealized (gain) / loss on revaluation of securities measured at FVTPL		(4,713)	358
Provision for workers welfare fund		1,402,296	1,195,719
Charge for defined benefit plans		111,018	355,257
Loss / (gain) on sale / disposal of property and equipment		(573,205)	2,112
		(84,528,578)	(70,836,141)
		(16,691,449)	(15,585,567)
<b>(Increase) / Decrease in operating assets</b>			
Lendings to financial institutions		(2,043,539)	(70,898,666)
Securities classified as FVTPL		19,268,955	51,146
Advances		(64,540,406)	87,187,946
Other assets (excluding advance taxation)		11,450,882	(23,328,671)
		(35,864,110)	(6,988,245)
<b>Increase / (Decrease) in operating liabilities</b>			
Bills payable		(794,975)	(4,400,510)
Borrowings from financial institutions		(31,663,697)	(221,047,457)
Deposits		249,816,833	182,181,291
Other liabilities (excluding current taxation)		3,743,835	8,831,932
		221,101,996	(34,434,744)
		168,546,437	(57,008,556)
Income tax paid		(41,587,416)	(25,820,292)
Mark-up / interest received		264,098,879	231,576,549
Mark-up / interest paid		(175,086,175)	(161,077,699)
Defined benefits paid		(620,678)	(524,015)
<b>Net cash flow generated from / (used in) operating activities</b>		<b>215,351,047</b>	<b>(12,854,013)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Net investments in securities classified as FVOCI		(110,073,688)	71,856,343
Net investments in amortised cost securities		(58,909,607)	(285,929)
Investments in subsidiary		(1,000,000)	-
Dividend received		2,159,285	2,154,130
Investments in property and equipment and intangible assets		(17,713,050)	(10,670,089)
Disposals of property and equipment		2,521,925	26,267
Effect of translation of net investment in foreign branches		(304,691)	2,790,694
<b>Net cash flow (used in) / generated from investing activities</b>		<b>(183,319,826)</b>	<b>65,871,416</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Payments of lease obligations against right of use assets		(2,094,597)	(1,882,974)
Dividend paid		(13,689,984)	(8,559,745)
<b>Net cash flow used in financing activities</b>		<b>(15,784,581)</b>	<b>(10,442,719)</b>
<b>Increase in cash and cash equivalents during the period</b>			
		<b>16,246,640</b>	<b>42,574,684</b>
Cash and cash equivalents at beginning of the period		<b>158,089,053</b>	<b>91,600,842</b>
Effect of exchange rate changes on opening cash and cash equivalents		<b>310,501</b>	<b>(683,219)</b>
		<b>158,399,554</b>	<b>90,917,623</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>		<b>174,646,194</b>	<b>133,492,307</b>

The annexed notes 1 to 44 form an integral part of these unconsolidated condensed interim financial statements.

Muhammad Atif Mirza

Chief Financial Officer

Nazrat Bashir

Director

Aizid Razzaq Gill

President and Chief Executive

Mohammad Naeem Mukhtar

Chairman

Mian Ikram Ul Haq

Director

# Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) for the nine months ended September 30, 2024

## 1. STATUS AND NATURE OF BUSINESS

Allied Bank Limited ("the Bank"), incorporated in Pakistan, is a scheduled Bank, engaged in commercial banking and related services. The Bank is listed on Pakistan Stock Exchange Limited. The Bank operates a total of 1,504 (December 31, 2023: 1,481) branches in Pakistan including 140 (December 31, 2023: 127) Islamic banking branches, 1 branch (December 31, 2023: 1) in Karachi Export Processing Zone and 1 Wholesale banking branch (December 31, 2023: 1) in Bahrain.

The long term credit rating of the Bank assigned by the Pakistan Credit Rating Agency Limited (PACRA) is 'AAA'. Short term rating of the Bank is 'A1+'.

Ibrahim Holdings (Private) Limited is the parent company of the Bank and it's registered office is in Pakistan.

The Bank is the holding company of ABL Asset Management Company Limited and ABL Exchange Company (Pvt.) Limited.

The registered office of the Bank is situated at 3 - Tipu Block, New Garden Town, Lahore.

## 2. BASIS OF PRESENTATION

These unconsolidated condensed interim financial statements have been prepared in conformity with the format of interim financial statements prescribed by the State Bank of Pakistan (SBP) vide BPRD Circular No. 2 dated February 09, 2023. These unconsolidated condensed interim financial statements represent the separate condensed interim financial statements of the Bank. The consolidated condensed interim financial statements of the Bank are being issued separately.

The financial results of the Islamic banking branches have been consolidated in these unconsolidated condensed interim financial statements for reporting purposes, after eliminating inter-branch transactions and balances. Key financial figures of the Islamic banking branches are disclosed in Note 41 to these unconsolidated condensed interim financial statements.

These unconsolidated condensed interim financial statements have been presented in Pakistan Rupees (PKR) which is the currency of the primary economic environment in which the Bank operates and functional currency of the Bank in that environment as well. The amounts are rounded to nearest thousand of rupees unless otherwise stated.

### 2.1 STATEMENT OF COMPLIANCE

These unconsolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards 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 as are notified under the Companies Act, 2017;
- Provisions of and directives issued under the Banking Companies Ordinance, 1962 and the Companies Act, 2017; and
- Directives issued by the State Bank of Pakistan (SBP) and the Securities and Exchange Commission of Pakistan (SECP).

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

# Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) for the nine months ended September 30, 2024

- 2.1.2** The SBP vide BSD Circular Letter No. 10, dated August 26, 2002 has deferred the applicability of International Accounting Standard 40, Investment Property for banking companies till further instructions. Moreover, SBP vide BPRD Circular No. 4, dated February 25, 2015 has deferred the applicability of Islamic Financial Accounting Standards (IFAS) 3, Profit and Loss Sharing on Deposits. Further, according to the notification of the SECP issued vide SRO 411(I)/2008 dated April 28, 2008, International Financial Reporting Standard (IFRS) 7, Financial Instruments: Disclosures has not been made applicable for banks. Accordingly, the requirements of these standards have not been considered in the preparation of these unconsolidated condensed interim financial statements.
- 2.1.3** The SECP vide its notification SRO 633 (I)/2014 dated July 10, 2014, adopted IFRS 10 effective from the periods starting from June 30, 2014. However, vide its notification SRO 56 (I)/2016 dated January 28, 2016, it has been notified that the requirements of IFRS 10 and section 228 of the Companies Act, 2017 will not be applicable with respect to the investment in mutual funds established under trust structure.
- 2.1.4** The disclosures made in these unconsolidated condensed interim financial statements have been limited based on a format prescribed by the SBP vide BPRD Circular Letter No. 2 dated February 09, 2023 and IAS 34, Interim Financial Reporting. They do not include all the information and disclosures required in preparation of audited annual financial statements, and should be read in conjunction with the audited unconsolidated financial statements of the Bank for the year ended December 31, 2023.

## **2.1.5 Standards, interpretations and amendments to accounting standards that are effective in the current period**

During the year, the Bank has adopted IFRS 9 as applicable in Pakistan with effect from January 01, 2024 (refer note 3.2 for details). There are certain other amendments to existing accounting and reporting standards that have become applicable to the Bank for accounting periods beginning on or after January 01, 2024. Except for IFRS 9, these are either considered not to be relevant or do not have any significant impact and accordingly have not been detailed in these unconsolidated condensed interim financial statements.

## **2.1.6 Standards, interpretations and amendments to 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 Bank's financial statements.

## **3. MATERIAL ACCOUNTING POLICIES**

The accounting policies adopted in the preparation of these unconsolidated condensed interim financial statements are consistent with those applied in the preparation of the unconsolidated financial statements of the Bank for the year ended December 31, 2023, except as disclosed in Notes 3.1 and 3.2.

### **3.1 Changes in reporting format**

The SBP vide BPRD Circular No. 2 dated February 09, 2023 specified the new format for interim financial statements of banking companies. The new format has revised the disclosure requirements of the Bank for the nine months ended September 30, 2024 which has resulted in additional disclosures relating to IFRS 9 and reclassification of Lease liabilities and Right of use assets on the face of Statement of Financial Position out of Property and equipment and Other Liabilities, respectively in these financial statements.

### **3.2 IFRS 9 - Financial Instruments**

The Bank has adopted IFRS 9 (read with IFRS 9 application instructions issued by SBP) using modified retrospective approach with date of initial application as January 01, 2024, which resulted in changes in accounting policies and adjustments to the amounts previously recognised in the financial statements. In terms of the transitional provisions of IFRS 9, adjustments to the carrying amounts of financial assets and liabilities at the date of transition were recognised in the opening unappropriated profit and surplus on revaluation of assets - net of tax at the beginning of the current period without restating the comparative figures. The impact on carrying amounts of the financial assets and liabilities is disclosed in Note 3.2.4.

# Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) for the nine months ended September 30, 2024

## 3.2.1 Scope of IFRS 9 application

IFRS 9 has been applicable in several overseas jurisdictions at various effective dates starting from January 01, 2018. The requirements of this standard were already incorporated in the Bank's financial statements for the jurisdictions where IFRS 9 has been adopted.

Upon implementation of IFRS 9, the Banking Industry sought certain technical clarifications from SBP and also identified practical difficulties in implementation of certain areas of IFRS 9. The SBP vide its Circular No.16 dated July 29, 2024 with respect to these matters has allowed temporary extension in timeline with directions to implement IFRS 9 requirements before the end of the financial year other than valuation of unquoted equity securities which is required to be implemented from next financial year. The Banking Industry continues to engage SBP on remaining matters, including fair valuation of concessional loans and treatment of foreign currency balances with SBP, in the coming months to have more clarity on such areas. Accordingly, the Bank has continued to apply previous accounting practices in such areas for the purposes of preparation of these interim financial statements.

## 3.2.2 Significant differences from accounting policies applicable till December 31, 2023 before adoption of IFRS 9

### 3.2.2.1 Classification of financial assets

IFRS 9 introduced a new classification model for financial assets that is more principle-based than the previous requirements. Financial assets are classified according to their contractual cash flow characteristics and the business models under which they are held. Instruments will be classified either at amortised cost, the newly established measurement category fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL). For equity investment that are not held for trading, an election is available to the Bank to classify these either through FVTPL or FVOCI. The previous accounting policies were based on instrument by instrument classification into Held for trading, Held to maturity and Available for Sale categories as disclosed in Note 4.3 to the annual financial statements of the Bank.

### 3.2.2.2 Impairment of debt investments and loans and advances

The new IFRS 9 impairment requirements eliminate the previous approach for the recognition of credit losses, i.e., it is no longer necessary for a credit event to have occurred before credit losses are recognised. Instead, an entity always accounts for ECLs, and updates the loss allowance for changes in these ECLs at each reporting date to reflect changes in credit risk since initial recognition. Consequently, the holder of the financial asset needs to take into account more timely and forward-looking information in order to provide users of financial statements with meaningful information about the ECLs on financial instruments that are in the scope of these impairment requirements. The previous impairment requirements were based solely on Prudential regulations of SBP as disclosed in Note 4.4 to the annual financial statements of the Bank.

### 3.2.2.3 Impairment of equity investments

Previously, investments classified as available for sale were required to be tested for impairment and if there is an objective evidence, impairment was required to be booked. Under IFRS 9 regime, no impairment is required against such investments which are carried at FVOCI as the gain or loss on remeasurement will permanently remain in OCI/Surplus on revaluation of Investments. The previous accounting policies are disclosed in Note 4.3 & 4.11 to the annual financial statements of the Bank.

## 3.2.3 Material accounting policies applicable from January 01, 2024 as a result of adoption of IFRS 9

### 3.2.3.1 Financial assets – initial recognition

Financial assets are initially recognized at fair value, plus in the case of a financial asset not at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. When the transaction price of the instrument differs from the fair value at origination and the fair value is based on a valuation technique using only inputs observable in market transactions, the Bank recognises the difference between the transaction price and fair value in profit and loss account. In those cases where fair value is based on models for which some of the inputs are not observable, the difference between the transaction price and the fair value is deferred and is only recognised in profit and loss account when the inputs become observable, or when the instrument is derecognised.

# Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) for the nine months ended September 30, 2024

## 3.2.3.2 Classification and subsequent measurement of financial assets

Financial assets are classified into following categories for measurement subsequent to initial recognition:

- Financial assets at amortised cost
- Financial assets at 'fair value through other comprehensive income' FVOCI
- Financial assets at 'fair value through profit or loss' FVTPL

## 3.2.3.3 Financial assets at amortised cost

The Bank classifies its financial assets at amortised cost only if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding

### a) Business model assessment

The Bank determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Bank's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the Bank's Board/ Board Committees
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed
- The expected frequency, value and timing of sales are also important aspects of the Bank's assessment

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Bank's original expectations, the Bank does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

### b) The SPPI test

As a second step of its classification process the Bank assesses the contractual terms of financial asset to identify whether they meet the SPPI test. The assessment of SPPI aims to identify whether the contractual cash flows are 'solely payments of principal and interest on the principal amount outstanding'.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset. The most significant elements of 'interest' within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Bank applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than trivial exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

After initial measurement, these financial assets are subsequently measured at amortised cost.

# Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) for the nine months ended September 30, 2024

## 3.2.3.4 Debt instruments at FVOCI

The Bank applies this new category under IFRS 9 when both of the following conditions are met:

- The instrument is held within a business model, the objective of which is achieved by both collecting contractual cash flows and selling financial assets
- The contractual terms of the financial asset meet the SPPI test

FVOCI debt instruments are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI. Interest income at EIR and foreign exchange gains and losses are recognised in the profit and loss account.

The ECLs for debt instruments measured at FVOCI do not reduce the carrying amount of these financial assets in the statement of financial position, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in OCI as an accumulated impairment amount, with a corresponding charge to profit and loss account. The accumulated loss recognised in OCI is recycled to the profit and loss account upon derecognition of the assets.

On derecognition, cumulative gains or losses previously recognised in OCI are reclassified from OCI to profit and loss account.

## 3.2.3.5 Equity instruments at FVOCI

Upon initial recognition, the Bank elects to classify its equity investments at FVOCI which are not held for trading. Such classification is determined on an instrument-by-instrument basis and is irrevocable.

Gains and losses on these equity instruments are never recycled to profit and loss account. Dividends are recognised in profit and loss account when the right of the payment has been established, except when the Bank benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI. Equity instruments at FVOCI are not subject to an impairment assessment.

## 3.2.3.6 Financial assets and financial liabilities at FVTPL

Financial assets and financial liabilities in this category are those that are:

- held for trading, that is, they have been purchased or issued primarily for short-term profit-making through trading activities or form part of a portfolio of financial instruments that are managed together, for which there is evidence of a recent pattern of short-term profit taking, or
- not held for trading and have been either designated by management upon initial recognition, or mandatorily required to be measured at fair value under IFRS 9

Financial assets are recorded in the statement of financial position at fair value. Changes in fair value are recorded in profit and loss account. Interest and dividend income or expense is recorded in net trading income according to the terms of the contract, or when the right to payment has been established.

## 3.2.3.7 Financial liabilities at amortised cost

Financial liabilities with a fixed maturity are measured at amortised cost using the EIR method. These include Bills payable, Borrowings, Deposits and certain items within Other Liabilities.

## 3.2.3.8 Derecognition of financial assets

### 3.2.3.8.1 Derecognition due to substantial modification of terms and conditions

The Bank derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loan is classified as Stage 1 for ECL measurement purposes, unless it is deemed to be purchased originated credit impaired.

# Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) for the nine months ended September 30, 2024

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Bank records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

The gain/(loss) on derecognition of financial asset is calculated as the difference between the book value (including impairment) and the proceeds received.

## 3.2.3.8.2 Derecognition other than due to substantial modification of terms and conditions

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Bank also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

## 3.2.3.9 Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

## 3.2.3.10 Impairment of financial assets

### 3.2.3.10.1 Overview of the ECL principles

The adoption of IFRS 9 has fundamentally changed the Bank's loan loss impairment method by replacing the incurred loss approach of the local regulations with a forward-looking ECL approach. The Bank has been recording the allowance for expected credit losses for all loans and other debt financial assets held at amortised cost or FVOCI, together with loan commitments, letters of credit and financial guarantee contracts. Equity instruments are not subject to impairment under IFRS 9. Under the SBP's instructions, local currency credit exposures guaranteed by the Government and Government Securities are exempted from the application of ECL.

### 3.2.3.10.2 The calculation of ECLs

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss (LTECL)), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12mECL).

The 12mECL is the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Based on the above process, the Bank groups its financial assets into Stage 1, Stage 2 and Stage 3 as described below:

- Stage 1: When loans are first recognized, the Bank recognizes an allowance based on 12mECLs. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2.
- Stage 2: When a loan has shown a significant increase in credit risk since origination (SICR), the Bank records an allowance for the LTECLs. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3.
- Stage 3: Loans considered credit-impaired. The Bank records an allowance for the LTECLs with PD set at 100%. Under SBP's instructions, until implementation of IFRS 9 has stabilized, Stage 3 allowance would be taken as higher of IFRS 9 ECL or provision computed under Prudential Regulations.

The Bank has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. The Bank considers an exposure to have significantly increased in credit risk when there is considerable deterioration in the internal rating grade for subject borrower. The Bank also applies a secondary qualitative method for triggering a significant increase in credit risk for an asset, such as moving a customer/facility to the watch list, or the account becoming forbearance. Regardless of the change in

# Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) for the nine months ended September 30, 2024

credit grades, generally, the Bank considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due. However, for certain portfolios, the Bank has rebutted 30 DPD presumption based on behavioural analysis of its borrowers.

The key elements of ECL calculations are as follows:

- The Probability of Default (PD) is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio. PD is estimated based on transitioning among credit states. Credit states are defined by rating classes and are based on the Bank's internal risk ratings (i.e. from 1 to 12). Through the yearly review of the non-consumer portfolio, the Bank has drawn a yearly transition matrix of ratings to compute a count based PD over the one year horizon for the last 7 years. PDs for Non rated portfolios are calculated based on Days Past Due (DPD) bucket level for each segment separately. Where practical, they also build on information from External Rating Agencies. PDs are then adjusted for IFRS 9 ECL calculations to incorporate forward looking information.
- The Exposure at Default (EAD) is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.
- The Loss Given Default (LGD) is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. To mitigate its credit risks on financial assets, the Bank seeks to use collateral, where possible. The collateral comes in various forms, such as cash, securities, letters of credit/guarantees, real estate, receivables, inventories and other non-financial assets. For IFRS 9, the Bank only considers the liquid collaterals.

The interest rate used to discount the ECLs would be based on the effective interest rate that is expected to be charged over the expected period of exposure to the facilities.

When estimating the ECLs, the Bank considers three probability-weighted scenarios (a base case, a best case, and a worse case). Each of these is associated with different PDs, EADs and LGDs. These expected probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR. This calculation is made for each of the three scenarios. When relevant, the assessment of multiple scenarios also incorporates how defaulted loans are expected to be recovered, including the probability that the loans will cure and the value of collateral or the amount that might be received for selling the asset.

The maximum period for which the credit losses are determined is the contractual life of a financial instrument unless the Bank has the legal right to call it earlier.

Impairment losses and reversals are accounted for and disclosed separately from modification losses or gains that are accounted for as an adjustment of the financial asset's gross carrying value.

## 3.2.3.10.3 Forward looking information

The Bank formulates a base case view of the future direction of relevant economic variables and a representative range of other possible forecast scenarios and consideration of a variety of external actual and forecast information. This process involves developing three different economic scenarios, which represent macro economic inputs.

# Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) for the nine months ended September 30, 2024

## 3.2.4 Reconciliation of statement of financial position balances from existing local regulations to IFRS 9

The following table reconciles the carrying amount of financial assets from their previous measurement category in accordance with existing local regulations to their new measurement categories upon transition to IFRS 9 on January 01, 2024.

	Classification under IFRS-09						
	Carrying amount as per accounting policy as at December 31, 2023	AT FVTPL	At FVOCI-with recycling	At FVOCI-without recycling	At Amortised Cost	Remeasurement under IFRS 9	IFRS 9 carrying amount as at January 01, 2024
Rupees in '000							
Cash and cash equivalents	158,591,909	-	-	-	158,591,909	(704)	158,591,205
Lendings to financial institutions	9,418,003	-	-	-	9,418,003	(3)	9,418,000
Advances	781,597,230	-	-	-	781,597,230	(2,830,487)	778,766,743
 Investments in financial assets							
Held for trading	20,049,848	20,049,848	-	-	-	-	20,049,848
Held to maturity	59,797,669	-	-	-	59,797,669	120,334,806	180,132,475
Available for sale	1,069,970,572	34,454	946,914,037	18,798,989	104,223,092	(107,301,672)	962,668,900
Other financial assets	88,096,252	-	-	-	88,096,252	(48,085)	88,048,167
Other liabilities	75,442,669	-	-	-	75,442,669	(151,241)	75,291,428
	2,262,964,152	20,084,302	946,914,037	18,798,989	1,277,166,824	10,002,614	2,272,966,766

## 3.2.5 Impact on equity on adoption of IFRS 9

The total estimated adjustment (net of tax) of the adoption of IFRS 9 on the opening balance of the Bank's equity as at January 01, 2024 is increase in surplus on revaluation of assets of approximately Rs. 7,824.1 million and reduction in unappropriated profits of approximately Rs. 2,722.8 million. Following is the detail of the impact on respective item within equity:

### Opening unappropriated profits

- A decrease of Rs. 3,115.641 million net of tax related to impairment requirements;
- An increase of Rs. 392.841 million net of tax related to classification and measurement changes.

### Opening surplus on revaluation of assets

- An increase of Rs. 7,824.1 million net of tax related to classification and measurement changes.

## 3.2.6 The following explains how applying the new classification requirements of IFRS 9 led to changes in classification of certain financial assets held by the Bank as shown in the table above:

### (a) Open ended mutual funds previously classified as available for sale (AFS) has been reclassified to FVTPL

The Bank holds a portfolio of mutual funds investments which was earlier classified as available for sale (AFS) investments. However, these investments do not meet the definition of equity investment from holders perspective, therefore IFRS 9 classification requirements of debt instruments have been applied to these financial assets. The business model of this portfolio is hold to collect and sell, however contractual cash flows failed to meet the 'solely payments of principal and interest' (SPPI) test requirement for classification

# Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) for the nine months ended September 30, 2024

as FVOCI under IFRS 9. Therefore, these financial assets having a carrying value of Rs. 34.454 million have been reclassified mandatorily as FVTPL.

**(b) Debt investments previously classified as available for sale (AFS) reclassified to amortised cost**

'At the date of initial application of IFRS 9, an entity shall assess the business model and the contractual terms of the financial asset on the basis of facts and circumstances that exist at the transition date. The Bank has identified certain portfolio of federal government securities under AFS category which have been held to collect the contractual cash flows and the contractual terms of the financial asset give rise to cash flows on specified dates that are solely payments of principal and interest (SPPI) on the principal amount outstanding. As a result, financial assets having fair value amounting to Rs. 104,223.092 million have been reclassified to Amortised cost at Rs. 120,334.806 million, instead of FVOCI.

**(c) Investment in debt securities previously designated at held for trading**

The Bank holds investment of Rs. 20,049.848 million in a portfolio of debt securities which had previously been designated at held for trading as the debt securities were managed on a fair value basis. As part of the transition to IFRS 9, these securities are part of an 'other' business model and so required to be classified as FVTPL category under IFRS 9.

**(d) Designation of equity instruments at FVOCI**

The Bank has elected to irrevocably designate equity investments of Rs. 18,798.989 million in listed and unquoted securities as permitted under IFRS 9. These securities were previously classified as available for sale. Upon disposal, the surplus or deficit of such securities previously recognized in Other Comprehensive Income is reclassified from equity to Unappropriated Profit and is never recycled to Profit and Loss account.

**(e) Reclassification from retired categories with no change in measurement**

In addition to the above, the following debt instruments have been reclassified to new categories under IFRS 9, as their previous categories under existing local regulations were 'retired', with no changes to their measurement basis:

- (i) Those previously classified as available for sale and now classified as measured at FVOCI; and
- (ii) Those previously classified as held to maturity and now classified as measured at amortised cost.

**4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS**

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

The significant judgments made by management in applying its accounting policies and the key sources of estimation uncertainty were the same as those applied to the unconsolidated financial statements of the Bank

# Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) for the nine months ended September 30, 2024

for the year ended December 31, 2023, except for the adoption of IFRS 9 w.e.f January 01, 2024. These are disclosed in Note 4.1.

## 4.1 Impairment losses on financial assets

Determination of expected credit losses is a significant estimate and involves the following judgments:

- Development of ECL models, including the various formulas and the choice of inputs
- The segmentation of financial assets when their ECL is assessed on a collective basis
- The Bank's internal credit grading model based on which PDs are assigned to the individual grades
- Qualitative and quantitative indicators used as SICR triggers
- The definition of default against which parameters of ECL model such as PD, LGD and EAD are evaluated
- Selection of forward-looking macroeconomic scenarios and their probability weightings
- Determination of economic inputs, such as GDP growth, Current Account Balance and CPI

## 5. BASIS OF MEASUREMENT

These unconsolidated condensed interim financial statements have been prepared under the historical cost convention except for the following which are stated at revalued amounts / fair values / present values:

- Certain investments;
- Certain operating fixed assets;
- Staff retirement and other benefits;
- Non-banking assets acquired in satisfaction of claims;
- Derivative financial instruments; and
- Lease liability and related right of use assets.

## 6. FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies adopted by the Bank are consistent with those disclosed in the audited annual unconsolidated financial statements for the year ended December 31, 2023.

# Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) for the nine months ended September 30, 2024

	Note	September 30, 2024	December 31, 2023	(Audited)
		Rupees in '000		
<b>7 CASH AND BALANCES WITH TREASURY BANKS</b>				
<b>In hand</b>				
Local currency		39,467,023	34,864,260	
Foreign currencies		2,265,882	3,877,058	
		<b>41,732,905</b>	<b>38,741,318</b>	
<b>With State Bank of Pakistan (SBP) in</b>				
Local currency current accounts		85,691,546	73,799,188	
Foreign currency current accounts		51,928	149,569	
Foreign currency deposit accounts (non-remunerative)		6,151,968	5,580,842	
Foreign currency deposit accounts (remunerative)		12,338,865	11,695,327	
		<b>104,234,307</b>	<b>91,224,926</b>	
<b>With National Bank of Pakistan in</b>				
Local currency current accounts		26,524,140	25,519,660	
<b>Prize Bonds</b>		648,791	650,404	
Credit loss allowance held against cash and balances with treasury banks		-	-	
Cash and balances with treasury banks - net of credit loss allowance		<b>173,140,143</b>	<b>156,136,308</b>	
<b>8 BALANCES WITH OTHER BANKS</b>				
<b>In Pakistan</b>				
In current accounts		7,500	7,500	
<b>Outside Pakistan</b>				
In current accounts		1,038,087	1,931,547	
In deposit accounts		661,197	516,554	
		<b>1,699,284</b>	<b>2,448,101</b>	
Credit loss allowance held against balances with other banks		(6,804)	-	
Balances with other banks - net of credit loss allowance		<b>1,699,980</b>	<b>2,455,601</b>	
<b>9 LENDINGS TO FINANCIAL INSTITUTIONS</b>				
Call money lendings - local currency		300,000	1,000,000	
Call money lendings - foreign currency		1,194,166	-	
Repurchase agreement lendings (Reverse Repo)		-	8,418,003	
Musharaka lendings		10,000,000	-	
Certificates of investment		70,000	70,000	
		<b>11,564,166</b>	<b>9,488,003</b>	
Less: Credit loss allowance held against lendings to financial institutions	9.1	(102,624)	(70,000)	
Lendings to financial institutions - net of credit loss allowance		<b>11,461,542</b>	<b>9,418,003</b>	

# Notes to the Unconsolidated Condensed Interim Financial Statements

(Un-audited) for the nine months ended September 30, 2024

	September 30, 2024			(Audited) December 31, 2023		
	Lending	Credit loss allowance held	Lending	Lending	Provision Held	
Rupees in '000						
<b>9.1 Category of classification</b>						
<b>Domestic</b>						
Performing - Stage 1	10,300,000	4,016	-	-		
Under performing - Stage 2	1,194,166	28,608	-	-		
Non-performing - Stage 3	70,000	70,000	-	-		
Substandard	-	-	-	-		
Doubtful	-	-	-	-		
Loss	70,000	70,000	70,000	70,000	70,000	
<b>Total</b>	<b>11,564,166</b>	<b>102,624</b>	<b>70,000</b>	<b>70,000</b>	<b>70,000</b>	
	September 30, 2024			(Audited) December 31, 2023		
	Cost / Amortised cost	Credit loss allowance	Surplus / (Deficit)	Carrying Value	Cost / Amortised cost	Provision for diminution
Rupees in '000						
<b>10 INVESTMENTS</b>						
<b>10.1 Investments by type:</b>						
<b>FVTPL</b>					<b>Held-for-trading securities</b>	
Federal Government Securities	820,494	-	6,291	826,785	20,114,447	(64,599)
Open Ended Mutual Funds	25,000	-	(1,578)	23,422	-	-
	845,494	-	4,713	850,207	20,114,447	(64,599)
						20,049,848
<b>FVOCI</b>					<b>Available for sale</b>	
Federal Government Securities	1,167,239,033	(3,411,985)	7,587,062	1,171,414,110	1,047,943,332	(2,452,459)
Shares	10,447,820	-	9,241,444	19,689,264	13,329,302	(760,822)
Non Government Debt Securities	21,371,049	(471,712)	51,312	20,950,649	25,391,300	(21,071)
Foreign Securities	1,770	-	-	1,770	1,770	-
Open Ended Mutual Funds	-	-	-	-	25,000	-
	1,199,059,672	(3,883,697)	16,879,818	1,212,055,793	1,086,690,704	(3,234,352)
						(13,485,780)
						1,069,970,572
<b>Amortised cost</b>					<b>Held to maturity</b>	
Federal Government Securities	116,467,948	-	-	116,467,948	59,797,669	-
Non Government Debt Securities	2,559,963	(285,059)	-	2,274,904	302,920	(302,920)
	119,027,911	(285,059)	-	118,742,852	60,100,589	(302,920)
						59,797,669
<b>Subsidiaries</b>	1,500,000	-	-	1,500,000	500,000	-
<b>Total Investments</b>	<b>1,320,433,077</b>	<b>(4,168,756)</b>	<b>16,884,531</b>	<b>1,333,148,852</b>	<b>1,167,405,740</b>	<b>(3,537,272)</b>
						(13,550,379)
						1,150,318,089

**10.1.1** During the year, investment of Rs. 1 billion was made in ABL Exchange Pvt. Limited which was incorporated by Allied Bank Limited as a wholly owned subsidiary of the Bank.

# Notes to the Unconsolidated Condensed Interim Financial Statements

(Un-audited) for the nine months ended September 30, 2024

	(Audited)	September 30, 2024	December 31, 2023	
		Rupees in '000		
<b>10.1.2 Investments given as collateral - at market value</b>				
Market Treasury Bills		9,939,140	-	
Pakistan Investment Bonds		260,194,855	268,646,617	
<b>Total Investments given as collateral</b>		<b>270,133,995</b>	<b>268,646,617</b>	
<b>10.2 Credit loss allowance for diminution in value of investments</b>				
<b>10.2.1 Opening balance</b>		<b>3,537,272</b>	<b>2,321,414</b>	
Impact of adoption of IFRS 9		2,317,757	-	
Exchange adjustments		(22,623)	69,221	
<b>Charge / (reversals)</b>				
Charge for the period / year		1,405,513	2,082,408	
Reversals for the period / year		(2,207,525)	(17,717)	
Reversal on disposals		(861,638)	-	
		(1,663,650)	2,064,691	
Reversal on disposals		-	(918,054)	
<b>Closing Balance</b>		<b>4,168,756</b>	<b>3,537,272</b>	
	(Audited)	September 30, 2024	December 31, 2023	
	Outstanding amount	Credit loss allowance Held	Outstanding amount	Provision Held
Rupees in '000				
<b>10.2.2 Particulars of credit loss allowance / provision against debt securities</b>				
<b>Category of Classification</b>				
<b>Domestic</b>				
Performing - Stage 1	1,283,481,010	2,703	-	-
Underperforming - Stage 2	10,665,888	2,103,452	-	-
Non-performing - Stage 3	946,468	746,788	-	-
Substandard	640,338	440,658	-	-
Doubtful	-	-	-	-
Loss	306,130	306,130	323,991	323,991
	1,295,093,366	2,852,943	323,991	323,991
<b>Overseas</b>				
Performing - Stage 1	-	-	-	-
Underperforming - Stage 2	12,528,015	1,315,813	-	-
Non-performing - Stage 3	-	-	-	-
Substandard	-	-	-	-
Doubtful	-	-	-	-
Loss	-	-	-	-
	-	-	-	-
<b>Total</b>	<b>1,307,621,381</b>	<b>4,168,756</b>	<b>323,991</b>	<b>323,991</b>

**10.3** The market value of Pakistan Investment Bonds classified as amortised cost as at September 30, 2024 amounted to Rs. 110,319.785 million (December 31, 2023: Rs. 51,778 million).

# Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) for the nine months ended September 30, 2024

Note	Performing		Non Performing		Total		
	(Audited)		(Audited)		(Audited)		
	September 30, 2024	December 31, 2023	September 30, 2024	December 31, 2023	September 30, 2024	December 31, 2023	
Rupees in '000							
<b>11 ADVANCES</b>							
Loans, cash credits, running finances, etc.	762,411,320	699,211,949	11,653,932	11,713,507	774,065,252	710,925,456	
Islamic financing and related assets	39.3	82,237,694	79,621,981	260,650	5,729	82,498,344	79,627,710
Bills discounted and purchased		3,929,402	2,264,978	1,013,913	1,319,793	4,943,315	3,584,771
Advances - gross	11.1	846,578,416	781,098,908	12,928,495	13,039,029	861,506,911	794,137,937
<b>Credit loss allowance / Provision against advances</b>							
Stage 1	11.3	(435,519)	-	-	-	(435,519)	-
Stage 2	11.3	(1,298,516)	-	-	-	(1,298,516)	-
Stage 3	11.3	-	-	(12,135,887)	-	(12,135,887)	-
Specific	11.2 & 11.3	-	-	-	(12,335,688)	-	(12,335,688)
General	11.3	-	(205,019)	-	-	-	(205,019)
		(1,734,035)	(205,019)	(12,135,887)	(12,335,688)	(13,869,922)	(12,540,707)
Advances - net of credit loss allowance		846,844,381	780,893,889	792,608	703,341	847,636,989	781,597,230

	(Audited)	
	September 30,	December 31,
	2024	2023
Rupees in '000		
<b>11.1 Particulars of advances (Gross)</b>		
In local currency	833,928,316	753,527,904
In foreign currencies	27,578,595	40,610,033
	<b>861,506,911</b>	<b>794,137,937</b>

11.2 Advances include Rs. 12,928.495 million (December 31, 2023: Rs. 13,039.029 million) which have been placed under non-performing / Stage 3 status as detailed below:

	(Audited)	
	September 30, 2024	December 31, 2023
	Non Performing Loans	Credit loss allowance
Rupees in '000		
<b>Category of Classification:</b>		
<b>Domestic</b>		
Other Assets Especially Mentioned	74,983	35,119
Substandard - Stage 3	676,434	429,067
Doubtful - Stage 3	384,503	256,154
Loss - Stage 3	11,792,575	11,415,547
Total	<b>12,928,495</b>	<b>12,135,887</b>
		13,039,029
		12,335,688

# Notes to the Unconsolidated Condensed Interim Financial Statements

(Un-audited) for the nine months ended September 30, 2024

## 11.3 Particulars of credit loss allowance against advances

	September 30, 2024			December 31, 2023			(Audited)
	Stage 3	Stage 2	Stage 1	Total	Specific	General	Total
Rupees in '000							
Opening balance	12,335,688	144,558	60,461	12,540,707	11,738,558	109,603	11,848,161
Impact of adoption of IFRS 9	165,416	1,691,141	973,930	2,830,487	-	-	-
Exchange adjustments	-	(1,919)	-	(1,919)	-	9,497	9,497
Charge for the period / year	856,381	430,579	133,135	1,420,095	1,694,691	241,205	1,935,896
Reversals for the period / year	(1,221,598)	(965,843)	(732,007)	(2,919,448)	(1,097,561)	(155,286)	(1,252,847)
	(365,217)	(535,264)	(598,872)	(1,499,353)	597,130	85,919	683,049
Amounts written off	-	-	-	-	-	-	-
Closing balance	<b>12,135,887</b>	<b>1,298,516</b>	<b>435,519</b>	<b>13,869,922</b>	<b>12,335,688</b>	<b>205,019</b>	<b>12,540,707</b>

- 11.3.1** No benefit of forced sale value of the collaterals held by the Bank is taken while determining the provision against non-performing loans as allowed under BSD Circular No. 01 dated October 21, 2011.

	September 30, 2024			
	Stage 3	Stage 2	Stage 1	Total
Rupees in '000				
<b>11.4 Advances - Particulars of credit loss allowance</b>				
Opening balance	12,501,104	1,835,699	1,034,391	15,371,194
New Advances	302,778	30,734	126,015	459,527
Advances derecognised or repaid	(940,782)	(738,582)	(639,135)	(2,318,499)
Transfer to stage 1	(691)	(200,258)	7,120	(193,829)
Transfer to stage 2	(280,125)	399,845	(89,695)	30,025
Transfer to stage 3	553,603	(28,922)	(3,177)	521,504
	(365,217)	(537,183)	(598,872)	(1,501,272)
Amounts written off / charged off	-	-	-	-
Changes in risk parameters	-	-	-	-
Other changes (to be specific)	-	-	-	-
Closing balance	<b>12,135,887</b>	<b>1,298,516</b>	<b>435,519</b>	<b>13,869,922</b>

# Notes to the Unconsolidated Condensed Interim Financial Statements

(Un-audited) for the nine months ended September 30, 2024

	September 30, 2024		December 31, 2023	
	Outstanding amount	Credit loss allowance Held	Outstanding amount	Credit loss allowance Held
	Rupees in '000			
<b>11.5 Advances - Category of classification</b>				
<b>Domestic</b>				
Performing - Stage 1	787,168,263	435,519	-	-
Underperforming - Stage 2	60,808,441	1,283,863	-	-
Non-Performing - Stage 3	12,928,495	12,135,887	-	-
Other impaired	1,522	1,088	-	-
Other Assets Especially Mentioned	73,461	34,031	-	-
Substandard	676,434	429,067	-	-
Doubtful	384,503	256,154	-	-
Loss	11,792,575	11,415,547	-	-
	860,905,199	13,855,269	-	-
<b>Overseas</b>				
Performing - Stage 1	-	-	-	-
Underperforming - Stage 2	601,712	14,653	1,221,396	144,558
Non-Performing - Stage 3	-	-	-	-
Substandard	-	-	-	-
Doubtful	-	-	-	-
Loss	-	-	-	-
	601,712	14,653	1,221,396	144,558
<b>Total</b>	<b>861,506,911</b>	<b>13,869,922</b>	<b>-</b>	<b>-</b>

	Note	(Audited)	
		September 30,	December 31,
		2024	2023
Rupees in '000			
<b>12 PROPERTY AND EQUIPMENT</b>			
Capital work-in-progress	12.1	9,389,617	9,779,743
Property and equipment		114,661,337	103,998,924
		124,050,954	113,778,667
<b>12.1 Capital work-in-progress</b>			
Civil works		7,957,392	7,759,247
Equipment		-	89,246
Advances to suppliers		1,432,225	1,931,250
		9,389,617	9,779,743

# Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) for the nine months ended September 30, 2024

## 12.2 Additions to property and equipment

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

	September 30, 2024	September 30, 2023
	Rupees in '000	
<b>Capital work-in-progress</b>	10,182,231	5,620,804
<b>Property and equipment</b>		
Freehold land	1,356,836	810,785
Leasehold land	4,875,131	10
Building on freehold land	3,773,618	514,566
Building on leasehold land	293,650	45,753
Furniture and fixture	430,708	319,446
Electrical office and computer equipment	4,706,380	3,472,394
Vehicles	708,609	287,935
Others-building improvements	1,360,068	507,952
	<b>17,505,000</b>	5,958,841
<b>Total</b>	<b>27,687,231</b>	11,579,645

## 12.3 Disposal of property and equipment

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

	September 30, 2024	September 30, 2023
	Rupees in '000	
Furniture and fixture	2,833	1,314
Electrical office and computer equipment	20,029	6,669
Vehicles	2,066	132
Freehold land	1,670,225	-
Leasehold land	354,614	-
Building on freehold land	21,923	-
Building on leasehold land	3,979	-
<b>Total</b>	<b>2,075,669</b>	8,115

	(Audited)	
	September 30, 2024	December 31, 2023
	Rupees in '000	
	Buildings	Total
	Buildings	Total
<b>13 RIGHT-OF-USE ASSETS</b>		
At January 01		
Cost	8,323,181	8,323,181
Accumulated Depreciation	(36,126)	(36,126)
Net carrying amount at January 01, 2024	8,287,055	8,287,055
Additions during the year	1,382,359	1,382,359
Deletions during the year	(487,037)	(487,037)
Depreciation charge during the year	(1,389,130)	(1,389,130)
Exchange difference	(930)	(930)
Net carrying amount at September 30, 2024	7,792,317	7,792,317
	8,287,055	8,287,055

# Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) for the nine months ended September 30, 2024

		(Audited)	September 30, December 31,	
			2024	2023
			Rupees in '000	
<b>14</b>	<b>INTANGIBLE ASSETS</b>			
	Capital work-in-progress	14.1	906,000	778,871
	Intangible Assets		2,760,004	2,630,420
			<u>3,666,004</u>	<u>3,409,291</u>
<b>14.1</b>	<b>Capital work-in-progress</b>			
	Software		903,126	775,996
	Advances to suppliers		2,874	2,875
			<u>906,000</u>	<u>778,871</u>
			September 30,	September 30,
			2024	2023
			Rupees in '000	

## 14.2 Additions to intangible assets

The following additions are made to intangible assets during the period:

Capital work-in-progress	158,710	261,675
Software	439,019	184,279
Total	<u>597,729</u>	<u>445,954</u>

## 14.3 Disposals of intangible assets

The net book value of intangible assets disposed off during the period is Nil.

# Notes to the Unconsolidated Condensed Interim Financial Statements

(Un-audited) for the nine months ended September 30, 2024

	September 30, 2024	December 31, 2023	(Audited)
	Rupees in '000		
<b>15 OTHER ASSETS</b>			
Income / Mark-up accrued in local currency	97,205,684	69,602,045	
Income / Mark-up accrued in foreign currency	584,262	953,413	
Advances, deposits, advance rent and other prepayments	7,306,381	3,081,606	
Non-banking assets acquired in satisfaction of claims	685,249	1,038,270	
Branches adjustment account	-	1,701,578	
Mark to market gain on forward foreign exchange contracts	-	80,674	
Acceptances	4,624,805	8,444,550	
Due from the employees' retirement benefit schemes			
Pension fund	6,837,249	6,185,041	
Fraud and forgeries	524,453	544,824	
Stationery and stamps in hand	1,278,158	863,475	
Home Remittance Cell agent receivable	4,288	1,749	
Receivable from State Bank of Pakistan	5,843	4,375	
Charges receivable	29,728	29,873	
ATM / Point of Sale settlement account	1,836,286	7,075,342	
Suspense Account	13,506	295	
Others	494,123	440,225	
	<b>121,430,015</b>	<b>100,047,335</b>	
Less: Credit loss allowance / Provision held against other assets	15.1	(1,210,229)	(996,020)
Other assets (net of credit loss allowance)		<b>120,219,786</b>	<b>99,051,315</b>
Surplus on revaluation of non-banking assets			
acquired in satisfaction of claims	1,004,966	1,043,502	
Other Assets - Total		<b>121,224,752</b>	<b>100,094,817</b>
<b>15.1 Credit loss allowance / Provision held against other assets</b>			
Advances, deposits, advance rent and other prepayments	231,042	213,329	
Fraud and forgeries	423,911	444,282	
Charges receivable	29,728	29,840	
Others	525,548	308,569	
	<b>1,210,229</b>	<b>996,020</b>	
<b>15.1.1 Movement in credit loss allowance / provision held against other assets</b>			
Opening balance	996,020	755,808	
Impact of adoption of IFRS 9	48,085	-	
Charge for the period / year	261,524	505,416	
Reversals	(90,518)	(259,078)	
Net charge	171,006	246,338	
Amounts written off	(4,882)	(6,126)	
Closing balance	<b>1,210,229</b>	<b>996,020</b>	

# Notes to the Unconsolidated Condensed Interim Financial Statements

(Un-audited) for the nine months ended September 30, 2024

(Audited)  
September 30, December 31,  
2024 2023  
Rupees in '000

## 16 CONTINGENT ASSETS

There were no contingent assets of the Bank as at September 30, 2024 and December 31, 2023.

(Audited)  
September 30, December 31,  
2024 2023  
Rupees in '000

## 17 BILLS PAYABLE

In Pakistan	8,501,458	9,296,223
Outside Pakistan	25,972	26,182
	<u>8,527,430</u>	<u>9,322,405</u>

(Audited)  
September 30, December 31,  
2024 2023  
Rupees in '000

## 18 BORROWINGS

### Secured

Borrowings from State Bank of Pakistan

Repurchase agreement borrowings	195,000,000	270,000,000
Under export refinance scheme	15,586,042	28,652,901
Under long term financing facility	26,850,634	28,265,781
Under financing scheme for renewable energy	4,777,461	7,253,956
Under temporary economic refinance scheme	11,695,511	12,741,909
Under refinance scheme for modernization of SMEs	16,045	8,182
Under refinance scheme for SME Asaan Finance (SAAF)	68,049	-
Refinance and credit guarantee scheme for women entrepreneurs	21,120	13,517
Under refinance scheme for combating COVID-19	94,093	133,325
	<u>254,108,955</u>	<u>347,069,571</u>

Repurchase agreement borrowings from Financial Institutions	72,513,830	1,843,392
Trading liability	-	7,541,047
	<u>326,622,785</u>	<u>356,454,010</u>

### Unsecured

Call borrowings	3,195,205	2,677,677
Overdrawn nostro accounts	200,733	192,355
Musharaka borrowing	12,000,000	14,350,000
	<u>15,395,938</u>	<u>17,220,032</u>

342,018,723      373,674,042

# Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) for the nine months ended September 30, 2024

	(Audited)					
	September 30, 2024			December 31, 2023		
	In Local Currency	In Foreign Currencies	Total	In Local Currency	In Foreign Currencies	Total
Rupees in '000						
<b>19 DEPOSITS AND OTHER ACCOUNTS</b>						
Customers						
Current deposits	637,078,223	36,688,231	673,766,454	616,041,518	44,460,629	660,502,147
Savings deposits	802,567,104	18,784,746	821,351,850	652,715,228	19,697,405	672,412,633
Term deposits	265,080,610	70,006,253	335,086,863	201,318,101	51,084,504	252,402,605
Others	34,350,943	45,025	34,395,968	30,467,120	61,278	30,528,398
	<b>1,739,076,880</b>	<b>125,524,255</b>	<b>1,864,601,135</b>	<b>1,500,541,967</b>	<b>115,303,816</b>	<b>1,615,845,783</b>
Financial Institutions						
Current deposits	15,599,662	1,527,496	17,127,158	14,062,494	853,715	14,916,209
Savings deposits	38,631,253	-	38,631,253	44,978,314	-	44,978,314
Term deposits	1,319,350	4,760,912	6,080,262	819,350	63,419	882,769
Others	100	-	100	-	-	-
	<b>55,550,365</b>	<b>6,288,408</b>	<b>61,838,773</b>	<b>59,860,158</b>	<b>917,134</b>	<b>60,777,292</b>
	<b>1,794,627,245</b>	<b>131,812,663</b>	<b>1,926,439,908</b>	<b>1,560,402,125</b>	<b>116,220,950</b>	<b>1,676,623,075</b>

**19.1** This includes deposits eligible to be covered under insurance arrangements amounting to Rs. 1,270,042 million for September 30, 2024 (December 31, 2023: Rs. 1,138,708 million).

	Note	(Audited)	
		September 30, 2024	December 31, 2023
		Rupees in '000	
<b>20 LEASE LIABILITIES</b>			
Outstanding amount at the start of the year		10,632,853	9,787,443
Additions during the year		1,382,360	2,457,404
Deletions during the year		(647,281)	(232,906)
Lease payments including interest		(2,094,597)	(2,580,364)
Interest expense		1,006,027	1,189,825
Exchange difference		(412)	11,452
Outstanding amount at the end of the period		<b>10,278,950</b>	<b>10,632,854</b>
<b>20.1 Liabilities outstanding</b>			
Not later than one year		252,898	154,152
Later than one year and upto five years		3,865,089	5,325,576
Over five years		6,160,963	5,153,126
		<b>10,278,950</b>	<b>10,632,854</b>

# Notes to the Unconsolidated Condensed Interim Financial Statements

(Un-audited) for the nine months ended September 30, 2024

(Audited)

Note	September 30, 2024	December 31, 2023
	Rupees in '000	

## 21 DEFERRED TAX LIABILITIES / ASSETS

### Deductible Temporary Differences on

Credit loss allowance against advances, off balance sheet etc.	2,078,298	492,469
Workers welfare fund	3,344,573	2,657,448
Others	102,650	102,650
	<b>5,525,521</b>	<b>3,252,567</b>

### Taxable Temporary Differences on

Surplus on revaluation of property and equipment	(4,086,394)	(4,200,202)
Surplus on revaluation of non-banking assets	(47,369)	(66,251)
Surplus on revaluation of investments	(8,271,111)	6,608,032
Accelerated tax depreciation or amortization	(1,648,450)	(1,696,139)
Actuarial gains	(76,413)	(76,413)
	<b>(14,129,737)</b>	<b>569,027</b>
	<b>(8,604,216)</b>	<b>3,821,594</b>

(Audited)

Note	September 30, 2024	December 31, 2023
	Rupees in '000	

## 22 OTHER LIABILITIES

Mark-up / return / interest payable in local currency	40,611,820	14,143,930
Mark-up / return / interest payable in foreign currencies	1,266,318	1,762,006
Accrued expenses	3,127,740	3,920,388
Provision for taxation (provisions less payments)	1,771,464	7,730,026
Retention money payable	1,042,864	679,647
Deferred income	1,237,697	855,132
Unearned commission and income on bills discounted	1,641,499	759,785
Acceptances	4,624,805	8,444,550
Unclaimed dividends	481,293	442,049
Dividend payable	38,000	26,343
Branch adjustment account	757,025	-
Unrealized loss on forward foreign exchange contracts	1,781,607	-
Unrealized loss on forward government securities transactions	261	13,812
Provision for:		
Gratuity	806,365	806,365
Employees' medical benefits	1,538,753	1,473,496
Employees' compensated absences	1,277,608	1,200,318
Payable to defined contribution plan	124,052	117,158
Credit loss allowance against off-balance sheet obligations	22.1	445,516
Security deposits against lease	1,045,806	941,987
ATM / Point of Sale settlement account	17,108,098	-
Charity fund balance	4,204	1,000
Home Remittance Cell overdraft	273,105	794,027
Withholding tax payable	1,804,897	8,608,289
Sundry deposits	4,513,136	4,162,588
Workers welfare fund payable	6,825,659	5,423,363
Others	3,715,966	2,204,652
	<b>97,865,558</b>	<b>64,809,815</b>

# Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) for the nine months ended September 30, 2024

	(Audited)	Note	September 30, 2024	December 31, 2023
			Rupees in '000	
<b>22.1 Credit loss allowance / Provision against off-balance sheet obligations</b>				
Opening balance			298,904	298,904
Impact of adoption of IFRS 9			151,241	-
Charge for the period / year			29,544	-
Reversals for the period / year			(34,173)	-
			(4,629)	-
Closing balance			<u>445,516</u>	<u>298,904</u>

## 23 SHARE CAPITAL

### 23.1 Authorized capital

	(Audited)		(Audited)		
	September 30, 2024	December 31, 2023	September 30, 2024	December 31, 2023	
	No. of shares		Rupees in '000		
	1,500,000,000	1,500,000,000	Ordinary shares of Rs.10/- each	<u>15,000,000</u>	<u>15,000,000</u>
<b>23.2 Issued, subscribed and paid-up capital</b>					
Fully paid-up Ordinary shares of Rs. 10/- each					
406,780,094	406,780,094	Fully paid in cash	4,067,801	4,067,801	
720,745,186	720,745,186	Issued as bonus shares	7,207,452	7,207,452	
1,127,525,280	1,127,525,280		11,275,253	11,275,253	
		18,348,550 Ordinary shares of Rs. 10 each, determined pursuant to the Scheme of Amalgamation in accordance with the swap ratio stipulated therein less 9,200,000 ordinary shares of Rs. 10 each, held by Ibrahim Leasing Limited on the cut-off date (September 30, 2004)			
9,148,550	9,148,550		91,486	91,486	
		8,400,000 Ordinary shares of Rs. 10 each, determined pursuant to the Scheme of Amalgamation of First Allied Bank Modaraba with Allied Bank Limited in accordance with the share swap ratio stipulated therein.	84,000	84,000	
8,400,000	8,400,000		<u>84,000</u>	<u>84,000</u>	
<b>1,145,073,830</b>	<b>1,145,073,830</b>		<b>11,450,739</b>	<b>11,450,739</b>	

Ibrahim Holdings (Private) Limited (holding company of the Bank), holds 1,030,566,368 (90.00%) [December 31, 2023: 1,030,566,368 (90.00%)] ordinary shares of Rs. 10 each, as at reporting date.

# Notes to the Unconsolidated Condensed Interim Financial Statements

(Un-audited) for the nine months ended September 30, 2024

	Note	September 30, 2024	December 31, 2023	(Audited)
		Rupees in '000		
<b>24 SURPLUS ON REVALUATION OF ASSETS - NET OF TAX</b>				
Surplus / (deficit) arising on revaluation of:				
Property and equipment		49,903,388	50,140,331	
Non-banking assets acquired in satisfaction of claims		1,004,966	1,043,502	
Available-for-sale securities		-	(13,485,780)	
Securities measured at FVOCI - Debt		7,638,374	-	
Securities measured at FVOCI - Equity		9,241,444	-	
		67,788,172	37,698,053	
Deferred tax on (surplus) / deficit on revaluation of:				
Property and equipment		(4,086,394)	(4,200,202)	
Non-banking assets acquired in satisfaction of claims		(47,369)	(66,251)	
Available-for-sale securities		-	6,608,032	
Securities measured at FVOCI - Debt		(3,742,803)	-	
Securities measured at FVOCI - Equity		(4,528,308)	-	
		(12,404,874)	2,341,579	
Surplus on revaluation of assets - net of tax		55,383,298	40,039,632	
<b>25 CONTINGENCIES AND COMMITMENTS</b>				
Guarantees	25.1	62,624,573	66,315,450	
Commitments	25.2	529,392,009	495,953,754	
Other contingent liabilities	25.3	7,064,403	6,987,410	
		599,080,985	569,256,614	
<b>25.1 Guarantees</b>				
Financial guarantees		5,696,675	5,603,283	
Performance guarantees		14,394,498	13,503,642	
Other guarantees		42,533,400	47,208,525	
		62,624,573	66,315,450	
<b>25.2 Commitments</b>				
Documentary credits and short term trade related transactions:				
letters of credit		88,591,014	153,136,140	
Commitments in respect of:				
forward foreign exchange contracts	25.2.1	395,822,613	322,127,301	
forward government securities transactions	25.2.2	34,013,335	11,4 39,221	
operating leases	25.2.3	230,638	298,754	
Commitments for acquisition of:				
property and equipment		9,831,193	8,054,382	
intangible assets		903,216	897,956	
		529,392,009	495,953,754	
<b>25.2.1 Commitments in respect of forward foreign exchange contracts</b>				
Purchase		235,537,592	180,292,360	
Sale		160,285,021	141,834,941	
		395,822,613	322,127,301	

# Notes to the Unconsolidated Condensed Interim Financial Statements

(Un-audited) for the nine months ended September 30, 2024

(Audited)  
 September 30,      December 31,  
 2024                2023  
 Rupees in '000

## 25.2.2 Commitments in respect of forward government securities transactions

Purchase	32,001,677	10,053,843
Sale	2,011,658	1,385,378
	<u>34,013,335</u>	<u>11,439,221</u>

## 25.2.3 Commitments in respect of operating leases

Not later than one year	107,424	112,416
Later than one year and not later than five years	105,002	162,545
Later than five years	18,212	23,793
	<u>230,638</u>	<u>298,754</u>

## 25.3 Other contingent liabilities

25.3.1 Claims against the Bank not acknowledged as debt	7,064,403	6,987,410
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- 25.3.2 The income tax assessments of the Bank have been finalized upto and including tax year 2023 for local, Azad Kashmir and Gilgit Baltistan operations. While finalizing income tax assessments upto tax year 2023 income tax authorities made certain add backs with aggregate tax impact of Rs. 35,086 million (2023: 34,841 million). As a result of appeals filed by the Bank before appellate authorities, most of the add backs have been deleted. However, the Bank and Tax Department are in appeals/references before higher forums against unfavorable decisions. Pending finalization of appeals/references no provision has been made by the Bank on aggregate sum of Rs. 35,086 million (2023: 34,841 million). The management is confident that the outcome of these appeals/references will be in favor of the Bank.

Tax Authorities have conducted proceedings of withholding tax audit under section 161/205 of Income Tax Ordinance, 2001 for tax year 2003 to 2006 and tax year 2008 to 2019 and tax year 2022 created an arbitrary demand of Rs. 2,029 million (2023: 2,029 million). The Bank's appeals before CIR(A)/Appellate Tribunal Inland Revenue (ATIR) are pending for adjudication. The management is confident that these appeals will be decided in favor of the Bank; therefore, no provision has been made against the said demand of Rs. 2,029 million (2023: 2,029 million).

Tax authorities have also issued orders under Federal Excise Act, 2005/Sales Tax Act/Sindh Sales Tax on Services Act, 2011 for the year 2008 to 2017 thereby creating arbitrary aggregate demand of Rs. 1,144 million (2023: 1,144 million). The Bank's appeals before CIR(A)/Appellate Tribunal Inland Revenue (ATIR) are pending for adjudication. The management is confident that aforesaid demand will be deleted by appellate authorities and therefore no provision has been made against the said demand of Rs. 1,144 million (2023: 1,144 million).

- 25.3.3 While adjudicating foreign exchange repatriation cases of exporter namely: Fateh Textile Mills Limited, the Foreign Exchange Adjudicating Court (FEAC) of the State Bank of Pakistan (SBP) has arbitrarily adjudicated penalties against various banks including Rs.2,173 million in aggregate against Allied Bank Limited (the Bank). Against the said judgments, the Bank had filed appeals before the Appellate Board and Constitutional Petitions (CP) in the High Court of Sindh, Karachi. The Honorable High Court granted relief to the Bank by way of interim orders. Meanwhile, alongwith other banks, Bank filed a further CP whereby vires of section 23C of the Foreign Exchange Regulations Act, 1947 was sought to be declared ultra vires. On November 8, 2018, the Honorable court was pleased to order that the Appellate Board shall not finally decide the appeals. Subsequently, the earlier CP was disposed of vide order dated January 15, 2019 with a direction to the Appellate Board to first decide the stay application of the Bank and till then, the Foreign Exchange Regulation Department has been restrained from taking any coercive action against the Bank. Based on merits of the appeals, the management is confident that these appeals shall be decided in favor of the Bank and therefore no provision has been made against the impugned penalty.

# Notes to the Unconsolidated Condensed Interim Financial Statements

(Un-audited) for the nine months ended September 30, 2024

## 26 DERIVATIVE INSTRUMENTS

The Bank at present does not offer structured derivative products such as Interest Rate Swaps, Forward Rate Agreements or FX Options. However, the Bank buys and sells derivative instruments such as:

- Forward Exchange Contracts
- Foreign Exchange Swaps
- Equity Futures
- Forward Contracts for Government Securities

The accounting policies applied to recognize and disclose derivatives and definitions are same as those disclosed in audited annual unconsolidated financial statements as at December 31, 2023.

Note	Nine Months Ended		Quarter Ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
	Rupees in '000			
<b>27 MARK-UP / RETURN / INTEREST EARNED</b>				
On:				
Loans and advances	104,537,918	104,415,954	34,346,274	37,443,392
Investments	183,038,599	154,853,768	63,243,398	55,168,229
Lendings to financial institutions	2,840,412	4,114,994	1,009,158	2,292,442
Balances with banks	798,070	955,817	264,191	305,722
	<b>291,214,999</b>	<b>264,340,533</b>	<b>98,863,021</b>	<b>95,209,785</b>
<b>28 MARK-UP / RETURN / INTEREST EXPENDED</b>				
On:				
Deposits	148,523,161	121,308,690	52,458,965	48,554,918
Borrowings	47,018,618	57,308,137	12,403,605	14,270,798
Cost of foreign currency swaps against foreign currency deposits	4,510,570	3,873,064	1,962,586	1,992,489
Interest expense on lease liability	1,006,027	865,729	362,500	309,079
	<b>201,058,376</b>	<b>183,355,620</b>	<b>67,187,656</b>	<b>65,127,284</b>
<b>29 FEE AND COMMISSION INCOME</b>				
Branch banking customer fees	1,894,938	1,713,114	658,648	655,495
Consumer finance related fees	17,574	21,761	5,991	5,194
Card related fees (debit and credit cards)	5,368,722	3,907,178	1,863,945	1,454,025
Credit related fees	17,012	28,683	4,690	10,143
Investment banking fees	589,788	562,469	82,991	12,472
Commission on trade	541,755	446,864	189,622	164,128
Commission on guarantees	136,615	137,448	44,376	41,295
Commission on cash management	287,588	297,222	95,155	104,807
Commission on remittances including home remittances	1,153,770	583,781	620,178	201,573
Commission on bancassurance	6,972	15,059	260	9,301
Card acquiring business	80,512	-	51,378	-
	<b>10,095,246</b>	<b>7,713,579</b>	<b>3,617,234</b>	<b>2,658,433</b>
<b>30 GAIN / (LOSS) ON SECURITIES</b>				
Realised - net	30.1	1,343,852	(77,709)	434,375
Unrealised - held for trading		-	(358)	-
Unrealised - measured at FVTPL		(4,741)	-	(6,336)
Unrealised - forward government securities		13,551	87,794	86,364
	<b>1,352,662</b>	<b>9,727</b>	<b>514,403</b>	<b>(201,379)</b>

# Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) for the nine months ended September 30, 2024

Note	Nine Months Ended		Quarter Ended		
	September 30, 2024		September 30, 2023	September 30, 2024	September 30, 2023
	Rupees in '000				
<b>30.1 Realised gain / (loss) on:</b>					
Federal government securities	1,343,852	187,399	434,375	31,159	
Shares	-	(265,108)	-	(316,378)	
	<b>1,343,852</b>	<b>(77,709)</b>	<b>434,375</b>	<b>(285,219)</b>	
<b>31 OTHER INCOME</b>					
Rent on property	24,452	16,141	8,174	5,376	
(Loss) / Gain on sale of property and equipment - net	573,205	(2,112)	306,117	(2,273)	
Other assets disposal	51,305	34,026	14,348	22,594	
Recovery of written off mark-up and charges	68	3,200	12	2,289	
Fee for attending Board meetings	869	1,432	438	274	
Income from data centre hosting service	13,287	13,287	4,429	4,429	
Gain on sale of Islamic financing and related assets	9,029	27,278	2,027	12,205	
	<b>672,215</b>	<b>93,252</b>	<b>335,545</b>	<b>44,894</b>	
<b>32 OPERATING EXPENSES</b>					
Total compensation expense	15,483,944	13,989,284	5,048,936	4,684,322	
<b>Property expense:</b>					
Rent and taxes	304,721	285,084	99,254	93,922	
Insurance	106,886	82,891	38,135	30,726	
Utilities cost	2,293,452	1,992,213	916,934	805,098	
Security (including guards)	1,423,762	1,362,196	466,246	454,256	
Repair and maintenance (including janitorial charges)	1,282,103	1,145,837	392,135	408,116	
Depreciation	4,689,285	3,701,266	1,635,219	1,278,773	
	<b>10,100,209</b>	<b>8,569,487</b>	<b>3,547,923</b>	<b>3,070,891</b>	
<b>Information technology expenses:</b>					
Software maintenance	1,637,143	1,850,569	506,554	616,477	
Hardware maintenance	369,204	446,760	76,109	149,194	
Depreciation	1,151,820	820,377	413,658	297,487	
Amortization	468,590	435,191	161,710	149,603	
Network charges	731,600	646,931	279,234	225,809	
Others	3,946	3,062	1,491	1,276	
	<b>4,362,303</b>	<b>4,202,890</b>	<b>1,438,756</b>	<b>1,439,846</b>	
<b>Other operating expenses:</b>					
Directors' fees and allowances	59,266	50,141	24,316	16,834	
Fees and allowances to Shariah Board	7,261	6,761	2,376	2,150	
Legal & professional charges	209,591	149,696	68,357	33,427	
Outsourced service cost	1,239,231	970,453	470,493	335,192	
Travelling & conveyance	324,751	270,213	115,516	100,923	
NIFT clearing charges	158,677	152,515	49,003	52,310	
Depreciation	315,307	227,430	105,753	80,621	
Training and development	165,811	121,544	82,509	57,581	
Postage & courier charges	154,571	163,607	37,766	13,295	
Communication	1,031,635	766,310	377,238	259,610	
Stationery & printing	593,502	506,689	180,873	193,034	
Marketing, advertisement & publicity	2,333,614	1,071,685	855,595	313,942	
Donations	90,835	45,770	3,395	28,430	
Auditors Remuneration	22,506	21,449	7,402	11,768	
Brokerage expenses	88,896	46,674	35,375	12,959	
Card related expenses	1,827,605	1,697,503	686,574	493,550	
CNIC verification	140,585	122,778	35,607	35,890	
Entertainment	315,892	236,346	128,655	76,110	
Clearing and settlement	205,986	164,313	75,829	65,052	
Insurance	1,562,455	1,317,994	525,909	441,201	
Cash In Transit Service Charge	357,454	387,854	136,237	123,478	
Others	76,725	76,872	(39,786)	23,391	
	<b>11,282,156</b>	<b>8,574,597</b>	<b>3,964,992</b>	<b>2,770,748</b>	
	<b>41,228,612</b>	<b>35,336,258</b>	<b>14,000,607</b>	<b>11,965,807</b>	

# Notes to the Unconsolidated Condensed Interim Financial Statements

(Un-audited) for the nine months ended September 30, 2024

Note	Nine Months Ended		Quarter Ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
			2024	2023
Rupees in '000				
<b>33 OTHER CHARGES</b>				
Penalties imposed by State Bank of Pakistan	19,327	39,100	1,123	35,444
Education cess	37,500	33,336	12,501	8,334
Depreciation - non-banking assets	19,549	7,504	5,985	2,488
Others	144,981	187,513	(30,021)	62,515
Other assets written off	29	-	29	-
	<b>221,386</b>	<b>267,453</b>	<b>(10,383)</b>	<b>108,781</b>
<b>34 CREDIT LOSS ALLOWANCE AND WRITE OFFS - NET</b>				
Credit loss allowance against lendings to financial institutions	32,622	-	32,624	-
Credit loss allowance against nostro accounts	6,076	-	3,009	-
Credit loss allowance / Provision for diminution in value of investments	10.2.1 (1,663,650)	957,507	(186,212)	3,524
Credit loss allowance / Provision against loans & advances	11.3 (1,499,353)	1,226,648	156,598	(234,152)
Credit loss allowance / Provision against other assets	15.1.1 171,006	353,674	52,438	21,885
Credit loss allowance against off-balance sheet obligations	22.1 (4,629)	2,537,829	88,001	(208,743)
Recovery of written off bad debts	(7,692)	(5,589)	(5,392)	(2,641)
	<b>(2,957,928)</b>	<b>2,532,240</b>	<b>82,609</b>	<b>(211,384)</b>

## 35 TAXATION

Current - for the period	35.1	<b>34,256,647</b>	30,030,114	11,691,761	11,553,553
- for prior year		-	-	-	-
		<b>34,256,647</b>	<b>30,030,114</b>	<b>11,691,761</b>	<b>11,553,553</b>
Deferred - current		167,323	(867,245)	(136,685)	(151,211)
		<b>34,423,970</b>	<b>29,162,869</b>	<b>11,555,076</b>	<b>11,402,342</b>

**35.1** This also includes proportionate super tax on high earning persons of Rs. 6,991.152 million (September 30, 2023: Rs. 6,128.595 million).

Note	Nine Months Ended		Quarter Ended	
	September 30, 2024	September 30, 2023	September 30,	September 30,
			2024	2023
Rupees in '000				

## 36 EARNINGS PER SHARE - BASIC AND DILUTED

Profit after taxation	35,690,812	28,661,577	12,050,091	11,218,545
Number of Shares				
Weighted average number of ordinary shares outstanding during the year	1,145,073,830	1,145,073,830	1,145,073,830	1,145,073,830
Rupees				
Earnings per share - basic and diluted	31.17	25.03	10.52	9.80

There is no dilution effect on basic earnings per share.

# Notes to the Unconsolidated Condensed Interim Financial Statements

(Un-audited) for the nine months ended September 30, 2024

## 37 FAIR VALUE OF FINANCIAL INSTRUMENTS

### 37.1 Fair value of financial assets

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

- Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities. Financial instruments included in level 1 comprise of investments in Listed Ordinary Shares.
- Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). Financial instruments included in level 2 comprise of Sukuk Bonds, Units of Mutual Funds, Pakistan Investment Bonds, Market Treasury Bills, Term Finance Certificates and Forward Government & Exchange Contracts.
- Level 3: Fair value measurements using input for the asset or liability that are not based on observable market data (i.e. unobservable inputs). Currently, no financial instruments are classified in level 3.

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

#### Valuation Techniques used in determination of Fair Valuation of Financial Instruments within Level 2

Item	Valuation approach and input used
Federal Government Securities	Marked to Market on the basis of PKRV & PKFRV rates.
Non-Government Debt Securities	Marked to Market on the basis of MUFAP rates.
Foreign exchange contracts	Marked to Market on the basis of SBP rates.
Open ended mutual funds	Marked to Market on the basis of MUFAP rates.
Operating Fixed Assets (Land & Building) & NBA	The valuation is based on their assessment of market value of the properties.

September 30, 2024

	Carrying Value	Level 1	Level 2	Level 3	Total
Rupees in '000					
<b>On balance sheet financial instruments</b>					
<b>Financial assets - measured at fair value</b>					
Investments					
Federal Government Securities	1,171,273,257	-	1,171,273,257	-	1,171,273,257
Shares	19,372,143	19,348,721	23,422	-	19,372,143
Non-Government Debt Securities	13,316,299	-	13,316,299	-	13,316,299
Financial assets - disclosed but not measured at fair value					
Investments	129,187,153	-	-	-	-
Cash and balances with treasury banks	173,140,143	-	-	-	-
Balances with other banks	1,699,980	-	-	-	-
Lendings	11,461,542	-	-	-	-
Advances	847,636,989	-	-	-	-
Other assets	104,343,791	-	-	-	-
Non - Financial Assets measured at fair value					
Property and equipment	97,687,975	-	97,687,975	-	97,687,975
Non-banking assets	1,690,215	-	1,690,215	-	1,690,215
<b>Off-balance sheet financial instruments</b>					
- measured at fair value					
Forward purchase of foreign exchange	235,537,592	-	235,537,592	-	235,537,592
Forward sale of foreign exchange	160,285,021	-	160,285,021	-	160,285,021
Forward purchase of government securities transactions	32,001,677	-	32,001,677	-	32,001,677
Forward sale of government securities transactions	2,011,658	-	2,011,658	-	2,011,658

# Notes to the Unconsolidated Condensed Interim Financial Statements

(Un-audited) for the nine months ended September 30, 2024

	(Audited)			
	December 31, 2023			
	Carrying Value	Level 1	Level 2	Level 3
Rupees in '000				
<b>On balance sheet financial instruments</b>				
<b>Financial assets - measured at fair value</b>				
Investments				
Federal Government Securities	1,044,283,263	-	1,044,283,263	-
Shares	18,491,692	18,457,238	34,454	-
Non-Government Debt Securities	13,274,049	-	13,274,049	-
<b>Financial assets - disclosed but not measured at fair value</b>				
Investments (Federal government securities, unlisted ordinary shares, term certificates, sukukhs, subsidiaries, Bai muajjal)				
sukukhs, subsidiaries, Bai muajjal)	74,269,085	-	-	-
Cash and balances with treasury banks	156,136,308	-	-	-
Balances with other banks	2,455,601	-	-	-
Lendings	9,418,003	-	-	-
Advances	781,597,230	-	-	-
Other assets	88,096,252	-	-	-
<b>Non - Financial Assets measured at fair value</b>				
Property and equipment	90,354,067	-	90,354,067	-
Non-banking assets	2,081,772	-	2,081,772	-
<b>Off-balance sheet financial instruments</b>				
- measured at fair value				
Forward purchase of foreign exchange	180,292,360	-	180,292,360	-
Forward sale of foreign exchange	141,834,941	-	141,834,941	-
Forward purchase of government securities transactions	10,053,843	-	10,053,843	-
Forward sale of government securities transactions	1,385,378	-	1,385,378	-

# Notes to the Unconsolidated Condensed Interim Financial Statements

(Un-audited) for the nine months ended September 30, 2024

	September 30, 2024					
	Corporate & Investment Banking	Commercial & Retail Banking	Trading & Sale (Treasury)	Islamic Banking	Others	Total
Rupees in '000						
<b>38 SEGMENT INFORMATION</b>						
<b>38.1 Segment Details with respect to Business Activities</b>						
<b>Profit &amp; Loss</b>						
Net mark-up/return/profit	88,535,106	(138,046,484)	130,683,975	8,561,492	422,534	90,156,623
Inter segment revenue - net	(79,764,671)	221,017,234	(128,899,246)	-	(12,353,317)	-
Non mark-up / return / interest income	4,785,287	6,996,368	6,555,839	529,109	978,230	19,844,833
Total Income	13,555,722	89,967,118	8,340,568	9,090,601	(10,952,553)	110,001,456
Segment direct expenses	917,165	18,653,615	275,493	1,673,422	21,332,599	42,852,294
Total expenses	917,165	18,653,615	275,493	1,673,422	21,332,599	42,852,294
Credit loss allowance	(2,401,700)	(212,905)	4,026	474,882	(829,923)	(2,965,620)
Profit before tax	15,040,257	71,526,408	8,061,049	6,942,297	(31,455,229)	70,114,782
<b>Balance Sheet</b>						
Cash & Bank balances	65,026	58,649,802	98,786,565	9,515,552	7,823,178	174,840,123
Investments	52,042,986	-	1,234,843,671	44,762,382	1,499,813	1,333,148,852
Net inter segment lending	(730,762,544)	1,689,330,399	(1,122,119,244)	-	163,551,389	-
Lendings to financial institutions	1,194,166	-	383,314	9,996,279	(112,217)	11,461,542
Advances - performing	733,246,353	21,990,696	-	82,237,694	11,103,673	848,578,416
Advances - non-performing	724,601	327,346	-	260,650	11,615,898	12,928,495
Credit loss allowance against advances	(1,975,786)	(580,259)	-	(228,637)	(11,085,240)	(13,869,922)
Advances - net	731,995,168	21,737,783	-	82,269,707	11,634,331	847,636,989
Operating fixed assets	168,385	83,255,793	59,417	2,097,761	49,927,919	135,509,275
Others	8,555,838	18,181,557	58,709,220	6,850,632	28,927,505	121,224,752
<b>Total Assets</b>	<b>63,259,025</b>	<b>1,871,155,334</b>	<b>270,662,943</b>	<b>155,492,313</b>	<b>263,251,918</b>	<b>2,623,821,533</b>
Borrowings	57,754,629	1,969,187	268,624,563	28,753,659	(15,083,315)	342,018,723
Deposits & other accounts	3,408,939	1,825,418,824	-	92,834,280	4,777,865	1,926,439,908
Net inter segment borrowing	-	-	-	-	-	-
Others	2,095,457	43,767,323	2,038,380	11,724,540	65,650,454	125,276,154
<b>Total liabilities</b>	<b>63,259,025</b>	<b>1,871,155,334</b>	<b>270,662,943</b>	<b>133,312,479</b>	<b>55,345,004</b>	<b>2,393,734,785</b>
Equity / Reserves	-	-	-	22,179,834	207,906,914	230,086,748
<b>Total Equity and liabilities</b>	<b>63,259,025</b>	<b>1,871,155,334</b>	<b>270,662,943</b>	<b>155,492,313</b>	<b>263,251,918</b>	<b>2,623,821,533</b>
Contingencies and commitments	122,756,744	20,507,835	425,225,632	7,901,328	18,079,130	594,470,669

# Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) for the nine months ended September 30, 2024

	September 30, 2023				
	Corporate & Investment Banking	Commercial & Retail Banking	Trading & Sale (Treasury)	Islamic Banking	Others
Rupees in '000					
<b>Profit &amp; Loss</b>					
Net mark-up/return/profit	90,041,873	(111,992,350)	96,313,992	6,081,644	539,754
Inter segment revenue - net	(91,137,110)	207,734,858	(104,566,897)	-	(12,030,851)
Non mark-up / return / interest income	3,918,050	5,443,733	5,946,875	478,435	384,110
<b>Total Income</b>	<b>2,822,813</b>	<b>101,186,241</b>	<b>(2,306,030)</b>	<b>6,560,079</b>	<b>(11,106,987)</b>
Segment direct expenses	613,366	16,552,880	186,860	1,380,957	18,065,367
<b>Total expenses</b>	<b>613,366</b>	<b>16,552,880</b>	<b>186,860</b>	<b>1,380,957</b>	<b>18,065,367</b>
Provisions	(2,090,334)	(534,513)	(287,719)	(3,476)	383,802
<b>Profit before tax</b>	<b>119,113</b>	<b>84,098,848</b>	<b>(2,780,609)</b>	<b>5,175,646</b>	<b>(28,788,552)</b>
December 31, 2023 (Audited)					
	Corporate & Investment Banking	Commercial & Retail Banking	Trading & Sale (Treasury)	Islamic Banking	Others
Rupees in '000					
<b>Balance Sheet</b>					
Cash & Bank balances	63,911	52,567,988	87,420,356	7,981,515	10,558,139
Investments	56,323,830	-	1,055,128,295	38,360,057	505,907
Net inter segment lending	(637,179,804)	1,431,073,958	(920,483,266)	(427,931)	127,017,043
Lendings to financial institutions	-	-	16,191,116	-	(6,773,113)
Advances - performing	658,585,879	32,393,352	-	79,621,981	10,497,696
Advances - non-performing	296,254	174,347	-	5,729	12,562,699
Provision against advances	(226,742)	(129,247)	-	(7,338)	(12,177,380)
Advances - net	658,655,391	32,438,452	-	79,620,372	10,883,015
Operating fixed assets	152,919	74,579,541	5,707	887,783	49,849,063
Others	8,271,993	15,956,021	40,787,167	5,126,241	33,774,989
<b>Total Assets</b>	<b>86,288,240</b>	<b>1,606,615,960</b>	<b>279,049,375</b>	<b>131,548,037</b>	<b>225,815,043</b>
Borrowings	80,418,586	3,160,687	279,576,794	17,276,361	(6,758,386)
Deposits & other accounts	3,332,467	1,573,043,102	-	95,333,605	4,913,901
Others	2,537,187	30,412,171	(527,419)	3,904,191	48,438,944
<b>Total liabilities</b>	<b>86,288,240</b>	<b>1,606,615,960</b>	<b>279,049,375</b>	<b>116,514,157</b>	<b>46,594,459</b>
Equity / Reserves	-	-	-	15,033,880	179,220,584
<b>Total Equity and liabilities</b>	<b>86,288,240</b>	<b>1,606,615,960</b>	<b>279,049,375</b>	<b>131,548,037</b>	<b>225,815,043</b>
Contingencies and commitments	192,589,491	20,824,987	333,566,522	5,984,115	16,291,499
					569,256,614

# Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) for the nine months ended September 30, 2024

The Bank has related party relationships with its parent, subsidiary, companies with common directorship, directors, employee benefit plans and key management personnel including their associates.

Contributions to the accounts in respect of staff retirement benefits are made in accordance with actuarial valuation / terms of the contribution plan. Remuneration of the key management personnel are in accordance with the terms of their employment. Other transactions are at agreed terms.

Statement of Profit and Loss										December 31, 2023	
September 30, 2024										(Audited)	
Parent	Directors	Key management personnel	Subsidiaries	Associates*	Other related parties	Parent	Directors	Key management personnel	Subsidiaries	Associates*	Other related parties
										Rupees in 000	
Balances as at other banks										-	
Lendings to financial institutions										-	
Investments										-	
Opening balance										-	
Investment made during the period/year										-	
Investment redeemed/disposed off during the period/year										-	
Transfer in / (out) - net										-	
Closing balance										-	
Credit loss allowance for diminution in value of investments										-	
Advances										-	
Opening balance										-	
Addition during the period/year										-	
Repayment during the period/year										-	
Closing balance										-	
Credit loss allowance on held financing advances										-	

# **Notes to the Unconsolidated Condensed Interim Financial Statements**

(Un-audited) for the nine months ended September 30, 2024

# Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) for the nine months ended September 30, 2024

	September 30, 2024						December 31, 2023 (Audited)					
	Parent	Directors	Key management personnel	Subsidiaries	Associates*	Other related parties	Parent	Directors	Key management personnel	Subsidiaries	Associates*	Other related parties
Rupees in '000												
<b>Income</b>												
Mark-up/return/interest earned	-	10,072	12,917	5,380	209,791	234	-	8,243	13,706	303,426	24,835	
Fee and commission income	0	95	224	15,747	695	1,024	4	146	4,174	3,113	104	
Dividend income	-	-	-	-	-	19,077	-	-	-	-	773	
<b>Net (loss) gain on sale of securities</b>				189	(51)	-	-	-	(64)	-	-	
Rental income	-	-	-	-	27,927	-	-	-	-	-	9,522	
Other income	-	-	-	16	14,145	-	-	14	-	-	-	
<b>Expense</b>												
Mark-up/return/interest paid	912	5,667	4,846	31,557	-	130	1,161,387	-	7,151	3,028	7,151	
Directors' meeting fee	-	57,600	-	-	-	-	-	-	49,800	-	607,458	
Remuneration	-	157,213	54,648	-	-	-	-	-	80,856	417,588	-	
Contribution for defined benefit plans	-	3,985	20,942	-	-	-	-	-	1,996	17,657	-	
Contribution to defined contribution plan	-	3,749	10,460	-	-	-	-	-	1,874	7,531	-	
Other expenses	-	1,200	-	-	-	-	34,487	-	-	-	6,590	
Rent expenses**	-	-	-	-	-	-	17,290	-	-	-	15,153	
Charge in respect of staff retirement benefit funds	-	-	-	-	-	-	-	-	-	-	-	
Insurance premium paid	-	310	1,003	-	-	-	-	-	-	-	-	
<b>Others Transaction***</b>												
Purchase of Government securities	-	-	-	-	-	-	98,756	-	-	-	-	
Sale of Government securities	-	-	-	-	-	-	-	-	-	-	-	
Purchase of foreign currencies	-	-	-	-	-	-	-	-	-	-	-	
Sale of foreign currencies	-	-	-	-	-	-	-	-	-	-	-	
Insurance claims settled	-	-	-	-	-	-	-	-	-	-	-	

\* Shares held by the holding company outstanding at the end of the period are included in note 23 to these unconsolidated condensed interim financial statements.

\*\* Associated companies are as per AS 24: Related Party Disclosures.

\*\*\* Rent expense of ABL Branch with associated company (Ibrahim Fibres Limited & Ibrahim Agencies Pvt. Limited) was carried out on terms other than that of arm's length with prior permission of State Bank of Pakistan.

\*\*\*\* Other transaction are executed on an arm's length basis.

During the period ended September 30, 2024, certain moveable assets having cumulative net book value of Rs. 0 were disposed off for Rs. 525,207 to the Key Management Personnel of the Bank.

# Notes to the Unconsolidated Condensed Interim Financial Statements

(Un-audited) for the nine months ended September 30, 2024

	(Audited)	September 30, 2024	December 31, 2023
	Rupees in '000		
<b>40 CAPITAL ADEQUACY, LEVERAGE RATIO &amp; LIQUIDITY REQUIREMENTS</b>			
<b>Minimum Capital Requirement (MCR):</b>			
Paid-up capital (net of losses)	<u>11,450,739</u>	11,450,739	
<b>Capital Adequacy Ratio (CAR):</b>			
Eligible Common Equity Tier 1 (CET 1) Capital	156,131,688	136,415,747	
Eligible Additional Tier 1 (ADT 1) Capital	-	-	
Total Eligible Tier 1 Capital	<u>156,131,688</u>	136,415,747	
Eligible Tier 2 Capital	60,872,789	44,340,488	
Total Eligible Capital (Tier 1 + Tier 2)	<u>217,004,477</u>	180,756,235	
<b>Risk Weighted Assets (RWAs):</b>			
Credit Risk	439,727,202	473,684,877	
Market Risk	54,097,522	40,606,084	
Operational Risk	175,308,026	175,308,026	
Total	<u>669,132,750</u>	689,598,987	
<b>Common Equity Tier 1 Capital Adequacy ratio</b>	23.33%	19.78%	
<b>Tier 1 Capital Adequacy Ratio</b>	<u>23.33%</u>	19.78%	
<b>Total Capital Adequacy Ratio</b>	<u>32.43%</u>	26.21%	
<b>Leverage Ratio (LR):</b>			
Eligible Tier-1 Capital	156,131,688	136,415,747	
Total Exposures	<u>2,786,323,635</u>	2,470,110,831	
Leverage Ratio	5.60%	5.52%	
<b>Liquidity Coverage Ratio (LCR):</b>			
Total High Quality Liquid Assets	880,250,105	673,797,912	
Total Net Cash Outflow	<u>431,768,898</u>	371,108,564	
Liquidity Coverage Ratio	<u>203.87%</u>	181.56%	
<b>Net Stable Funding Ratio (NSFR):</b>			
Total Available Stable Funding	1,716,984,795	1,679,029,185	
Total Required Stable Funding	<u>1,122,924,928</u>	1,042,804,071	
Net Stable Funding Ratio	<u>152.90%</u>	161.01%	

# Notes to the Unconsolidated Condensed Interim Financial Statements

(Un-audited) for the nine months ended September 30, 2024

## 41. ISLAMIC BANKING BUSINESS

The Bank is operating 140 (December 31, 2023: 127 and September 30, 2023: 122) Islamic Banking Branches and 308 (December 31, 2023: 162 and September 30, 2023: 160) Islamic Banking Windows at the end of the period.

	(Audited)	September 30, 2024	December 31, 2023
		Rupees in '000	
<b>ASSETS</b>			
Cash and balances with treasury banks	9,212,298	7,728,461	
Balances with other banks	303,254	253,054	
Due from financial institutions	41.1	9,996,279	-
Investments	41.2	44,762,382	38,360,057
Islamic financing and related assets - net	41.3	82,269,707	79,620,372
Property and equipment		1,034,054	420,710
Right-of-use assets		1,061,337	963,821
Intangible assets		2,370	1,378
Due from Head Office		-	-
Other assets		6,850,632	5,126,241
		<b>155,492,313</b>	<b>132,474,094</b>
<b>LIABILITIES</b>			
Bills payable		439,034	363,436
Due to financial institutions		28,753,659	17,276,361
Deposits and other accounts	41.4	92,834,280	95,333,605
Due to Head Office		7,540,336	427,931
Lease liabilities		1,348,879	1,178,259
Subordinated debt		-	-
Other liabilities		2,396,291	2,860,622
		<b>133,312,479</b>	<b>117,440,214</b>
<b>NET ASSETS</b>		<b>22,179,834</b>	<b>15,033,880</b>
<b>REPRESENTED BY</b>			
Islamic Banking Fund		4,100,000	4,100,000
Reserves		-	-
Surplus on revaluation of assets		791,940	351,709
Unappropriated profit	41.8	17,287,894	10,582,171
		<b>22,179,834</b>	<b>15,033,880</b>
<b>CONTINGENCIES AND COMMITMENTS</b>		<b>41.5</b>	

# Notes to the Unconsolidated Condensed Interim Financial Statements

(Un-audited) for the nine months ended September 30, 2024

	September 30, 2024	September 30, 2023
	Rupees in '000	
The profit and loss account of the Bank's Islamic Banking Branches for the period ended September 30, 2024 is as follows:		
Profit / return earned	41.6	18,812,449
Profit / return expensed	41.7	10,250,957
<b>Net Profit / return</b>	<b>8,561,492</b>	6,081,644
<b>OTHER INCOME</b>		
Fee and commission income	447,715	288,275
Dividend income	-	-
Foreign exchange income	69,103	163,517
Gain / (loss) on securities	4,472	15
Other income	7,819	26,628
Total other income	529,109	478,435
<b>Total income</b>	<b>9,090,601</b>	6,560,079
<b>OTHER EXPENSES</b>		
Operating expenses	1,673,297	1,380,688
Workers Welfare Fund	-	-
Other charges	125	269
Total other expenses	1,673,422	1,380,957
Profit before credit loss allowance	7,417,179	5,179,122
Credit loss allowance and write offs - net	474,882	3,476
<b>PROFIT BEFORE TAXATION</b>	<b>6,942,297</b>	5,175,646
Taxation	-	-
<b>PROFIT AFTER TAXATION</b>	<b>6,942,297</b>	5,175,646

	(Audited)					
	September 30, 2024			December 31, 2023		
	In Local Currency	In Foreign Currencies	Total	In Local Currency	In Foreign Currencies	Total
Rupees in '000						
<b>41.1 Due from Financial Institutions</b>						
Bai Muajjal Receivable from other Financial Institutions	-	-	-	-	-	-
Bai Muajjal Receivable from State Bank of Pakistan	-	-	-	-	-	-
Musharakah Lending	10,000,000	-	10,000,000	-	-	-
	10,000,000	-	10,000,000	-	-	-
Less: Credit loss allowance						
Stage 1	3,721	-	3,721	-	-	-
Stage 2	-	-	-	-	-	-
Stage 3	-	-	-	-	-	-
	3,721	-	3,721	-	-	-
Due from financial institutions - net of credit loss allowance	9,996,279	-	9,996,279	-	-	-

# Notes to the Unconsolidated Condensed Interim Financial Statements

(Un-audited) for the nine months ended September 30, 2024

	September 30, 2024				December 31,2023				(Audited)
	Cost / Amortised cost	Credit loss allowance for diminution	Surplus / (Deficit)	Carrying Value	Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value	
Rupees in '000									
<b>41.2 Investments by Segments</b>									
<b>Debt Instruments</b>									
Classified at FVOCI									
<b>Federal Government Securities:</b>									
-Ijarah Sukuks	31,977,787	-	640,362	32,618,149	24,141,346	-	273,079	24,414,425	
-Islamic Naya Pakistan Certificate	1,011,681	(44,042)	-	967,639	1,555,196	-	-	1,555,196	
Non Government Debt Securities	11,535,339	(440,979)	82,234	11,176,594	12,381,149	-	9,287	12,390,436	
<b>Total Investments</b>	<b>44,524,807</b>	<b>(485,021)</b>	<b>722,596</b>	<b>44,762,382</b>	<b>38,077,691</b>	<b>-</b>	<b>282,366</b>	<b>38,360,057</b>	

	September 30, 2024				December 31,2023				(Audited)
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	
Rupees in '000									
<b>41.2.1 Particulars of credit loss allowance</b>									
<b>Federal Government securities</b>									
Federal Government securities	-	44,042	-	44,042	-	-	-	-	
Non Government debt securities	321	-	440,658	440,979	-	-	-	-	
	<b>321</b>	<b>44,042</b>	<b>440,658</b>	<b>485,021</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	

# Notes to the Unconsolidated Condensed Interim Financial Statements

(Un-audited) for the nine months ended September 30, 2024

(Audited)

September 30, 2024	December 31, 2023
Rupees in '000	

	2024	2023
<b>41.3 Islamic financing and related assets</b>		
Ijarah Financing	247,209	344,512
Murabaha Financing	262,826	155,607
Diminishing Musharakah	15,696,632	14,886,737
Diminishing Musharakah - Islamic Re-Finance Against Renewable Energy	36,000	466,733
Advance Against Diminishing Musharakah	1,487,206	42,130
Business Musharakah Financing	61,031,220	59,298,890
Business Musharakah - Islamic Export Re-Finance	1,388,000	1,230,000
Istisna - Financing Under Islamic Export Re-Finance	500,000	407,268
Advance Against Istisna	75,363	-
Advance Against Istisna - Financing Under Islamic Export Re-Finance	-	1,200,000
Musawamah Financing	16,228	136,708
Advance Against Musawamah	-	42,147
Salam Financing	108,656	40,933
Advance Against Salam	55,770	127,474
Ijarah Financing - Staff	918,418	677,652
Diminishing Musharakah Financing - Staff	504,649	442,928
Advance Against Ijarah - Staff	99,998	83,114
Advance Against Diminishing Musharakah - Staff	70,169	44,877
Gross Islamic financing and related assets	<u>82,498,344</u>	<u>79,627,710</u>
Less: Credit loss allowance against Islamic financings		
- Stage 1	31,096	-
- Stage 2	15,872	-
- Stage 3	181,669	-
	<u>228,637</u>	<u>-</u>
Less: provision against Islamic financings		
- Specific	-	5,729
- General	-	1,609
	<u>-</u>	<u>7,338</u>
<b>Islamic financing and related assets - net of credit loss allowance</b>	<b><u>82,269,707</u></b>	<b><u>79,620,372</u></b>
<b>41.4 Deposits</b>		
<b>Customers</b>		
Current deposits	24,639,055	25,024,904
Savings deposits	27,653,784	23,534,617
Term deposits	5,524,308	4,703,796
Other deposits	2,067,352	2,664,074
	<u>59,884,499</u>	<u>55,927,391</u>
<b>Financial Institutions</b>		
Current deposits	442,937	459,525
Savings deposits	32,506,844	38,946,689
Term deposits	-	-
Other deposits	-	-
	<u>32,949,781</u>	<u>39,406,214</u>
	<u>92,834,280</u>	<u>95,333,605</u>

# Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) for the nine months ended September 30, 2024

	(Audited)	
	September 30, 2024	December 31, 2023
	Rupees in '000	
<b>41.5 Contingencies and Commitments</b>		
-Guarantees	2,328,606	2,278,575
-Commitments	5,569,276	2,989,376
-Other contingencies	3,446	716,164
	<u>7,901,328</u>	<u>5,984,115</u>
	Rupees in '000	
<b>41.6 Profit / Return Earned on Financing, Investments and Placement</b>	September 30, 2024	September 30, 2023
Profit earned on:		
Financing	12,111,415	9,781,176
Investments	6,590,510	3,988,079
Placements	110,524	108,361
	<u>18,812,449</u>	<u>13,877,616</u>
<b>41.7 Profit on Deposits and other Dues Expensed</b>	Rupees in '000	
Deposits and other accounts	8,153,755	5,956,126
Due to Financial Institutions	1,958,136	1,735,465
Other Expenses (IFRS-16)	139,066	104,381
	<u>10,250,957</u>	<u>7,795,972</u>
	Rupees in '000	
<b>41.8 Islamic banking business unappropriated profit</b>	September 30, 2024	December 31, 2023
Opening Balance	10,582,171	3,199,155
ECL Adjustment as per IFRS-9	(236,574)	
Add: Islamic Banking profit for the period	6,942,297	7,383,016
Less: Taxation	-	-
Less: Reserves	-	-
Less: Transferred / Remitted to Head Office	-	-
Closing Balance	<u>17,287,894</u>	<u>10,582,171</u>

## 42 NON ADJUSTING EVENT AFTER THE REPORTING DATE

42.1 The Board of Directors of the Bank in its meeting held on October 30, 2024 has proposed an interim cash dividend for the quarter ended September 30, 2024 of Rs. 4.00 per share (September 30, 2023: cash dividend of Rs. 3.00 per share). The unconsolidated condensed interim financial statements of the Bank for the nine months ended September 30, 2024 do not include the effect of these appropriations which will be accounted for subsequent to the period end.

## 43 GENERAL

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

## 44 DATE OF AUTHORIZATION FOR ISSUE

These unconsolidated condensed interim financial statements were authorized for issue on October 30, 2024 by the Board of Directors of the Bank.

Muhammad Atif Mirza  
Chief Financial Officer

Aizid Razzaq Gill  
President and Chief Executive

Mian Ikram Ul Haq  
Director

Nazrat Bashir  
Director

Mohammad Naeem Mukhtar  
Chairman



# **CONSOLIDATED FINANCIAL STATEMENTS**

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for the nine months ended September 30, 2024

# Consolidated Statement of Financial Position

(Un-audited) as at September 30, 2024

	Note	September 30, 2024	December 31, 2023	(Audited)			
		Rupees in '000					
<b>ASSETS</b>							
Cash and balances with treasury banks	7	173,084,719	156,124,352				
Balances with other banks	8	1,699,980	2,455,601				
Lendings to financial institutions - net	9	11,461,542	9,418,003				
Investments - net	10	1,337,298,354	1,154,597,203				
Advances - net	11	846,362,634	780,296,455				
Property and equipment	12	124,794,215	114,065,779				
Right-of-use assets	13	7,860,594	8,329,462				
Intangible assets	14	3,870,184	3,416,652				
Deferred tax assets		-	3,781,881				
Other assets - net	15	122,016,424	100,564,585				
		2,628,448,646	2,333,049,973				
<b>LIABILITIES</b>							
Bills payable	17	8,527,430	9,322,405				
Borrowings	18	342,018,723	373,674,042				
Deposits and other accounts	19	1,926,121,354	1,676,589,677				
Lease liabilities	20	10,360,620	10,686,438				
Sub-ordinated debt		-	-				
Deferred tax liabilities - net	21	8,514,007	-				
Other liabilities	22	98,939,806	65,451,373				
		2,394,481,940	2,135,723,935				
<b>NET ASSETS</b>		<b>233,966,706</b>	<b>197,326,038</b>				
<b>REPRESENTED BY</b>							
Share capital	23	11,450,739	11,450,739				
Reserves		41,226,026	37,961,636				
Surplus on revaluation of assets - net of tax	24	55,389,258	40,086,369				
Unappropriated profit		125,900,683	107,827,294				
		233,966,706	197,326,038				
<b>CONTINGENCIES AND COMMITMENTS</b>		<b>25</b>					

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

Muhammad Atif Mirza  
Chief Financial Officer

Aizid Razzaq Gill  
President and Chief Executive

Mian Ikram Ul Haq  
Director

Nazrat Bashir  
Director

Mohammad Naeem Mukhtar  
Chairman

# Consolidated Profit and Loss Account

(Un-audited) for the nine months ended September 30, 2024

Note	September 30, 2024	Nine Months Ended		Quarter Ended	
		September 30, 2023	September 30, 2024	September 30, 2024	September 30, 2023
		Rupees in '000			
Mark-up / return / interest earned	27	291,323,188	264,045,939	98,908,407	95,143,550
Mark-up / return / interest expensed	28	201,073,979	183,384,668	67,182,111	65,130,248
Net mark-up / interest income		90,249,209	80,661,271	31,726,296	30,013,302
<b>NON MARK-UP / INTEREST INCOME</b>					
Fee and commission income	29	11,510,031	8,518,587	4,157,806	2,979,184
Dividend income		2,277,653	2,573,872	635,218	940,240
Foreign exchange income		5,452,961	5,780,773	1,377,264	1,420,976
Income from derivatives		-	-	-	-
Gain on securities - net	30	1,352,662	9,727	514,403	(201,379)
Net gain / (loss) on derecognition of financial assets measured at amortised cost		-	-	-	-
Other income	31	861,732	63,824	550,383	35,089
Total non mark-up / interest income		21,455,039	16,946,783	7,235,074	5,174,110
Total income		111,704,248	97,608,054	38,961,370	35,187,412
<b>NON MARK-UP / INTEREST EXPENSES</b>					
Operating expenses	32	42,284,350	35,806,553	14,532,963	12,129,606
Workers welfare fund		1,426,251	1,208,627	482,001	468,157
Other charges	33	221,386	267,453	(10,383)	108,781
Total non mark-up / interest expenses		43,931,987	37,282,633	15,004,581	12,706,544
Share of profit of associates		525,037	663,753	172,083	251,189
Profit before credit loss allowance		68,297,298	60,989,174	24,128,872	22,732,057
Credit loss allowance / Provisions and write offs - net	34	(2,965,620)	2,532,240	82,609	(211,384)
Extra-ordinary / unusual items		-	-	-	-
<b>PROFIT BEFORE TAXATION</b>		<b>71,262,918</b>	<b>58,456,934</b>	<b>24,046,263</b>	<b>22,620,887</b>
Taxation	35	34,769,682	29,425,489	11,630,952	11,548,417
<b>PROFIT AFTER TAXATION</b>		<b>36,493,236</b>	<b>29,031,445</b>	<b>12,415,311</b>	<b>11,395,024</b>
<b>In Rupees</b>					
Basic and Diluted earnings per share	36	31.87	25.35	10.84	9.95

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

Muhammad Atif Mirza  
Chief Financial Officer

Aizid Razzaq Gill  
President and Chief Executive

Mian Ikram Ul Haq  
Director

Nazrat Bashir  
Director

Mohammad Naeem Mukhtar  
Chairman

## Consolidated Statement of Comprehensive Income (Un-audited) for the nine months ended September 30, 2024

	Nine Months Ended September 30, 2024	Quarter Ended September 30, 2023	Nine Months Ended September 30, 2024	Quarter Ended September 30, 2023
	Rupees in '000			
Profit after taxation for the period	36,493,236	29,031,445	12,415,311	11,395,024
<hr/>				
Other comprehensive income				
<hr/>				
<i>Items that may be reclassified to profit and loss account in subsequent periods:</i>				
<hr/>				
Effect of translation of net investment in foreign branches	(304,691)	2,790,695	(73,446)	(302,406)
Movement in (deficit) / surplus on revaluation of investments - net of tax	-	90,234	-	5,854,295
Movement in surplus / (deficit) on revaluation of debt investments through FVOCI - net of tax	5,743,784	-	3,390,239	-
	5,439,093	2,880,929	3,316,793	5,551,889
<hr/>				
<i>Items that will not be reclassified to profit and loss account in subsequent periods:</i>				
<hr/>				
Movement in surplus on revaluation of equity investments through FVOCI - net of tax	3,347,891	-	2,679,721	-
	3,347,891	-	2,679,721	-
Total comprehensive income	<b>45,280,220</b>	<b>31,912,374</b>	<b>18,411,825</b>	<b>16,946,913</b>

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

# Consolidated Statement of Changes in Equity

(Un-audited) for the nine months ended September 30, 2024

	Share capital	Capital reserve Exchange translation reserve	Statutory reserve	Revenue reserve General reserve	Surplus on revaluation of			Unappropriated profit	Total
					Investments	Property and equipment	Non-banking assets		
Rupees in '000									
Balance as at January 01, 2023 (Audited)	11,450,739	5,333,240	26,096,213	6,000	(18,133,865)	22,570,552	882,450	82,058,979	130,264,308
Profit after taxation for the nine months ended September 30, 2023	-	-	-	-	-	-	-	29,031,445	29,031,445
<b>Other Comprehensive Income - net of tax:</b>									
Surplus on revaluation of investments - net of tax	-	-	-	-	-	90,234	-	-	90,234
Effect of change in tax rate on revaluation surplus of fixed assets - net of tax	-	-	-	-	-	(248,344)	-	-	(248,344)
Effect of change in tax rate on revaluation surplus of non banking assets - net of tax	-	-	-	-	-	-	(2,700)	-	(2,700)
Effect of change in tax rate on remeasurement of defined benefit obligations - net of tax	-	-	-	-	-	-	-	42,981	42,981
Effect of translation of net investment in foreign branches	-	2,790,695	-	-	-	-	-	-	2,790,695
	-	2,790,695	-	-	90,234	(248,344)	(2,700)	42,981	2,672,866
Transfer to statutory reserve	-	-	2,866,158	-	-	-	-	-	(2,866,158)
Transfer of revaluation surplus on change in use - net of tax	-	-	-	-	-	100,467	(100,467)	-	-
Transferred from surplus in respect of incremental depreciation of fixed assets to un-appropriated profit-net of tax	-	-	-	-	-	(52,110)	-	-	52,110
Transferred from surplus in respect of incremental depreciation of non-banking assets to un-appropriated profit-net of tax	-	-	-	-	-	-	(965)	965	-
<b>Transactions with owners recognized directly in equity</b>									
Final cash dividend for the year ended December 31, 2023 (Rs. 2.5 per ordinary share)	-	-	-	-	-	-	-	(2,862,685)	(2,862,685)
First interim cash dividend for the year ended December 31, 2023 (Rs. 2.5 per ordinary share)	-	-	-	-	-	-	-	(2,862,685)	(2,862,685)
Second interim cash dividend for the year ended December 31, 2023 (Rs. 2.5 per ordinary share)	-	-	-	-	-	-	-	(2,862,685)	(2,862,685)
	-	-	-	-	-	-	-	(8,588,055)	(8,588,055)
Balance as at September 30, 2023 (Un-audited)	11,450,739	8,123,935	28,962,371	6,000	(18,043,631)	22,270,098	878,785	99,732,267	153,380,564
Profit after taxation for the three months ended December 31, 2023	-	-	-	-	-	-	-	12,269,919	12,269,919
<b>Other Comprehensive Income - net of tax:</b>									
Surplus on revaluation of investments - net of tax	-	-	-	-	-	11,165,883	-	-	11,165,883
Surplus on revaluation of fixed assets - net of tax	-	-	-	-	-	-	23,733,750	-	23,733,750
Surplus on revaluation of non-banking assets - net of tax	-	-	-	-	-	-	98,788	-	98,788
Re-measurement gain on defined benefit obligation - net of tax	-	-	-	-	-	-	-	445,166	445,166
Effect of translation of net investment in foreign branches	-	(332,811)	-	-	-	-	-	-	(332,811)
	-	(332,811)	-	-	11,165,883	23,733,750	98,788	445,166	35,110,776
Transfer to statutory reserve	-	-	1,202,141	-	-	-	-	-	(1,202,141)
Transferred from surplus in respect of incremental depreciation of fixed assets to un-appropriated profit-net of tax	-	-	-	-	-	(16,982)	-	-	16,982
Transferred from surplus in respect of incremental depreciation of non-banking assets to un-appropriated profit-net of tax	-	-	-	-	-	-	(322)	322	-
<b>Transactions with owners, recognized directly in equity</b>									
Third interim cash dividend for the year ended December 31, 2023 (Rs. 3 per ordinary share)	-	-	-	-	-	-	-	(3,435,221)	(3,435,221)
	-	-	-	-	-	-	-	(3,435,221)	(3,435,221)
Balance as at December 31, 2023 (Audited)	11,450,739	7,791,124	30,164,512	6,000	(6,877,748)	45,986,866	977,251	107,827,294	197,326,038
Effect of adoption of IFRS 9 - Note 3.2.5	-	-	-	-	7,821,153	-	-	(2,722,800)	5,101,333
Balance as at January 01, 2024 - as restated	11,450,739	7,791,124	30,164,512	6,000	946,385	45,986,866	977,251	105,104,494	202,427,371
Profit after taxation for the nine months ended September 30, 2024	-	-	-	-	-	-	-	36,493,236	36,493,236
<b>Other Comprehensive Income - net of tax:</b>									
Surplus on revaluation of debt investments - net of tax	-	-	-	-	-	5,743,784	-	-	5,743,784
Surplus on revaluation of equity investments - net of tax	-	-	-	-	-	3,347,891	-	-	3,347,891
Effect of translation of net investment in foreign branches	-	(304,691)	-	-	-	-	-	-	(304,691)
	-	(304,691)	-	-	9,091,675	-	-	-	8,786,984
Transfer to statutory reserve	-	-	3,569,081	-	-	-	-	(3,569,081)	-
Transfer of revaluation surplus on change in use - net of tax	-	-	-	-	-	17,034	(17,034)	-	-
Transferred from surplus in respect of incremental depreciation of fixed assets to un-appropriated profit-net of tax	-	-	-	-	-	(135,485)	-	-	135,485
Surplus realised on disposal of revalued fixed assets - net of tax	-	-	-	-	-	(51,421)	-	-	51,421
Transferred from surplus in respect of incremental depreciation of non-banking assets to un-appropriated profit-net of tax	-	-	-	-	-	-	(2,620)	2,620	-
Transfer of surplus on account of disposal of equity investments - net of tax	-	-	-	-	-	(1,423,393)	-	-	1,423,393
<b>Transactions with owners, recognized directly in equity</b>									
Final cash dividend for the year ended December 31, 2023 (Rs. 4 per ordinary share)	-	-	-	-	-	-	-	(4,580,295)	(4,580,295)
First interim cash dividend for the year ended December 31, 2024 (Rs. 4 per ordinary share)	-	-	-	-	-	-	-	(4,580,295)	(4,580,295)
Second interim cash dividend for the year ended December 31, 2024 (Rs. 4 per ordinary share)	-	-	-	-	-	-	-	(4,580,295)	(4,580,295)
	-	-	-	-	-	-	-	(13,740,885)	(13,740,885)
Balance as at September 30, 2024	11,450,739	7,486,433	33,733,593	6,000	8,614,667	45,816,994	957,597	125,900,683	233,966,706

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

Muhammad Atif Mirza

Chief Financial Officer

Nazrat Bashir

Director

Aizid Razzaq Gill

President and Chief Executive

Mohammad Naeem Mukhtar

Chairman

Mian Ikram Ul Haq

Director

# Consolidated Cash Flow Statement

(Un-audited) for the nine months ended September 30, 2024

	Note	September 30, 2024	September 30, 2023
		Rupees in '000	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit before taxation		71,262,918	58,456,934
Less: Dividend income and Share of Profit of associates		(2,802,690)	(3,237,625)
		68,460,228	55,219,309
<b>Adjustments:</b>			
Net mark-up / interest income		(90,249,209)	(80,661,271)
Depreciation - Operating Fixed Assets		4,814,937	3,435,607
Depreciation - Non Banking Assets		19,549	7,504
Depreciation on right of use assets		1,389,671	1,320,040
Finance charges on leased assets		1,006,027	870,244
Amortization		471,503	435,191
Credit loss allowance and write offs	34	(2,957,928)	2,537,829
Unrealized loss on revaluation of securities measured at FVTPL		(6,291)	358
Provision for workers welfare fund		1,426,251	1,208,627
Charge for defined benefit plans		111,018	355,257
Loss / (gain) on sale / disposal of property and equipment		(800,461)	2,112
		(84,774,933)	(70,488,502)
		(16,314,705)	(15,269,193)
<b>(Increase) / Decrease in operating assets</b>			
Lendings to financial institutions		(2,043,539)	(70,898,666)
Securities classified as FVTPL		19,293,952	51,146
Advances		(64,566,826)	87,953,520
Other assets (excluding advance taxation)		11,245,773	(23,775,977)
		(36,070,640)	(6,669,977)
<b>Increase / (Decrease) in operating liabilities</b>			
Bills payable		(794,975)	(4,400,510)
Borrowings from financial institutions		(31,663,697)	(221,047,457)
Deposits		249,531,677	182,052,953
Other liabilities (excluding current taxation)		4,118,029	8,739,125
		221,191,034	(34,655,889)
		168,805,689	(56,595,059)
Income tax paid		(41,604,809)	(26,010,374)
Mark-up / interest received		264,188,396	231,576,549
Mark-up / interest paid		(175,101,778)	(161,077,699)
Defined benefits paid		(584,633)	(498,359)
<b>Net cash flow generated from / (used in) operating activities</b>		<b>215,702,865</b>	<b>(12,604,942)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Net investments in securities classified as FVOCI		(110,970,616)	71,856,343
Net investments in amortised cost securities		(58,909,607)	(285,929)
Dividend received		2,159,285	2,296,573
Investments in property and equipment and intangible assets		(18,185,538)	(11,059,451)
Disposals of property and equipment		2,521,925	26,267
Effect of translation of net investment in foreign branches		(304,691)	2,790,694
<b>Net cash flow (used in) / generated from investing activities</b>		<b>(183,689,242)</b>	<b>65,624,497</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Payment of lease liability against right of use assets		(2,120,467)	(1,876,240)
Dividend paid		(13,689,984)	(8,559,745)
<b>Net cash flow used in financing activities</b>		<b>(15,810,451)</b>	<b>(10,435,985)</b>
<b>Increase in cash and cash equivalents during the period</b>		<b>16,203,172</b>	<b>42,583,570</b>
Cash and cash equivalents at beginning of the period		158,077,097	91,592,279
Effect of exchange rate changes on opening cash and cash equivalents		310,501	(683,219)
		158,387,598	90,909,060
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>		<b>174,590,770</b>	<b>133,492,630</b>

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

Muhammad Atif Mirza

Chief Financial Officer

Nazrat Bashir

Director

Aizid Razzaq Gill

President and Chief Executive

Mohammad Naeem Mukhtar

Chairman

Mian Ikram Ul Haq

Director

# Notes to the Consolidated Condensed Interim Financial Statements

(Un-audited) for the nine months ended September 30, 2024

## 1 STATUS AND NATURE OF BUSINESS

The "Group" consist of:

### Holding Company

Allied Bank Limited ("the Bank"), incorporated in Pakistan, is a scheduled Bank, engaged in commercial banking and related services. The Bank is listed on Pakistan Stock Exchange Limited. The Bank operates a total of 1,504 (December 31, 2023: 1,481) branches in Pakistan including 140 (December 31, 2023: 127) Islamic banking branches, 1 branch (December 31, 2023: 1) in Karachi Export Processing Zone and 1 Wholesale banking branch (December 31, 2023: 1) in Bahrain.

The long term credit rating of the Bank assigned by the Pakistan Credit Rating Agency Limited (PACRA) is 'AAA'. Short term rating of the Bank is 'A1+'.

Ibrahim Holdings (Private) Limited is the parent company of the Bank and it's registered office is in Pakistan.

The Bank is the holding company of ABL Asset Management Company Limited and ABL Exchange Company (Pvt.) Limited.

The registered office of the Bank is situated at 3 - Tipu Block, Main Boulevard, New Garden Town, Lahore.

### Subsidiaries

#### ABL Asset Management Company Limited

ABL Asset Management Company Limited ("the Company") is a public unlisted company, incorporated in Pakistan as a limited liability company on 12 October 2007 under the repealed Companies Ordinance, 1984 (now the Companies Act,2017). The Company has obtained licenses from the Securities and Exchange Commission of Pakistan (SECP) to carry on Asset Management Services and Investment Advisory Services as a Non-Banking Finance Company (NBFC) under Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 as amended through S.R.O.1131(I) 2007 ("the NBFC Rules") S.R.O 1233(I) / 2019. The Company received certificate of commencement of business on 31 December 2007. The Company has also obtained license to carry out business as Pension Fund Manager, under the Voluntary Pension System Rules, 2005. The registered office of the Company is situated at Plot no. 14, Main Boulevard, DHA Phase VI, Lahore. The Company is a wholly owned subsidiary of Allied Bank Limited ("the holding Company").

The Company has been assigned an Asset Manager rating of 'AMI' by Pakistan Credit Rating Agency Limited dated October 26, 2023.

ABL Asset Management Company is managing the following funds:

- ABL Income Fund	Launched on September 20, 2008
- ABL Stock Fund	Launched on June 28, 2009
- ABL Cash Fund	Launched on July 30, 2010
- ABL Islamic Income Fund	Launched on July 30, 2010
- ABL Government Securities Fund	Launched on November 30, 2011
- ABL Islamic Stock Fund	Launched on June 12, 2013
- ABL Pension Fund	Launched on August 20, 2014
- ABL Islamic Pension Fund	Launched on August 20, 2014
- ABL Islamic Financial Planning Fund	Launched on December 22, 2015
- ABL Financial Planning Fund	Launched on December 31, 2015
- ABL Islamic Dedicated stock fund	Launched on December 19, 2016
- ABL Islamic Asset Allocation Fund	Launched on May 31, 2018
- Allied Finery Fund	Launched on November 30, 2018
- ABL Special Saving Fund	Launched on September 19, 2019
- ABL Islamic Cash Fund	Launched on February 10, 2020
- ABL Financial Sector Fund	Launched on August 01, 2023
- ABL Fixed Rate Fund	Launched on October 20, 2023
- ABL Money Market Fund	Launched on November 16, 2023
- ABL Islamic Money Market Fund	Launched on December 23, 2023
- ABL GOKP Pension Fund	Launched on April 23, 2024
- ABL GOKP Islamic Pension Fund	Launched on April 23, 2024
- ABL Islamic Sovereign Fund	Launched on July 22, 2024

# Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) for the nine months ended September 30, 2024

## ABL Exchange Private Limited

ABL Exchange (Private) Limited (the Company) was incorporated on December 15, 2023 as a private limited company under the Companies Act, 2017. The Company obtained license for commencement of operations from the State Bank of Pakistan (SBP) on March 20, 2024. The Company was formed under section 3AA of the Foreign Exchange Regulation Act, 1947. The registered office of the Company (head office) is situated at 21-Z, DHA Phase 3, Lahore and the Company has a head office and 10 payment booths across the country.

## 2 BASIS OF PRESENTATION

These consolidated condensed interim financial statements have been prepared in conformity with the format of interim financial statements prescribed by the State Bank of Pakistan (SBP) vide BPRD Circular No. 2 dated February 09, 2023. These consolidated condensed interim financial statements consists of holding company and its subsidiary companies for the nine months ended September 30, 2024.

The financial results of the Islamic banking branches have been consolidated in these consolidated condensed interim financial statements for reporting purposes, after eliminating inter-branch transactions and balances. Key financial figures of the Islamic banking branches are disclosed in Note 41 to the unconsolidated condensed interim financial statements.

These consolidated condensed interim financial statements have been presented in Pakistan Rupees (PKR) which is the currency of the primary economic environment in which the group operates and functional currency of the group in that environment as well. The amounts are rounded to nearest thousand of rupees unless otherwise stated.

## 2.1 STATEMENT OF COMPLIANCE

These consolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards 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 as are notified under the Companies Act, 2017;
- Provisions of and directives issued under the Banking Companies Ordinance, 1962 and the Companies Act, 2017; and
- Directives issued by the State Bank of Pakistan (SBP) and the Securities and Exchange Commission of Pakistan (SECP).

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

**2.1.2** The SBP vide BSD Circular Letter No. 10, dated August 26, 2002 has deferred the applicability of International Accounting Standard 40, Investment Property for banking companies till further instructions. Moreover, SBP vide BPRD Circular No. 4, dated February 25, 2015 has deferred the applicability of Islamic Financial Accounting Standards (IFAS) 3, Profit and Loss Sharing on Deposits. Further, according to the notification of the SECP issued vide SRO 411(I)/2008 dated April 28, 2008, International Financial Reporting Standard (IFRS) 7, Financial Instruments: Disclosures has not been made applicable for banks. Accordingly, the requirements of these standards have not been considered in the preparation of these consolidated condensed interim financial statements.

**2.1.3** The SECP vide its notification SRO 633 (I)/2014 dated July 10, 2014, adopted IFRS 10 effective from the periods starting from September 30, 2014. However, vide its notification SRO 56 (I)/2016 dated January 28, 2016, it has been notified that the requirements of IFRS 10 and section 228 of the Companies Act, 2017 will not be applicable with respect to the investment in mutual funds established under trust structure.

# Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) for the nine months ended September 30, 2024

**2.1.4** The disclosures made in these consolidated condensed interim financial statements have been limited based on a format prescribed by the SBP vide BPRD Circular Letter No. 2 dated February 09, 2023 and IAS 34, Interim Financial Reporting. They do not include all the information and disclosures required in preparation of audited annual financial statements, and should be read in conjunction with the audited consolidated financial statements of the Group for the year ended December 31, 2023.

**2.1.5 Standards, interpretations and amendments to accounting standards that are effective in the current period**

During the year, the Group has adopted IFRS 9 as applicable in Pakistan with effect from January 01, 2024 (refer note 3.2 for details). There are certain other amendments to existing accounting and reporting standards that have become applicable to the Group for accounting periods beginning on or after January 01, 2024. Except for IFRS 9, these are either considered not to be relevant or do not have any significant impact and accordingly have not been detailed in these consolidated condensed interim financial statements.

**2.1.6 Standards, interpretations of and amendments to 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.

## 3. MATERIAL ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these consolidated condensed interim financial statements are consistent with those applied in the preparation of the consolidated financial statements of the Group for the year ended December 31, 2023, except as disclosed in Notes 3.1 and 3.2.

**3.1 Changes in reporting format**

The SBP vide BPRD Circular No. 2 dated February 09, 2023 specified the new format for interim financial statements of banking companies. The new format has revised the disclosure requirements of the Group for the Nine Months Ended September 30, 2024 which has resulted in additional disclosures relating to IFRS 9 and reclassification of Lease liabilities and Right of use assets on the face of Statement of Financial Position out of Property and equipment and Other Liabilities, respectively in these financial statements.

**3.2 IFRS 9 - Financial Instruments**

The Group has adopted IFRS 9 (read with IFRS 9 application instructions issued by SBP) using modified retrospective approach with date of initial application as January 01, 2024, which resulted in changes in accounting policies and adjustments to the amounts previously recognised in the financial statements. In terms of the transitional provisions of IFRS 9, adjustments to the carrying amounts of financial assets and liabilities at the date of transition were recognised in the opening unappropriated profit and surplus on revaluation of assets - net of tax at the beginning of the current period without restating the comparative figures. The impact on carrying amounts of the financial assets and liabilities is disclosed in Note 3.2.4.

**3.2.1 Scope of IFRS 9 application**

IFRS 9 has been applicable in several overseas jurisdictions at various effective dates starting from January 01, 2018. The requirements of this standard were already incorporated in the Group's financial statements for the jurisdictions where IFRS 9 has been adopted.

Upon implementation of IFRS 9, the Banking Industry sought certain technical clarifications from SBP and also identified practical difficulties in implementation of certain areas of IFRS 9. The SBP vide its Circular No.16 dated July 29, 2024 with respect to these matters has allowed temporary extension in timeline with directions to implement IFRS 9 requirements before the end of the financial year other than valuation of unquoted equity securities which is required to be implemented from next financial year. The Banking Industry continues to engage SBP on remaining matters, including fair valuation of concessional loans and treatment of foreign currency balances with SBP, in the coming months to have more clarity on such areas. Accordingly, the Group has continued to apply previous accounting practices in such areas for the purposes of preparation of these interim financial statements.

# Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) for the nine months ended September 30, 2024

## 3.2.2 Significant differences from accounting policies applicable till December 31, 2023 before adoption of IFRS 9

### 3.2.2.1 Classification of financial assets

IFRS 9 introduced a new classification model for financial assets that is more principle-based than the previous requirements. Financial assets are classified according to their contractual cash flow characteristics and the business models under which they are held. Instruments will be classified either at amortised cost, the newly established measurement category fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL). For equity investment that are not held for trading, an election is available to the Group to classify these either through FVTPL or FVOCI. The previous accounting policies were based on instrument by instrument classification into Held for trading, Held to maturity and Available for Sale categories as disclosed in Note 4.3 to the annual financial statements of the Group.

### 3.2.2.2 Impairment of debt investments and loans and advances

The new IFRS 9 impairment requirements eliminate the previous approach for the recognition of credit losses, i.e., it is no longer necessary for a credit event to have occurred before credit losses are recognised. Instead, an entity always accounts for ECLs, and updates the loss allowance for changes in these ECLs at each reporting date to reflect changes in credit risk since initial recognition. Consequently, the holder of the financial asset needs to take into account more timely and forward-looking information in order to provide users of financial statements with meaningful information about the ECLs on financial instruments that are in the scope of these impairment requirements. The previous impairment requirements were based solely on Prudential regulations of SBP as disclosed in Note 4.4 to the annual financial statements of the Group.

### 3.2.2.3 Impairment of equity investments

Previously, investments classified as available for sale were required to be tested for impairment and if there is an objective evidence, impairment was required to be booked. Under IFRS 9 regime, no impairment is required against such investments which are carried at FVOCI as the gain or loss on remeasurement will permanently remain in OCI/Surplus on revaluation of Investments. The previous accounting policies are disclosed in Note 4.3 & 4.11 to the annual financial statements of the Group.

## 3.2.3 Material accounting policies applicable from January 01, 2024 as a result of adoption of IFRS 9

### 3.2.3.1 Financial assets – initial recognition

Financial assets are initially recognized at fair value, plus in the case of a financial asset not at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. When the transaction price of the instrument differs from the fair value at origination and the fair value is based on a valuation technique using only inputs observable in market transactions, the Group recognises the difference between the transaction price and fair value in profit and loss account. In those cases where fair value is based on models for which some of the inputs are not observable, the difference between the transaction price and the fair value is deferred and is only recognised in profit and loss account when the inputs become observable, or when the instrument is derecognised.

### 3.2.3.2 Classification and subsequent measurement of financial assets

Financial assets are classified into following categories for measurement subsequent to initial recognition:

- Financial assets at amortised cost
- Financial assets at 'fair value through other comprehensive income' FVOCI
- Financial assets at 'fair value through profit or loss' FVTPL

### 3.2.3.3 Financial assets at amortised cost

The Group classifies its financial assets at amortised cost only if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows

# Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) for the nine months ended September 30, 2024

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding

## a) Business model assessment

The Group determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Group's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the Group's Board/ Board Committees
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed
- The expected frequency, value and timing of sales are also important aspects of the Group's assessment

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Group's original expectations, the Group does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

## b) The SPPI test

As a second step of its classification process the Group assesses the contractual terms of financial asset to identify whether they meet the SPPI test. The assessment of SPPI aims to identify whether the contractual cash flows are 'solely payments of principal and interest on the principal amount outstanding'.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset. The most significant elements of 'interest' within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Group applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than trivial exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

After initial measurement, these financial assets are subsequently measured at amortised cost.

### 3.2.3.4 Debt instruments at FVOCI

The Group applies this new category under IFRS 9 when both of the following conditions are met:

- The instrument is held within a business model, the objective of which is achieved by both collecting contractual cash flows and selling financial assets
- The contractual terms of the financial asset meet the SPPI test

FVOCI debt instruments are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI. Interest income at EIR and foreign exchange gains and losses are recognised in the profit and loss account.

The ECLs for debt instruments measured at FVOCI do not reduce the carrying amount of these financial assets in the statement of financial position, which remains at fair value. Instead, an amount equal to

# Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) for the nine months ended September 30, 2024

the allowance that would arise if the assets were measured at amortised cost is recognised in OCI as an accumulated impairment amount, with a corresponding charge to profit and loss account. The accumulated loss recognised in OCI is recycled to the profit and loss account upon derecognition of the assets.

On derecognition, cumulative gains or losses previously recognised in OCI are reclassified from OCI to profit and loss account.

## 3.2.3.5 Equity instruments at FVOCI

Upon initial recognition, the Group elects to classify its equity investments at FVOCI which are not held for trading. Such classification is determined on an instrument-by-instrument basis and is irrevocable.

Gains and losses on these equity instruments are never recycled to profit and loss account. Dividends are recognised in profit and loss account when the right of the payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI. Equity instruments at FVOCI are not subject to an impairment assessment.

## 3.2.3.6 Financial assets and financial liabilities at FVTPL

Financial assets and financial liabilities in this category are those that are:

- held for trading, that is, they have been purchased or issued primarily for short-term profit-making through trading activities or form part of a portfolio of financial instruments that are managed together, for which there is evidence of a recent pattern of short-term profit taking, or
- not held for trading and have been either designated by management upon initial recognition, or mandatorily required to be measured at fair value under IFRS 9

Financial assets are recorded in the statement of financial position at fair value. Changes in fair value are recorded in profit and loss account. Interest and dividend income or expense is recorded in net trading income according to the terms of the contract, or when the right to payment has been established.

## 3.2.3.7 Financial liabilities at amortised cost

Financial liabilities with a fixed maturity are measured at amortised cost using the EIR method. These include Bills payable, Borrowings, Deposits and certain items within Other Liabilities.

## 3.2.3.8 Derecognition of financial assets

### 3.2.3.8.1 Derecognition due to substantial modification of terms and conditions

The Group derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loan is classified as Stage 1 for ECL measurement purposes, unless it is deemed to be purchased originated credit impaired.

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Group records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

The gain/(loss) on derecognition of financial asset is calculated as the difference between the book value (including impairment) and the proceeds received.

### 3.2.3.8.2 Derecognition other than due to substantial modification of terms and conditions

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The

# Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) for the nine months ended September 30, 2024

Group also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

## 3.2.3.9 Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

## 3.2.3.10 Impairment of financial assets

### 3.2.3.10.1 Overview of the ECL principles

The adoption of IFRS 9 has fundamentally changed the Group's loan loss impairment method by replacing the incurred loss approach of the local regulations with a forward-looking ECL approach. The Group has been recording the allowance for expected credit losses for all loans and other debt financial assets held at amortised cost or FVOCI, together with loan commitments, letters of credit and financial guarantee contracts. Equity instruments are not subject to impairment under IFRS 9. Under the SBP's instructions, local currency credit exposures guaranteed by the Government and Government Securities are exempted from the application of ECL.

### 3.2.3.10.2 The calculation of ECLs

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss (LTECL)), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12mECL).

The 12mECL is the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Based on the above process, the Bank groups its financial assets into Stage 1, Stage 2 and Stage 3 as described below:

- Stage 1: When loans are first recognized, the Group recognizes an allowance based on 12mECLs. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2.
- Stage 2: When a loan has shown a significant increase in credit risk since origination (SICR), the Group records an allowance for the LTECLs. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3.
- Stage 3: Loans considered credit-impaired. The Group records an allowance for the LTECLs with PD set at 100%. Under SBP's instructions, until implementation of IFRS 9 has stabilized, Stage 3 allowance would be taken as as higher of IFRS 9 ECL or provision computed under Prudential Regulations.

The Group has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. The Group considers an exposure to have significantly increased in credit risk when there is considerable deterioration in the internal rating grade for subject borrower. The Group also applies a secondary qualitative method for triggering a significant increase in credit risk for an asset, such as moving a customer/facility to the watch list, or the account becoming forbear. Regardless of the change in credit grades, generally, the Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due. However, for certain portfolios, the Group has rebutted 30 DPD presumption based on behavioural analysis of its borrowers.

The key elements of ECL calculations are as follows:

- The Probability of Default (PD) is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio. PD is estimated based on transitioning among credit states. Credit states are defined by rating classes and are based on the Bank's internal risk ratings (i.e. from 1 to 12). Through the yearly review of the non-consumer portfolio, the Bank

# Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) for the nine months ended September 30, 2024

has drawn a yearly transition matrix of ratings to compute a count based PD over the one year horizon for the last 7 years. PDs for Non rated portfolios are calculated based on Days Past Due (DPD) bucket level for each segment separately. Where practical, they also build on information from External Rating Agencies. PDs are then adjusted for IFRS 9 ECL calculations to incorporate forward looking information.

- The Exposure at Default (EAD) is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.
- The Loss Given Default (LGD) is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. To mitigate its credit risks on financial assets, the Bank seeks to use collateral, where possible. The collateral comes in various forms, such as cash, securities, letters of credit/guarantees, real estate, receivables, inventories and other non-financial assets. For IFRS 9, the Bank only considers the liquid collaterals.

The interest rate used to discount the ECLs would be based on the effective interest rate that is expected to be charged over the expected period of exposure to the facilities.

When estimating the ECLs, the Bank considers three probability-weighted scenarios (a base case, a best case, and a worse case). Each of these is associated with different PDs, EADs and LGDs. These expected probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR. This calculation is made for each of the three scenarios. When relevant, the assessment of multiple scenarios also incorporates how defaulted loans are expected to be recovered, including the probability that the loans will cure and the value of collateral or the amount that might be received for selling the asset.

The maximum period for which the credit losses are determined is the contractual life of a financial instrument unless the Bank has the legal right to call it earlier.

Impairment losses and reversals are accounted for and disclosed separately from modification losses or gains that are accounted for as an adjustment of the financial asset's gross carrying value.

## 3.2.3.10.3 Forward looking information

The Bank formulates a base case view of the future direction of relevant economic variables and a representative range of other possible forecast scenarios and consideration of a variety of external actual and forecast information. This process involves developing three different economic scenarios, which represent macro economic inputs.

# Notes to the Consolidated Condensed Interim Financial Statements

(Un-audited) for the nine months ended September 30, 2024

## 3.2.4 Reconciliation of statement of financial position balances from existing local regulations to IFRS 9

'The following table reconciles the carrying amount of financial assets from their previous measurement category in accordance with existing local regulations to their new measurement categories upon transition to IFRS 9 on January 01, 2024.

The Bank formulates a base case view of the future direction of relevant economic variables and a representation of the expected cash flows from the assets.

	Classification under IFRS-09						
	Carrying amount as per accounting policy as at December 31, 2023	AT FVPL	At FVOCI-with recycling	At FVOCI-without recycling	At Amortised Cost	Remeasurement under IFRS 9	IFRS 9 carrying amount as at January 01, 2024
Rupees in '000							
Cash and cash equivalents	158,591,909	-	-	-	158,591,909	(704)	158,591,205
Lendings to financial institutions	9,418,003	-	-	-	9,418,003	(3)	9,418,000
Advances	781,597,230	-	-	-	781,597,230	(2,830,487)	778,766,743
<b>Investments in financial assets</b>							
Held for trading	20,049,848	20,049,848	-	-	-	-	20,049,848
Held to maturity	59,797,669	-	-	-	59,797,669	120,334,806	180,132,475
Available for sale	1,069,970,572	34,454	946,914,037	18,798,989	104,223,092	(107,301,672)	962,668,900
Other financial assets	88,096,252	-	-	-	88,096,252	(48,085)	88,048,167
Other liabilities	75,442,669	-	-	-	75,442,669	(151,241)	75,291,428
	2,262,964,152	20,084,302	946,914,037	18,798,989	1,277,166,824	10,002,614	2,272,966,766

## 3.2.5 Impact on equity on adoption of IFRS 9

The total estimated adjustment (net of tax) of the adoption of IFRS 9 on the opening balance of the Bank's equity as at January 01, 2024 is increase in surplus on revaluation of assets of approximately Rs. 7,824.1 million and reduction in unappropriated profits of approximately Rs. 2,722.8 million. Following is the detail of the impact on respective item within equity:

### Opening unappropriated profits

- A decrease of Rs. 3,115.641 million net of tax related to impairment requirements;
- An increase of Rs. 392.841 million net of tax related to classification and measurement changes.

### Opening surplus on revaluation of assets

- An increase of Rs. 7,824.1 million net of tax related to classification and measurement changes.

## 3.2.6 The following explains how applying the new classification requirements of IFRS 9 led to changes in classification of certain financial assets held by the Bank as shown in the table above:

### (a) Open ended mutual funds previously classified as available for sale (AFS) has been reclassified to FVTPL

The Bank holds a portfolio of mutual funds investments which was earlier classified as available for sale (AFS) investments. However, these investments do not meet the definition of equity investment from holders perspective, therefore IFRS 9 classification requirements of debt instruments have been applied to these financial assets. The business model of this portfolio is hold to collect and sell, however contractual cash flows failed to meet the 'solely payments of principal and interest' (SPPI) test requirement for classification as FVOCI under IFRS 9. Therefore, these financial assets having a carrying value of Rs. 34.454 million have been reclassified mandatorily as FVTPL.

# Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) for the nine months ended September 30, 2024

## (b) Debt investments previously classified as available for sale (AFS) reclassified to amortised cost

'At the date of initial application of IFRS 9, an entity shall assess the business model and the contractual terms of the financial asset on the basis of facts and circumstances that exist at the transition date. The Bank has identified certain portfolio of federal government securities under AFS category which have been held to collect the contractual cash flows and the contractual terms of the financial asset give rise to cash flows on specified dates that are solely payments of principal and interest (SPPI) on the principal amount outstanding. As a result, financial assets having fair value amounting to Rs. 104,223.092 million have been reclassified to Amortised cost at Rs. 120,334.806 million, instead of FVOCl.

## (c) Investment in debt securities previously designated at held for trading

The Bank holds investment of Rs. 20,049.848 million in a portfolio of debt securities which had previously been designated at held for trading as the debt securities were managed on a fair value basis. As part of the transition to IFRS 9, these securities are part of an 'other' business model and so required to be classified as FVTPL category under IFRS 9.

## (d) Designation of equity instruments at FVOCl

The Bank has elected to irrevocably designate equity investments of Rs. 18,798.989 million in listed and unquoted securities as permitted under IFRS 9. These securities were previously classified as available for sale. Upon disposal, the surplus or deficit of such securities previously recognized in Other Comprehensive Income is reclassified from equity to Unappropriated Profit and is never recycled to Profit and Loss account.

## (e) Reclassification from retired categories with no change in measurement

In addition to the above, the following debt instruments have been reclassified to new categories under IFRS 9, as their previous categories under existing local regulations were 'retired', with no changes to their measurement basis:

- (i) Those previously classified as available for sale and now classified as measured at FVOCl; and
- (ii) Those previously classified as held to maturity and now classified as measured at amortised cost.

## 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

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

The significant judgments made by management in applying its accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements of the Bank for the year ended December 31, 2023, except for the adoption of IFRS 9 w.e.f January 01, 2024. These are disclosed in Note 4.1.

# Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) for the nine months ended September 30, 2024

## 4.1 Impairment losses on financial assets

Determination of expected credit losses is a significant estimate and involves the following judgments:

- Development of ECL models, including the various formulas and the choice of inputs
- The segmentation of financial assets when their ECL is assessed on a collective basis
- The Bank's internal credit grading model based on which PDs are assigned to the individual grades
- Qualitative and quantitative indicators used as SICR triggers
- The definition of default against which parameters of ECL model such as PD, LGD and EAD are evaluated
- Selection of forward-looking macroeconomic scenarios and their probability weightings
- Determination of economic inputs, such as GDP growth, Current Account Balance and CPI

## 5. BASIS OF MEASUREMENT

These consolidated condensed interim financial statements have been prepared under the historical cost convention except for the following which are stated at revalued amounts / fair values / present values:

- Certain investments;
- Certain operating fixed assets;
- Staff retirement and other benefits;
- Non-banking assets acquired in satisfaction of claims;
- Derivative financial instruments; and
- Lease liability and related right of use assets.

## 6. FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies adopted by the Bank are consistent with those disclosed in the audited annual consolidated financial statements for the year ended December 31, 2023.

# Notes to the Consolidated Condensed Interim Financial Statements

(Un-audited) for the nine months ended September 30, 2024

	(Audited)	September 30,	December 31,
		2024	2023
		Rupees in '000	
<b>7 CASH AND BALANCES WITH TREASURY BANKS</b>			
<b>In hand</b>			
Local currency	39,411,599	34,852,304	
Foreign currencies	2,265,882	3,877,058	
	<b>41,677,481</b>	<b>38,729,362</b>	
<b>With State Bank of Pakistan (SBP) in</b>			
Local currency current accounts	85,691,546	73,799,188	
Foreign currency current account	51,928	149,569	
Foreign currency deposit accounts (non-remunerative)	6,151,968	5,580,842	
Foreign currency deposit accounts (remunerative)	12,338,865	11,695,327	
	<b>104,234,307</b>	<b>91,224,926</b>	
<b>With National Bank of Pakistan in</b>			
Local currency current accounts	26,524,140	25,519,660	
<b>Prize Bonds</b>	648,791	650,404	
Credit loss allowance held against cash and balances with treasury banks	-	-	
<b>Cash and balances with treasury banks - net of credit loss allowance</b>	<b>173,084,719</b>	<b>156,124,352</b>	
<b>8 BALANCES WITH OTHER BANKS</b>			
<b>In Pakistan</b>			
In current accounts	7,500	7,500	
<b>Outside Pakistan</b>			
In current accounts	1,038,087	1,931,547	
In deposit accounts	661,197	516,554	
	<b>1,699,284</b>	<b>2,448,101</b>	
Credit loss allowance held against balances with other banks	(6,804)	-	
<b>Balances with other banks - net of credit loss allowance</b>	<b>1,699,980</b>	<b>2,455,601</b>	
	(Audited)		
Note	September 30,	December 31,	
	2024	2023	
	Rupees in '000		
<b>9 LENDINGS TO FINANCIAL INSTITUTIONS</b>			
Call money lendings - local currency	300,000	1,000,000	
Call money lendings - foreign currency	1,194,166	-	
Repurchase agreement lendings (Reverse Repo)	-	8,418,003	
Musharaka lendings	10,000,000	-	
Certificates of investment	70,000	70,000	
	<b>11,564,166</b>	<b>9,488,003</b>	
Less: Credit loss allowance held against lendings to financial institutions	9.1	(102,624)	(70,000)
<b>Lendings to financial institutions - net of credit loss allowance</b>	<b>11,461,542</b>	<b>9,418,003</b>	

# Notes to the Consolidated Condensed Interim Financial Statements

(Un-audited) for the nine months ended September 30, 2024

(Audited)

September 30, 2024

December 31, 2023

	Lending	Credit loss allowance held	Lending	Provision held
Rupees in '000				
<b>9.1 Category of classification</b>				
Domestic				
Performing - Stage 1	10,300,000	4,016	-	-
Under performing - Stage 2	1,194,166	28,608	-	-
Non-performing - Stage 3	70,000	70,000	-	-
Substandard	-	-	-	-
Doubtful	-	-	-	-
Loss	70,000	70,000	70,000	70,000
<b>Total</b>	<b>11,564,166</b>	<b>102,624</b>	<b>70,000</b>	<b>70,000</b>

	September 30, 2024				December 31, 2023			
	Cost / Amortised cost	Credit loss allowance	Surplus / (Deficit)	Carrying Value	Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value
Rupees in '000								
<b>10 INVESTMENTS</b>								
<b>10.1 Investments by type:</b>								
FVTPL					<b>Hold-for-trading securities</b>			
Federal Government Securities	820,494	-	6,291	826,785	20,114,446	-	(64,599)	20,049,847
	820,494	-	6,291	826,785	20,114,446	-	(64,599)	20,049,847
FVOCI					<b>Available for sale</b>			
Federal Government Securities	1,168,110,962	(3,411,985)	7,587,062	1,172,286,039	1,047,943,333	(2,452,459)	(19,702,262)	1,025,788,612
Shares	10,447,820	-	9,241,444	19,689,264	13,329,302	(760,822)	6,228,739	18,797,219
Non Government Debt Securities	21,371,049	(471,712)	51,312	20,950,649	25,391,300	(21,071)	(21,711)	25,348,518
Foreign Securities	1,770	-	-	1,770	1,770	-	-	1,770
	1,199,931,601	(3,883,697)	16,879,818	1,212,927,722	1,086,665,705	(3,234,352)	(13,495,234)	1,069,936,119
Amortised cost					<b>Held to maturity</b>			
Federal Government Securities	116,467,948	-	-	116,467,948	59,797,669	-	-	59,797,669
Non Government Debt Securities	2,559,963	(285,059)	-	2,274,904	302,920	(302,920)	-	-
	119,027,911	(285,059)	-	118,742,852	60,100,589	(302,920)	-	59,797,669
Associates	4,800,995	-	-	4,800,995	4,813,568	-	-	4,813,568
<b>Total Investments</b>	<b>1,324,581,001</b>	<b>(4,168,756)</b>	<b>16,886,109</b>	<b>1,337,298,354</b>	<b>1,171,694,308</b>	<b>(3,537,272)</b>	<b>(13,559,833)</b>	<b>1,154,597,203</b>

**10.1.1** During the year, investment of Rs. 1 billion was made in ABL Exchange Pvt. Limited which was incorporated by Allied Bank Limited as a wholly owned subsidiary of the Bank.

# Notes to the Consolidated Condensed Interim Financial Statements

(Un-audited) for the nine months ended September 30, 2024

(Audited)

September 30, 2024	December 31, 2023
Rupees in '000	

## 10.1.2 Investments given as collateral - at market value

	September 30, 2024	December 31, 2023
Pakistan Investment Bonds	9,939,140	-
Market Treasury Bills	260,194,855	268,646,617
Total Investments given as collateral	<u>270,133,995</u>	<u>268,646,617</u>

## 10.2 Credit loss allowance for diminution in value of investments

	September 30, 2024	December 31, 2023
<b>10.2.1 Opening balance</b>	<b>3,537,272</b>	<b>2,321,414</b>
Impact of adoption of IFRS 9	2,317,757	-
Exchange adjustments	(22,623)	69,221
Charge / (reversals)		
Charge for the period / year	1,405,513	2,082,408
Reversals for the period / year	(2,207,525)	(918,054)
Reversal on disposals	(861,638)	(17,717)
	(1,663,650)	2,064,691
Reversal on disposals	-	(918,054)
<b>Closing Balance</b>	<b>4,168,756</b>	<b>3,537,272</b>

	September 30, 2024	December 31, 2023		
	Outstand-ing amount	Credit loss allowance Held	Out-standing amount	Provision Held
Rupees in '000				
<b>10.2.2 Particulars of credit loss allowance against debt securities</b>				
<b>Category of Classification</b>				
<b>Domestic</b>				
Performing - Stage 1	1,283,481,010	2,703	-	-
Underperforming - Stage 2	10,665,888	2,103,452	-	-
Non-performing - Stage 3	946,468	746,788	-	-
Substandard	640,338	440,658	-	-
Doubtful	-	-	-	-
Loss	306,130	306,130	323,991	323,991
	<b>1,295,093,366</b>	<b>2,852,943</b>	<b>323,991</b>	<b>323,991</b>
<b>Overseas</b>				
Performing - Stage 1	-	-	-	-
Underperforming - Stage 2	12,528,015	1,315,813	-	-
Non-performing - Stage 3	-	-	-	-
Substandard	-	-	-	-
Doubtful	-	-	-	-
Loss	-	-	-	-
<b>Total</b>	<b>1,307,621,381</b>	<b>4,168,756</b>	<b>323,991</b>	<b>323,991</b>

**10.3** The market value of Pakistan Investment Bonds classified as amortised cost as at September 30, 2024 amounted to Rs. 110,319.785 million (December 31, 2023: Rs. 51,778 million).

# Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) for the nine months ended September 30, 2024

Note	Performing		Non Performing		Total	
	September 30, 2024	December 31, 2023	(Audited)	September 30, 2024	December 31, 2023	(Audited)
Rupees in '000						
<b>11 ADVANCES</b>						
Loans, cash credits, running finances, etc.	761,886,552	699,230,728		11,665,043	11,713,507	773,551,595
Islamic financing and related assets	82,030,295	79,621,981		249,539	5,729	82,279,834
Bills discounted and purchased	3,387,214	945,424		1,013,913	1,319,793	4,401,127
Advances - gross	11.1	847,304,061		779,798,133	12,928,495	13,039,029
						860,232,556
						792,837,162
<b>Credit loss allowance / Provision against advances</b>						
Stage 1	11.3	(435,519)		-	-	(435,519)
Stage 2	11.3	(1,298,516)		-	-	(1,298,516)
Stage 3	11.3	-		(12,135,887)	-	(12,135,887)
Specific	11.2 & 11.3	-		-	(12,335,688)	-
General	11.3	-	(205,019)	-	-	(205,019)
		(1,734,035)	(205,019)	(12,135,887)	(12,335,688)	(13,869,922)
						(12,540,707)
Advances - net of credit loss allowance		845,570,026		779,593,114	792,608	703,341
						846,362,634
						780,296,455

	(Audited)	
	September 30, 2024	December 31, 2023
Rupees in '000		
<b>11.1 Particulars of advances (Gross)</b>		

In local currency	832,653,961	752,227,129
In foreign currencies	27,578,595	40,610,033
	<u>860,232,556</u>	<u>792,837,162</u>

**11.2** Advances include Rs. 12,928,495 million (December 31, 2023: Rs. 13,039,029 million) which have been placed under non-performing / Stage 3 status as detailed below:

	(Audited)	
	September 30, 2024	December 31, 2023
	Non Performing Loans	Credit loss allowance
	Non Performing Loans	Provision held
Rupees in '000		
<b>Category of Classification:</b>		
<b>Domestic</b>		
Other Assets Especially Mentioned	74,983	35,119
Substandard - Stage 3	676,434	429,067
Doubtful - Stage 3	384,503	256,154
Loss - Stage 3	11,792,575	11,415,547
<b>Total</b>	<b>12,928,495</b>	<b>12,135,887</b>
	13,039,029	12,335,688

# Notes to the Consolidated Condensed Interim Financial Statements

(Un-audited) for the nine months ended September 30, 2024

## 11.3 Particulars of credit loss allowance against advances

(Audited)

	September 30, 2024			December 31, 2023			
	Stage 3	Stage 2	Stage 1	Total	Specific	General	Total
Rupees in '000							
Opening balance	12,335,688	144,558	60,461	12,540,707	11,738,558	109,603	11,848,161
Impact of adoption of IFRS 9	165,416	1,691,141	973,930	2,830,487	-	-	-
Exchange adjustments	-	(1,919)	-	(1,919)	-	9,497	9,497
Charge for the period / year	856,381	430,579	133,135	1,420,095	1,694,691	241,205	1,935,896
Reversals for the period / year	(1,221,598)	(965,843)	(732,007)	(2,919,448)	(1,097,561)	(155,286)	(1,252,847)
	(365,217)	(535,264)	(598,872)	(1,499,353)	597,130	85,919	683,049
Amounts written off	-	-	-	-	-	-	-
Closing balance	12,135,887	1,298,516	435,519	13,869,922	12,335,688	205,019	12,540,707

11.3.1 No benefit of forced sale value of the collaterals held by the Bank is taken while determining the provision against non-performing loans as allowed under BSD Circular No. 01 dated October 21, 2011.

September 30, 2024

	Stage 3	Stage 2	Stage 1	Total
Rupees in '000				
11.4 Advances - Particulars of credit loss allowance				
Opening balance	12,501,104	1,835,699	1,034,391	15,371,194
New Advances	302,778	30,734	126,015	459,527
Advances derecognised or repaid	(940,782)	(738,582)	(639,135)	(2,318,499)
Transfer to stage 1	(691)	(200,258)	7,120	(193,829)
Transfer to stage 2	(280,125)	399,845	(89,695)	30,025
Transfer to stage 3	553,603	(28,922)	(3,177)	521,504
	(365,217)	(537,183)	(598,872)	(1,501,272)
Amounts written off / charged off	-	-	-	-
Changes in risk parameters	-	-	-	-
Other changes (to be specific)	-	-	-	-
Closing balance	12,135,887	1,298,516	435,519	13,869,922

# Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) for the nine months ended September 30, 2024

	September 30, 2024		December 31, 2023	
	Outstanding amount	Credit loss allowance Held	Outstanding amount	Credit loss allowance Held
	Rupees in '000			
<b>11.5 Advances - Category of classification</b>				
<b>Domestic</b>				
Performing - Stage 1	787,168,263	435,519	-	-
Underperforming - Stage 2	60,808,441	1,283,863	-	-
Non-Performing - Stage 3	12,928,495	12,135,887	-	-
Other impaired	1,522	1,088	-	-
Other Assets Especially Mentioned	73,461	34,031	-	-
Substandard	676,434	429,067	-	-
Doubtful	384,503	256,154	-	-
Loss	11,792,575	11,415,547	-	-
	<b>860,905,199</b>	<b>13,855,269</b>	<b>-</b>	<b>-</b>
<b>Overseas</b>				
Performing - Stage 1	-	-	-	-
Underperforming - Stage 2	601,712	14,653	1,221,396	144,558
Non-Performing - Stage 3			-	-
Substandard			-	-
Doubtful			-	-
Loss			-	-
	<b>601,712</b>	<b>14,653</b>	<b>1,221,396</b>	<b>144,558</b>
<b>Total</b>	<b>861,506,911</b>	<b>13,869,922</b>	<b>-</b>	<b>-</b>

	Note	(Audited)	
		September 30, 2024	December 31, 2023
		Rupees in '000	
<b>12 PROPERTY AND EQUIPMENT</b>			
Capital work-in-progress	12.1	9,389,617	9,779,743
Property and equipment		115,404,598	104,286,036
		<b>124,794,215</b>	<b>114,065,779</b>
<b>12.1 Capital work-in-progress</b>			
Civil works		7,957,392	7,759,247
Equipment		-	89,246
Advances to suppliers		1,432,225	1,931,250
		<b>9,389,617</b>	<b>9,779,743</b>

# Notes to the Consolidated Condensed Interim Financial Statements

(Un-audited) for the nine months ended September 30, 2024

## 12.2 Additions to property and equipment

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

	September 30, 2024	September 30, 2023
	Rupees in '000	
<b>Capital work-in-progress</b>	10,182,231	5,620,804
<b>Property and equipment</b>		
Freehold land	1,356,836	810,785
Leasehold land	4,875,131	10
Building on freehold land	3,773,618	514,566
Building on leasehold land	293,650	45,753
Furniture and fixture	430,708	319,446
Electrical office and computer equipment	4,727,797	3,487,659
Vehicles	842,679	287,935
Others-building improvements	1,360,068	507,952
	<b>17,660,487</b>	<b>5,974,106</b>
<b>Total</b>	<b>27,842,718</b>	<b>11,594,910</b>

## 12.3 Disposal of property and equipment

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

	September 30, 2024	September 30, 2023
	Rupees in '000	
Furniture and fixture	2,833	1,314
Electrical office and computer equipment	20,094	6,823
Vehicles	2,066	132
Freehold land	1,670,225	-
Leasehold land	354,614	-
Building on freehold land	21,923	-
Building on leasehold land	3,979	-
<b>Total</b>	<b>2,075,734</b>	<b>8,269</b>

	(Audited)			
	September 30, 2024		December 31, 2023	
	Buildings	Total	Buildings	Total
<b>13 RIGHT-OF-USE ASSETS</b>				
At January 01				
Cost	8,365,588	8,365,588	13,610,540	13,610,540
Accumulated Depreciation	(36,126)	(36,126)	(5,728,559)	(5,728,559)
<b>Net carrying amount at January 01, 2024</b>	<b>8,329,462</b>	<b>8,329,462</b>	<b>7,881,981</b>	<b>7,881,981</b>
Additions during the year	1,408,229	1,408,229	2,457,404	2,457,404
Deletions during the year	(487,037)	(487,037)	(235,706)	(235,706)
Depreciation charge during the year	(1,389,130)	(1,389,130)	(1,774,217)	(1,774,217)
Exchange difference	(930)	(930)	-	-
<b>Net carrying amount at September 30, 2024</b>	<b>7,860,594</b>	<b>7,860,594</b>	<b>8,329,462</b>	<b>8,329,462</b>

# Notes to the Consolidated Condensed Interim Financial Statements

(Un-audited) for the nine months ended September 30, 2024

	Note	September 30, 2024	December 31, 2023	(Audited)
		Rupees in '000		
<b>14 INTANGIBLE ASSETS</b>				
Capital work-in-progress	14.1	906,000	778,871	
Intangible Assets		2,964,184	2,637,781	
		<u>3,870,184</u>	<u>3,416,652</u>	
<b>14.1 Capital work-in-progress</b>				
Software		903,126	775,996	
Advances to suppliers		2,874	2,875	
		<u>906,000</u>	<u>778,871</u>	

## 14.2 Additions to intangible assets

The following additions are made to intangible assets during the period:

	September 30, 2024	September 30, 2023
	Rupees in '000	
<b>Capital work-in-progress</b>		
Software	158,710	261,675
Total	<u>439,019</u>	<u>184,279</u>

## 14.3 Disposals of intangible assets

The net book value of intangible assets disposed off during the period is Nil.

# Notes to the Consolidated Condensed Interim Financial Statements

(Un-audited) for the nine months ended September 30, 2024

	(Audited)	September 30, 2024	December 31, 2023
	Rupees in '000		
<b>15 OTHER ASSETS</b>			
Income / Mark-up accrued in local currency	97,224,356	69,598,428	
Income / Mark-up accrued in foreign currency	584,262	953,413	
Advances, deposits, advance rent and other prepayments	8,079,381	3,554,991	
Non-banking assets acquired in satisfaction of claims	685,249	1,038,270	
Branches adjustment account	-	1,701,578	
Mark to market gain on forward foreign exchange contracts	-	80,674	
Acceptances	4,624,805	8,444,550	
Due from the employees' retirement benefit schemes			
Pension fund	6,837,249	6,185,041	
Fraud and forgeries	524,453	544,824	
Stationery and stamps in hand	1,278,158	863,475	
Home Remittance Cell agent receivable	4,288	1,749	
Receivable from State Bank of Pakistan	5,843	4,375	
Charges receivable	29,728	29,873	
ATM / Point of Sale settlement account	1,836,286	7,075,342	
Suspense Account	13,506	295	
Others	494,123	440,225	
	<u>122,221,687</u>	<u>100,517,103</u>	
Less: Credit loss allowance / Provision held against other assets	15.1	(1,210,229)	(996,020)
Other assets (net of credit loss allowance)		<u>121,011,458</u>	<u>99,521,083</u>
Surplus on revaluation of non-banking assets			
acquired in satisfaction of claims	1,004,966	1,043,502	
Other Assets - Total		<u>122,016,424</u>	<u>100,564,585</u>
	(Audited)	September 30, 2024	December 31, 2023
	Rupees in '000		
<b>15.1 Credit loss allowance / Provision held against other assets</b>			
Advances, deposits, advance rent and other prepayments	231,042	213,329	
Fraud and forgeries	423,911	444,282	
Charges receivable	29,728	29,840	
Others	525,548	308,569	
	<u>1,210,229</u>	<u>996,020</u>	
<b>15.1.1 Movement in credit loss allowance / provision held against other assets</b>			
Opening balance	996,020	755,808	
Impact of adoption of IFRS 9	48,085	-	
Charge for the period / year	261,524	505,416	
Reversals	(90,518)	(259,078)	
Net charge	171,006	246,338	
Amounts written off	(4,882)	(6,126)	
Closing balance	<u>1,210,229</u>	<u>996,020</u>	
<b>16 CONTINGENT ASSETS</b>			
There were no contingent assets of the Bank as at September 30, 2024 and December 31, 2023.			

# Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) for the nine months ended September 30, 2024

	Note	September 30, 2024	December 31, 2023	(Audited)
		Rupees in '000		
<b>17 BILLS PAYABLE</b>				
In Pakistan		8,501,458	9,296,223	
Outside Pakistan		25,972	26,182	
		<u>8,527,430</u>	<u>9,322,405</u>	
<b>18 BORROWINGS</b>				
<b>Secured</b>				
Borrowings from State Bank of Pakistan				
Repurchase agreement borrowings		195,000,000	270,000,000	
Under export refinance scheme		15,586,042	28,652,901	
Under long term financing facility		26,850,634	31,977,200	
Under financing scheme for renewable energy		4,777,461	3,542,537	
Under temporary economic refinance scheme		11,695,511	12,741,909	
Under refinance scheme for modernization of SMEs		16,045	8,182	
Under refinance scheme for SME Asaan Finance (SAAF)		68,049	-	
Refinance and credit guarantee scheme for women entrepreneurs		21,120	13,517	
Under refinance scheme for combating COVID-19		94,093	133,325	
		<u>254,108,955</u>	<u>347,069,571</u>	
Repurchase agreement borrowings from Financial Institutions		72,513,830	1,843,392	
Trading liability		-	7,541,047	
		<u>326,622,785</u>	<u>356,454,010</u>	
<b>Unsecured</b>				
Call borrowings		3,195,205	2,677,677	
Overdrawn nostro accounts		200,733	192,355	
Musharaka borrowing		12,000,000	14,350,000	
		<u>15,395,938</u>	<u>17,220,032</u>	
		<u>342,018,723</u>	<u>373,674,042</u>	

# Notes to the Consolidated Condensed Interim Financial Statements

(Un-audited) for the nine months ended September 30, 2024

	September 30, 2024			(Audited) December 31, 2023								
	In Local Currency	In Foreign Currencies	Total	In Local Currency	In Foreign Currencies	Total						
	Rupees in '000											
<b>19 DEPOSITS AND OTHER ACCOUNTS</b>												
<i>Customers</i>												
Current deposits	637,078,223	36,688,231	673,766,454	616,041,518	44,460,629	660,502,147						
Savings deposits	802,248,550	18,784,746	821,033,296	652,681,830	19,697,405	672,379,235						
Term deposits	265,080,610	70,006,253	335,086,863	201,318,101	51,084,504	252,402,605						
Others	34,350,943	45,025	34,395,968	30,467,120	61,278	30,528,398						
	1,738,758,326	125,524,255	1,864,282,581	1,500,508,569	115,303,816	1,615,812,385						
<i>Financial Institutions</i>												
Current deposits	15,599,662	1,527,496	17,127,158	14,062,494	853,715	14,916,209						
Savings deposits	38,631,253	-	38,631,253	44,978,314	-	44,978,314						
Term deposits	1,319,350	4,760,912	6,080,262	819,350	63,419	882,769						
Others	100		100	-	-	-						
	55,550,365	6,288,408	61,838,773	59,860,158	917,134	60,777,292						
	1,794,308,691	131,812,663	1,926,121,354	1,560,368,727	116,220,950	1,676,589,677						

**19.1** This includes deposits eligible to be covered under insurance arrangements amounting to Rs. 1,270,042 million for September 30, 2024 (December 31, 2023: Rs. 1,138,708 million).

	Note	September 30,	December 31,	
		2024	2023	
Rupees in '000				
<b>20 LEASE LIABILITIES</b>				
Outstanding amount at the start of the year		10,686,438	9,841,027	
Additions during the year		1,410,445	2,457,404	
Deletions during the year		(647,281)	(232,906)	
Lease payments including interest		(2,094,597)	(2,580,364)	
Interest expense		1,006,027	1,189,825	
Exchange difference		(412)	11,452	
Outstanding amount at the end of the period		10,360,620	10,686,438	
<b>20.1 Liabilities outstanding</b>				
Not later than one year		252,898	2,199,222	
Later than one year and upto five years		3,865,089	2,286,105	
Over five years		6,160,963	6,201,111	
		10,278,950	10,686,438	

# Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) for the nine months ended September 30, 2024

		(Audited)			
	Note	September 30, 2024	December 31, 2023		
		Rupees in '000			
<b>21 DEFERRED TAX LIABILITIES</b>					
<b>Deductible Temporary Differences on</b>					
Credit loss allowance against advances, off balance sheet etc.		2,078,298	507,293		
Investments in associated undertaking		94,157	-		
Workers welfare fund		3,344,573	2,657,448		
Others		102,650	110,222		
		<b>5,619,678</b>	<b>3,274,963</b>		
<b>Taxable Temporary Differences on</b>					
Surplus on revaluation of property and equipment		(4,086,394)	(4,212,352)		
Surplus on revaluation of non-banking assets		(47,369)	(66,251)		
Investments in associated undertaking		-	(59,763)		
Surplus on revaluation of investments		(8,271,111)	6,608,032		
Accelerated tax depreciation or amortization		(1,652,398)	(1,689,137)		
Actuarial gains		(76,413)	(73,611)		
		<b>(14,133,685)</b>	<b>506,918</b>		
		<b>(8,514,007)</b>	<b>3,781,881</b>		
 <b>(Audited)</b>					
	Note	September 30, 2024	December 31, 2023		
		Rupees in '000			
<b>22 OTHER LIABILITIES</b>					
Mark-up / return / interest payable in local currency		40,611,820	14,143,930		
Mark-up / return / interest payable in foreign currencies		1,266,318	1,762,006		
Accrued expenses		3,696,536	4,127,256		
Provision for taxation (provisions less payments)		2,099,783	7,915,956		
Retention money payable		1,042,864	679,647		
Deferred income		1,237,697	855,132		
Unearned commission and income on bills discounted		1,641,499	759,785		
Acceptances		4,624,805	8,444,550		
Unclaimed dividends		481,293	442,049		
Dividend payable		38,000	26,343		
Branch adjustment account		757,025	-		
Unrealized loss on forward foreign exchange contracts		1,781,607	-		
Unrealized loss on forward government securities transactions		261	13,812		
Provision for:					
Gratuity		806,365	806,365		
Employees' medical benefits		1,574,799	1,500,971		
Employees' compensated absences		1,277,608	1,200,318		
Payable to defined contribution plan		124,052	117,158		
Credit loss allowance against off-balance sheet obligations	22.1	445,516	298,904		
Security deposits against lease		1,045,806	941,987		
ATM / Point of Sale settlement account		17,108,098	-		
Charity fund balance		4,204	1,000		
Home Remittance Cell overdraft		273,105	794,027		
Withholding tax payable		1,812,079	8,610,249		
Sundry deposits		4,513,136	4,162,588		
Workers welfare fund payable		6,904,584	5,478,333		
Others		3,770,946	2,369,007		
		<b>98,939,806</b>	<b>65,451,373</b>		

# Notes to the Consolidated Condensed Interim Financial Statements

(Un-audited) for the nine months ended September 30, 2024

	(Audited)	
	September 30, 2024	December 31, 2023
	Rupees in '000	
<b>22.1 Credit loss allowance against off-balance sheet obligations</b>		
Opening balance	298,904	298,904
Impact of adoption of IFRS 9	151,241	-
Charge for the period / year	29,544	-
Reversals for the period / year	(34,173)	-
	(4,629)	-
Closing balance	<b>445,516</b>	<b>298,904</b>

## 23 SHARE CAPITAL

### 23.1 Authorized capital

	(Audited)		(Audited)	
	September 30, 2024	December 31, 2023	September 30, 2024	December 31, 2023
	No. of shares		Rupees in '000	
	1,500,000,000	1,500,000,000	Ordinary shares of Rs.10/- each	15,000,000
<b>23.2 Issued, subscribed and paid-up capital</b>				15,000,000
Fully paid-up Ordinary shares of Rs. 10/- each				15,000,000
406,780,094	406,780,094	Fully paid in cash	4,067,801	4,067,801
720,745,186	720,745,186	Issued as bonus shares	7,207,452	7,207,452
1,127,525,280	1,127,525,280		11,275,253	11,275,253
		18,348,550 Ordinary shares of Rs. 10 each, determined pursuant to the Scheme of Amalgamation in accordance with the swap ratio stipulated therein less 9,200,000 ordinary shares of Rs. 10 each, held by Ibrahim Leasing Limited on the cut-off date (September 30, 2004)		
9,148,550	9,148,550		91,486	91,486
		8,400,000 Ordinary shares of Rs. 10 each, determined pursuant to the Scheme of Amalgamation of First Allied Bank Modaraba with Allied Bank Limited in accordance with the share swap ratio stipulated therein.		
8,400,000	8,400,000		84,000	84,000
1,145,073,830	1,145,073,830		11,450,739	11,450,739

Ibrahim Holdings (Private) Limited (holding company of the Bank), holds 1,030,566,368 (90.00%) [December 31, 2023: 1,030,566,368 (90.00%)] ordinary shares of Rs. 10 each, as at reporting date.

# Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) for the nine months ended September 30, 2024

		(Audited)	
	Note	September 30, 2024	December 31, 2023
		Rupees in '000	
<b>24 SURPLUS ON REVALUATION OF ASSETS - NET OF TAX</b>			
Surplus / (deficit) arising on revaluation of:			
Property and equipment		49,903,388	50,187,068
Non-banking assets acquired in satisfaction of claims		1,004,966	1,043,502
Available-for-sale securities		-	(13,485,780)
Securities measured at FVOCI - Debt		7,644,335	-
Securities measured at FVOCI - Equity		9,241,444	-
		<u>67,794,133</u>	37,744,790
Deferred tax on (surplus) / deficit on revaluation of:			
Property and equipment		(4,086,394)	(4,200,202)
Non-banking assets acquired in satisfaction of claims		(47,369)	(66,251)
Available-for-sale securities		-	6,608,032
Securities measured at FVOCI - Debt		(3,742,804)	-
Securities measured at FVOCI - Equity		(4,528,308)	-
		<u>(12,404,875)</u>	2,341,579
Surplus on revaluation of assets - net of tax		<u>55,389,258</u>	40,086,369
<b>25 CONTINGENCIES AND COMMITMENTS</b>			
Guarantees	25.1	62,624,573	66,315,450
Commitments	25.2	529,392,009	495,953,754
Other contingent liabilities	25.3	7,064,403	6,987,410
		<u>599,080,985</u>	569,256,614
<b>25.1 Guarantees</b>			
Financial guarantees		5,696,675	5,603,283
Performance guarantees		14,394,498	13,503,642
Other guarantees		42,533,400	47,208,525
		<u>62,624,573</u>	66,315,450
<b>25.2 Commitments</b>			
Documentary credits and short term trade related transactions:			
Letters of Credit		88,591,014	153,136,140
Commitments in respect of:			
Forward foreign exchange contracts	25.2.1	395,822,613	322,127,301
Forward government securities transactions	25.2.2	34,013,335	11,439,221
Operating leases	25.2.3	230,638	298,754
Commitments for acquisition of:			
Property and equipment		9,831,193	8,054,382
Intangible assets		903,216	897,956
		<u>529,392,009</u>	495,953,754
<b>25.2.1 Commitments in respect of forward foreign exchange contracts</b>			
Purchase		235,537,592	180,292,360
Sale		160,285,021	141,834,941
		<u>395,822,613</u>	322,127,301

# Notes to the Consolidated Condensed Interim Financial Statements

(Un-audited) for the nine months ended September 30, 2024

	Note	September 30, 2024	December 31, 2023	(Audited)
		Rupees in '000		
<b>25.2.2 Commitments in respect of forward government securities transactions</b>				
Purchase		32,001,677	10,053,843	
Sale		2,011,658	1,385,378	
		<u>34,013,335</u>	<u>11,439,221</u>	
<b>25.2.3 Commitments in respect of operating leases</b>				
Not later than one year		107,424	112,416	
Later than one year and not later than five years		105,002	162,545	
Later than five years		18,212	23,793	
		<u>230,638</u>	<u>298,754</u>	
<b>25.3 Other contingent liabilities</b>				
<b>25.3.1 Claims against the Bank not acknowledged as debt</b>		<b>7,064,403</b>	<b>6,987,410</b>	
<b>25.3.2</b>	The income tax assessments of the Group have been finalized upto and including tax year 2023 for local, Azad Kashmir and Gilgit Baltistan operations. While finalizing income tax assessments upto tax year 2023, income tax authorities made certain add backs with aggregate tax impact of Rs. 35,111 million (2023: Rs.34,866 million). As a result of appeals filed by the Group before appellate authorities, most of the add backs have been deleted. However, the Group and Tax Department are in appeals / references before higher forums against unfavorable decisions. Pending finalization of appeals / references no provision has been made by the Group on aggregate sum of Rs.35,111 million (2023: Rs.34,866 million). The management is confident that the outcome of these appeals / references will be in favor of the Group.			
	Tax Authorities have conducted proceedings of withholding tax audit under section 161/205 of Income Tax Ordinance, 2001 for tax year 2003 to 2006 and tax year 2008 to 2019 and tax year 2022 created an arbitrary demand of Rs. 2,029 million (2023: 2,029 million). The Bank's appeals before CIR(A)/Appellate Tribunal Inland Revenue (ATIR) are pending for adjudication. The management is confident that these appeals will be decided in favor of the Bank; therefore, no provision has been made against the said demand of Rs. 2,029 million (2023: 2,029 million).			
	Tax Authorities have conducted proceedings of withholding tax audit under section 161/205 of Income Tax Ordinance, 2001 for tax year 2003 to 2006 and tax year 2008 to 2018 and created an arbitrary demand of Rs.2,049 million (2023: Rs.2,049 million). The Group's appeals before CIR(A)/Appellate Tribunal Inland Revenue (ATIR) are pending for adjudication. The management is confident that these appeals will be decided in favor of the Group; therefore, no provision has been made against the said demand of Rs.2,049 million (2023: Rs.2,049 million).			
<b>25.3.3</b>	While adjudicating foreign exchange repatriation cases of exporter namely: Fateh Textile Mills Limited, the Foreign Exchange Adjudicating Court (FEAC) of the State Bank of Pakistan (SBP) has arbitrarily adjudicated penalties against various banks including Rs.2,173 million in aggregate against Allied Bank Limited (the Bank). Against the said judgments, the Bank had filed appeals before the Appellate Board and Constitutional Petitions (CP) in the High Court of Sindh, Karachi. The Honorable High Court granted relief to the Bank by way of interim orders. Meanwhile, alongwith other banks, Bank filed a further CP whereby vires of section 23C of the Foreign Exchange Regulations Act, 1947 was sought to be declared ultra vires. On November 8, 2018, the Honorable court was pleased to order that the Appellate Board shall not finally decide the appeals. Subsequently, the earlier CP was disposed of vide order dated January 15, 2019 with a direction to the Appellate Board to first decide the stay application of the Bank and till then, the Foreign Exchange Regulation Department has been restrained from taking any coercive action against the Bank. Based on merits of the appeals, the management is confident that these appeals shall be decided in favor of the Bank and therefore no provision has been made against the impugned penalty.			
<b>26</b>	<b>DERIVATIVE INSTRUMENTS</b>			
	The Bank at present does not offer structured derivative products such as Interest Rate Swaps, Forward Rate Agreements or FX Options. However, the Bank buys and sells derivative instruments such as:			

The Bank at present does not offer structured derivative products such as Interest Rate Swaps, Forward Rate Agreements or FX Options. However, the Bank buys and sells derivative instruments such as:

# Notes to the Consolidated Condensed Interim Financial Statements

(Un-audited) for the nine months ended September 30, 2024

- Forward Exchange Contracts
- Foreign Exchange Swaps
- Equity Futures
- Forward Contracts for Government Securities

The accounting policies applied to recognize and disclose derivatives and definitions are same as those disclosed in audited annual consolidated financial statements as at December 31, 2023.

Note	Nine Months Ended		Quarter Ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
				Rupees in '000
<b>27 MARK-UP / RETURN / INTEREST EARNED</b>				
On:				
Loans and advances	104,543,794	104,121,360	34,347,780	37,377,157
Investments	183,129,031	154,853,768	63,275,397	55,168,229
Lendings to financial institutions	2,840,412	4,114,994	1,009,158	2,292,442
Balances with banks	809,951	955,817	276,072	305,722
	<b>291,323,188</b>	<b>264,045,939</b>	<b>98,908,407</b>	<b>95,143,550</b>
<b>28 MARK-UP / RETURN / INTEREST EXPENDED</b>				
On:				
Deposits	148,491,604	121,301,539	52,412,021	48,552,000
Borrowings	47,065,778	57,339,821	12,450,765	14,275,496
Cost of foreign currency swaps against foreign currency deposits	4,510,570	3,873,064	1,962,586	1,992,489
Interest expense on lease liability	1,006,027	870,244	356,739	310,263
	<b>201,073,979</b>	<b>183,384,668</b>	<b>67,182,111</b>	<b>65,130,248</b>
<b>29 FEE AND COMMISSION INCOME</b>				
Branch banking customer fees	3,309,723	2,518,122	1,199,220	976,246
Consumer finance related fees	17,574	21,761	5,991	5,194
Card related fees (debit and credit cards)	5,368,722	3,907,178	1,863,945	1,454,025
Credit related fees	17,012	28,683	4,690	10,143
Investment banking fees	589,788	562,469	82,991	12,472
Commission on trade	541,755	446,864	189,622	164,128
Commission on guarantees	136,615	137,448	44,376	41,295
Commission on cash management	287,588	297,222	95,155	104,807
Commission on remittances including home remittances	1,153,770	583,781	620,178	201,573
Commission on bancassurance	6,972	15,059	260	9,301
Card acquiring business	80,512	-	51,378	-
	<b>11,510,031</b>	<b>8,518,587</b>	<b>4,157,806</b>	<b>2,979,184</b>
<b>30 GAIN / (LOSS) ON SECURITIES</b>				
Realised - net	30.1	1,343,852	(77,709)	434,375
				(285,219)
Unrealised - held for trading		-	(358)	-
				9,988
Unrealised - measured at FVTPL		(4,741)	-	(6,336)
				-
Unrealised - forward government securities		13,551	87,794	86,364
				73,852
		<b>1,352,662</b>	<b>9,727</b>	<b>514,403</b>
				(201,379)
<b>30.1 Realised gain / (loss) on:</b>				
Federal government securities		1,343,852	187,399	434,375
				31,159
Shares		-	(265,108)	-
				(316,378)
		<b>1,343,852</b>	<b>(77,709)</b>	<b>434,375</b>
				(285,219)

# Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) for the nine months ended September 30, 2024

Note	Nine Months Ended				Quarter Ended September 30, 2024	
	September 30, 2024		September 30, 2023			
	2024	2023	2024	2023		
Rupees in '000						
<b>31 OTHER INCOME</b>						
(Loss) / Gain on sale of property and equipment - net	800,461	(2,112)	533,373	(2,273)		
Other assets disposal	51,305	34,026	14,533	22,594		
Recovery of written off mark-up and charges	68	3,200	12	2,289		
Fee for attending Board meetings	869	1,432	438	274		
Gain on sale of Islamic financing and related assets	9,029	27,278	2,027	12,205		
	<b>861,732</b>	<b>63,824</b>	<b>550,383</b>	<b>35,089</b>		
<b>32 OPERATING EXPENSES</b>						
Total compensation expense	16,125,923	14,346,302	5,337,455	4,805,218		
<i>Property expense:</i>						
Rent & taxes	280,113	269,167	88,671	88,656		
Insurance	117,774	87,857	42,417	32,616		
Utilities cost	2,306,752	2,001,735	922,920	809,857		
Security (including guards)	1,423,762	1,362,196	466,246	454,256		
Repair and maintenance (including janitorial charges)	1,316,981	1,169,152	414,452	416,816		
Depreciation	4,725,831	3,701,266	1,651,633	1,267,556		
	<b>10,171,213</b>	<b>8,591,373</b>	<b>3,586,339</b>	<b>3,069,757</b>		
<i>Information technology expenses:</i>						
Software maintenance	1,637,143	1,850,569	506,554	616,477		
Hardware maintenance	369,204	446,760	76,109	149,194		
Depreciation	1,151,820	820,377	413,658	297,487		
Amortization	471,503	453,899	162,726	167,280		
Network charges	731,600	646,931	279,234	225,809		
Others	3,946	3,062	1,491	1,276		
	<b>4,365,216</b>	<b>4,221,598</b>	<b>1,439,772</b>	<b>1,457,523</b>		
<i>Other operating expenses:</i>						
Directors' fees and allowances	62,466	52,341	25,516	17,834		
Fees and allowances to Shariah Board	7,261	6,761	2,376	2,150		
Legal & professional charges	211,248	151,328	69,075	60,726		
Outsourced service cost	1,239,231	970,453	470,493	335,192		
Travelling & conveyance	329,604	273,882	117,008	102,423		
NIFT clearing charges	158,677	152,515	49,003	52,310		
Depreciation	326,958	234,003	107,577	81,154		
Training and development	165,811	121,544	82,509	57,581		
Postage & courier charges	154,571	163,607	37,766	(1,509)		
Communication	1,039,086	766,310	379,439	681,189		
Stationery & printing	597,357	508,694	182,479	193,791		
Marketing, advertisement & publicity	2,352,090	1,082,183	859,120	319,677		
Donations	90,835	45,770	3,395	28,430		
Auditors Remuneration	28,981	22,250	10,535	12,021		
Brokerage expenses	88,896	46,674	35,375	12,959		
Card related expenses	1,827,605	1,697,503	686,574	472,252		
CNIC verification	140,585	122,778	35,607	35,890		
Entertainment	323,246	236,346	131,454	76,109		
Clearing and settlement	205,986	164,313	75,829	65,052		
Insurance	1,562,455	1,317,994	525,909	441,200		
Cash In Transit Service Charge	357,454	387,854	136,237	123,478		
Others	351,595	122,177	146,121	(372,801)		
	<b>11,621,998</b>	<b>8,647,280</b>	<b>4,169,397</b>	<b>2,797,108</b>		
	<b>42,284,350</b>	<b>35,806,553</b>	<b>14,532,963</b>	<b>12,129,606</b>		

# Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) for the nine months ended September 30, 2024

Note	Nine Months Ended		Quarter Ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
			Rupees in '000	Rupees in '000
<b>33 OTHER CHARGES</b>				
Penalties imposed by State Bank of Pakistan	19,327	39,100	1,123	35,444
Education cess	37,500	33,336	12,501	8,334
Depreciation - non-banking assets	19,549	7,503	5,985	2,487
Others	144,981	187,514	(30,021)	62,516
Other assets written off	29	-	29	-
	<b>221,386</b>	<b>267,453</b>	<b>(10,383)</b>	<b>108,781</b>
<b>34 CREDIT LOSS ALLOWANCE AND WRITE OFFS - NET</b>				
Credit loss allowance against lendings to financial institutions	32,622	-	32,624	-
Credit loss allowance against nostro accounts	6,076	-	3,009	-
Credit loss allowance / Provision for diminution in value of investments	10.2.1 (1,663,650)	957,507	(186,212)	3,524
Credit loss allowance / Provision against loans & advances	11.3 (1,499,353)	1,226,648	156,598	(234,152)
Credit loss allowance / Provision against other assets	15.1.1 171,006	353,674	52,438	21,885
Credit loss allowance against off-balance sheet obligations	22.1 (4,629) (2,957,928)	2,537,829	88,001	(208,743)
Recovery of written off bad debts	(7,692) (2,965,620)	(5,589) 2,532,240	(5,392) 82,609	(2,641) (211,384)
	<b>(2,965,620)</b>	<b>2,532,240</b>	<b>82,609</b>	<b>(211,384)</b>
<b>35 TAXATION</b>				
Current - for the period	33.1 34,602,359	30,141,523	12,037,473	11,664,962
- for prior year	-	-	-	-
	<b>34,602,359</b>	<b>30,141,523</b>	<b>12,037,473</b>	<b>11,664,962</b>
Deferred - current	167,323	(716,034)	(136,685)	-
	<b>34,769,682</b>	<b>29,425,489</b>	<b>11,900,788</b>	<b>11,664,962</b>
<b>35.1</b>	This also includes proportionate super tax on high earning persons of Rs. 6,991.152 million (September 30, 2023: Rs. 6,128.595 million).			
	Nine Months Ended		Quarter Ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
<b>36 EARNINGS PER SHARE - BASIC AND DILUTED</b>				
Profit after taxation	<b>36,493,236</b>	<b>29,031,445</b>	<b>12,415,311</b>	<b>11,395,024</b>
	Number of Shares			
Weighted average number of ordinary shares outstanding during the year	<b>1,145,073,830</b>	<b>1,145,073,830</b>	<b>1,145,073,830</b>	<b>1,145,073,830</b>
	Rupees			
Earnings per share - basic and diluted	<b>31.87</b>	<b>25.35</b>	<b>10.84</b>	<b>9.95</b>
There is no dilution effect on basic earnings per share.				

# Notes to the Consolidated Condensed Interim Financial Statements

(Un-audited) for the nine months ended September 30, 2024

## 37 FAIR VALUE OF FINANCIAL INSTRUMENTS

### 37.1 Fair value of financial assets

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

- Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities. Financial instruments included in level 1 comprise of investments in Listed Ordinary Shares.
- Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). Financial instruments included in level 2 comprise of Sukuk Bonds, Units of Mutual Funds, Pakistan Investment Bonds, Market Treasury Bills, Term Finance Certificates and Forward Government & Exchange Contracts.
- Level 3: Fair value measurements using input for the asset or liability that are not based on observable market data (i.e. unobservable inputs). Currently, no financial instruments are classified in level 3.

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

#### Valuation Techniques used in determination of Fair Valuation of Financial Instruments within Level 2

Item	Valuation approach and input used
Federal Government Securities	Marked to Market on the basis of PKRV & PKFRV rates.
Non-Government Debt Securities	Marked to Market on the basis of MUFAP rates.
Foreign exchange contracts	Marked to Market on the basis of SBP rates.
Open ended mutual funds	Marked to Market on the basis of MUFAP rates.
Operating Fixed Assets (Land & Building) & NBA	The valuation is based on their assessment of market value of the properties.

September 30, 2024

Carrying Value	Level 1	Level 2	Level 3	Total
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Rupees in '000

<b>On balance sheet financial instruments</b>				
<b>Financial assets - measured at fair value</b>				
Investments				
Federal Government Securities	1,172,145,185	-	1,172,145,185	- 1,172,145,185
Shares	24,149,716	24,126,294	23,422	- 24,149,716
Non-Government Debt Securities	13,316,299	-	13,316,299	- 13,316,299
Financial assets - disclosed but not measured at fair value				
Investments	127,687,153	-	-	-
Cash and balances with treasury banks	173,084,719	-	-	-
Balances with other banks	1,699,980	-	-	-
Lendings	11,461,542	-	-	-
Advances	846,362,634	-	-	-
Other assets	104,362,463	-	-	-
Non - Financial Assets measured at fair value				
Property and equipment	97,687,975	-	97,687,975	- 97,687,975
Non-banking assets	1,690,215	-	1,690,215	- 1,690,215
Off-balance sheet financial instruments				
- measured at fair value				
Forward purchase of foreign exchange	235,537,592	-	235,537,592	- 235,537,592
Forward sale of foreign exchange	160,285,021	-	160,285,021	- 160,285,021
Forward purchase of government securities transactions	32,001,677	-	32,001,677	- 32,001,677
Forward sale of government securities transactions	2,011,658	-	2,011,658	- 2,011,658

# Notes to the Consolidated Condensed Interim Financial Statements

(Un-audited) for the nine months ended September 30, 2024

	(Audited)				
	December 31, 2023				
	Carrying Value	Level 1	Level 2	Level 3	Total
Rupees in '000					
<b>On balance sheet financial instruments</b>					
<b>Financial assets - measured at fair value</b>					
Investments					
Federal Government Securities	1,044,283,263	-	1,044,283,263	-	1,044,283,263
Shares	23,270,806	18,457,238	4,813,568	-	23,270,806
Non-Government Debt Securities	13,274,049	-	13,274,049	-	13,274,049
<b>Financial assets - disclosed but not measured at fair value</b>					
Investments	73,769,085	-	-	-	-
Cash and balances with treasury banks	156,124,352	-	-	-	-
Balances with other banks	2,455,601	-	-	-	-
Lendings	9,418,003	-	-	-	-
Advances	780,296,455	-	-	-	-
Other assets	88,092,635	-	-	-	-
<b>Non - Financial Assets measured at fair value</b>					
Property and equipment	90,354,067	-	90,354,067	-	90,354,067
Non-banking assets	2,081,772	-	2,081,772	-	2,081,772
<b>Off-balance sheet financial instruments</b>					
- measured at fair value					
Forward purchase of foreign exchange	180,292,360	-	180,292,360	-	180,292,360
Forward sale of foreign exchange	141,834,941	-	141,834,941	-	141,834,941
Forward purchase of government securities transactions	10,053,843	-	10,053,843	-	10,053,843
Forward sale of government securities transactions	1,385,378	-	1,385,378	-	1,385,378

# Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) for the nine months ended September 30, 2024

September 30, 2024

	Corporate & Investment Banking	Commercial & Retail Banking	Trading & Sale (Treasury)	Islamic Banking	Asset Management Company	ABL Exchange	Others	Total
Rupees in '000								
<b>38 SEGMENT INFORMATION</b>								
<b>38.1 Segment Details with respect to Business Activities</b>								
<b>Profit &amp; Loss</b>								
Net mark-up/return/profit	88,535,106	(138,046,484)	130,683,975	8,561,492	(30,161)	122,748	422,533	90,249,209
Inter segment revenue - net	(79,764,671)	221,017,234	(128,899,246)	-	-	-	(12,353,317)	-
Non mark-up / return / interest income	4,785,287	6,996,368	6,555,839	529,109	2,187,107	5,904	920,462	21,980,076
Total Income	13,555,722	89,967,118	8,340,568	9,090,601	2,156,946	128,652	(11,010,322)	112,229,285
Segment direct expenses	917,165	18,653,615	275,493	1,673,422	1,035,684	101,777	21,274,831	43,931,987
Total expenses	917,165	18,653,615	275,493	1,673,422	1,035,684	101,777	21,274,831	43,931,987
Credit loss allowance	(2,401,700)	(212,905)	4,026	474,882	-	-	(829,923)	(2,965,620)
Profit before tax	15,040,257	71,526,408	8,061,049	6,942,297	1,121,262	26,875	(31,455,230)	71,262,918
<b>Balance Sheet</b>								
Cash & Bank balances	65,026	58,649,802	98,786,565	9,515,552	53,556	209,574	7,504,624	174,784,699
Investments	52,042,986	-	1,234,843,671	44,762,382	4,777,573	871,928	(186)	1,337,298,354
Net inter segment lending	(730,762,544)	1,689,330,399	(1,122,119,244)	-	-	-	163,551,389	-
Lendings to financial institutions	1,194,166	-	383,314	9,998,279	-	-	(112,217)	11,461,542
Advances - performing	733,246,353	21,990,696	-	82,237,694	225,645	-	9,603,673	847,304,061
Advances - non-performing	724,601	327,346	-	260,650	-	-	11,615,898	12,928,495
Credit loss allowance against advances	(1,975,786)	(580,259)	-	(228,637)	-	-	(11,085,240)	(13,869,922)
Advances - net	731,995,168	21,737,783	-	82,269,707	225,645	-	10,134,331	846,362,634
Operating fixed assets	168,385	83,255,793	59,417	2,097,761	964,567	51,153	49,927,917	136,524,993
Others	8,555,838	18,181,557	58,709,220	6,850,632	1,128,110	27,331	28,563,736	122,016,424
<b>Total Assets</b>	63,259,025	1,871,155,334	270,662,943	155,492,313	7,149,451	1,159,986	259,569,594	2,628,448,646
<b>Borrowings</b>	57,754,629	1,969,187	268,624,563	28,753,659	-	-	(15,083,315)	342,019,723
Deposits & other accounts	3,408,939	1,825,418,824	-	92,834,280	-	-	4,459,311	1,926,121,354
Net inter segment borrowing	-	-	-	-	-	-	-	-
Others	2,095,457	43,767,323	2,038,380	11,724,540	2,719,967	140,335	63,865,861	126,341,863
<b>Total liabilities</b>	63,259,025	1,871,155,334	270,662,943	133,312,479	2,719,967	140,335	53,231,857	2,394,481,940
Equity / Reserves	-	-	-	22,179,834	4,429,484	1,019,651	206,337,737	233,966,706
<b>Total Equity and liabilities</b>	63,259,025	1,871,155,334	270,662,943	155,492,313	7,149,451	1,159,986	259,569,594	2,628,448,646
<b>Contingencies and commitments</b>	122,756,744	20,507,835	425,225,632	7,901,328	-	-	18,079,130	594,470,669

# Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) for the nine months ended September 30, 2024

	September 30, 2023						
	Corporate & Investment Banking	Commercial & Retail Banking	Trading & Sale (Treasury)	Islamic Banking	Asset Management Company	Others	Total
Rupees in '000							
<b>Profit &amp; Loss</b>							
Net mark-up/return/profit	90,041,873	(111,992,350)	96,313,992	6,081,644	(323,642)	539,754	80,661,271
Inter segment revenue - net	(91,137,110)	207,734,858	(104,566,897)	-	-	(12,030,851)	-
Non mark-up / return / interest income	3,918,050	5,443,733	5,946,875	478,435	1,472,934	350,509	17,610,536
<b>Total Income</b>	<b>2,822,813</b>	<b>101,186,241</b>	<b>(2,306,030)</b>	<b>6,560,079</b>	<b>1,149,292</b>	<b>(11,140,588)</b>	<b>98,271,807</b>
Segment direct expenses	613,366	16,552,880	186,860	1,380,957	516,804	18,031,766	37,282,633
Total expenses	613,366	16,552,880	186,860	1,380,957	516,804	18,031,766	37,282,633
Provisions	(2,090,334)	(534,513)	(287,719)	(3,476)	-	383,802	(2,532,240)
<b>Profit before tax</b>	<b>119,113</b>	<b>84,098,848</b>	<b>(2,780,609)</b>	<b>5,175,646</b>	<b>632,488</b>	<b>(28,788,552)</b>	<b>58,456,934</b>
December 31, 2023 (Audited)							
	Corporate & Investment Banking	Commercial & Retail Banking	Trading & Sale (Treasury)	Islamic Banking	Asset Management Company	Others	Total
Rupees in '000							
<b>Balance Sheet</b>							
Cash & Bank balances	63,911	52,567,988	87,420,356	7,981,515	21,442	10,524,741	158,579,953
Investments	56,323,830	-	1,055,128,295	38,360,057	4,779,114	5,907	1,154,597,203
Net inter segment lending	(637,179,804)	1,431,073,958	(920,483,266)	(427,931)	-	127,017,043	-
Lendings to financial institutions	-	-	16,191,116	-	-	(6,773,113)	9,418,003
Advances - performing	658,585,879	32,393,352	-	79,621,981	199,225	8,997,696	779,798,133
Advances - non-performing	296,254	174,347	-	5,729	-	12,562,699	13,039,029
Provision against advances	(226,742)	(129,247)	-	(7,338)	-	(12,177,380)	(12,540,707)
Advances - net	658,555,391	32,438,452	-	79,620,372	199,225	9,383,015	780,296,455
Operating fixed assets	152,919	74,579,541	5,707	887,783	412,017	49,773,926	125,811,893
Others	8,271,993	15,956,021	40,787,167	5,126,241	530,232	33,674,812	104,346,466
<b>Total Assets</b>	<b>86,288,240</b>	<b>1,606,615,960</b>	<b>279,049,375</b>	<b>131,548,037</b>	<b>5,942,030</b>	<b>223,606,331</b>	<b>2,333,049,973</b>
Borrowings	80,418,586	3,160,687	279,576,794	17,276,361	-	(6,758,386)	373,674,042
Deposits & other accounts	3,332,467	1,573,043,102	-	95,333,605	-	4,880,503	1,676,589,677
Others	2,537,187	30,412,171	(527,419)	3,904,191	2,295,319	46,838,767	85,460,216
<b>Total Liabilities</b>	<b>86,288,240</b>	<b>1,606,615,960</b>	<b>279,049,375</b>	<b>116,514,157</b>	<b>2,295,319</b>	<b>44,960,884</b>	<b>2,135,723,935</b>
Equity / Reserves	-	-	-	15,033,880	3,646,711	178,645,447	197,326,038
<b>Total Equity and Liabilities</b>	<b>86,288,240</b>	<b>1,606,615,960</b>	<b>279,049,375</b>	<b>131,548,037</b>	<b>5,942,030</b>	<b>223,606,331</b>	<b>2,333,049,973</b>
Contingencies and commitments	192,589,491	20,824,987	333,566,522	5,984,115	-	16,291,499	569,256,614

# Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) for the nine months ended September 30, 2024

## RELATED PARTY TRANSACTIONS

The Bank has related party relationships with its parent, subsidiary, companies with common directorship, directors, employee benefit plans and key management personnel including their associates.

Contributions to the accounts in respect of staff retirement benefits are made in accordance with actuarial valuation / terms of the contribution plan. Remuneration of the key management personnel are in accordance with the terms of their employment. Other transactions are at agreed terms.

	September 30, 2024			December 31, 2023 (Audited)		
	Parent	Directors	Key management personnel	Associates*	Other related parties	Key management personnel
Balances with other banks	-	-	-	-	-	-
<b>Lendings to financial institutions</b>						
<b>Investments</b>						
Opening balance	-	-	4,79,114	-	-	4,09,423
Investment made during the period/year	-	-	3,47,667	-	-	36,60,830
Investment redeemed/disposed off during the period/year	-	-	(3,66,259)	-	-	(36,98,657)
Share of profit/(loss) from associate	-	-	525,037	-	-	965,905
Dividend income	-	-	(331,986)	-	-	(206,429)
Closing balance	-	-	4,177,573	-	-	4,779,114
Credit loss allowance for diminution in value of investments	-	-	-	-	-	-
<b>Advances</b>						
Opening balance	-	116,784	384,496	1	1,125	66,875
Addition during the period/year	-	77,669	45,945	58,73,684	10,481	90,791
Repaid during the period/year	-	(84,221)	(82,748)	(55,762,180)	(10,058)	(40,882)
Transfer in/out-net	-	-	-	-	-	(224,519)
Closing balance	-	110,232	387,683	11,505	948	116,784
Credit loss allowance held against advances	-	-	-	-	-	394,496

# Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) for the nine months ended September 30, 2024

	September 30, 2024			December 31, 2023 (Audited)				
	Parent	Directors	Key management personnel	Associates*	Other related parties	Key management personnel	Associates*	Other related parties
Rupees in '000								
<b>Other Assets</b>								
Interest / mark-up accrued	23,537	105,564	2,604	-	-	13,464	94,881	8,660
Receivable from staff retirement fund	-	-	-	5,885,624	-	-	-	5,238,086
Other receivable	-	-	-	-	-	-	-	222,164
Credit loss allowance against other assets	-	-	-	-	-	-	-	-
<b>Borrowings</b>								
Subordinated debt	-	-	-	-	-	-	-	-
<b>Deposits and other accounts</b>								
Opening balance	12,963	46,894	35,100	37,125	7,839,463	1,716	53,731	51,333
Received during the period/year	(13,382,994)	(1,952,421)	1,296,074	10,119,425	360,906,916	21,582,782	510,062	1,116,106
Withdrawn during the period/year	(13,380,602)	(1,982,596)	(1,230,967)	(10,143,762)	(381,041,251)	(21,571,535)	(516,999)	(11,132,339)
Closing balance	5,455	16,719	60,207	12,788	7,707,128	12,963	46,894	35,100
<b>Other Liabilities</b>								
Interest / mark-up payable	-	-	-	-	-	-	2,165	1,089
Payable to staff retirement fund	-	-	-	-	-	81,670	-	50
Other liabilities	-	-	-	-	-	-	-	209,873
<b>Contingencies and Commitments</b>								
Other contingencies	-	-	-	332,791	-	-	-	1,842,309

# Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) for the nine months ended September 30, 2024

	September 30, 2024			September 30, 2023							
	Parent	Directors	Key management personnel	Associates*	Other related parties	Parent	Directors	Key management personnel	Associates*	Other related parties	
Rupees in '000											
<b>Income</b>											
Market-ap/return/interest earned	-	10,072	12,917	209,191	-	234	-	8,243	13,706	29,785	104
Sales Commission	-	-	-	-	-	67,693	-	-	-	-	44,310
Fee and commission income	-	95	224	695	1,186,412	4	69	146	3,113	410,068	-
Share of profit from associates	-	-	-	525,037	-	-	-	-	-	-	142,443
Net (loss) gain on sale of securities	-	-	189	(51)	51	-	-	(94)	-	-	9,327
Rental income	-	-	-	-	-	-	-	-	-	-	-
Other income	-	-	16	-	-	-	-	-	-	-	-
<b>Expense</b>											
Market-ap/return/interest paid	912	5,667	4,846	130	1,161,397	-	7,518	3,028	1,140	607,458	-
Directors meeting fee	-	57,600	-	-	-	-	52,000	-	-	-	-
Remuneration	-	157,213	540,648	-	-	-	82,056	427,728	-	-	-
Change for defined benefit plans	-	3,905	20,942	-	-	-	1,906	17,667	-	-	-
Contribution to defined contribution plan	-	3,749	10,460	-	-	-	1,874	7,531	-	-	-
Other expenses	-	-	-	34,487	-	-	-	-	6,590	-	-
Rent expense**	-	-	-	17,290	-	-	-	-	15,153	-	-
Charges in respect of staff	-	-	-	-	98,756	-	-	-	-	-	234,102
Retirement benefit funds	-	-	-	-	-	-	-	-	-	-	-
Insurance premium paid	-	310	1,003	-	-	-	394	1,250	-	-	-
<b>Others Transaction***</b>											
Purchase of Government securities	-	-	-	351,949	-	-	-	-	-	-	-
Sale of Government securities	-	-	-	416,030	1,620,135	-	23,196	-	-	-	-
Purchase of foreign currencies	-	-	-	-	13,448	679,689	-	-	-	-	-
Sale of foreign currencies	-	-	-	-	-	-	-	-	-	-	-
Insurance claims settled	-	-	-	-	-	-	-	-	-	-	-

Shares held by the holding company, outstanding at the end of the period are included in note 23 to these consolidated condensed interim financial statements.

\*Associated companies are as per IAS 24: Related Party Disclosures.

\*\*Pent expense of ABL Branch with associated company (Ibrahim Fries Limited & Ibrahim Agencies Pvt. Limited) was carried out on terms other than that of arm's length with prior permission of State Bank of Pakistan.

\*\*\* Other Transaction are executed on an arm's length basis.

During the period ended September 30, 2024; certain moveable assets having cumulative net book value of Rs. 0 were disposed off for Rs. 478,407 to the Key Management Personnel of the Bank.

# Notes to the Consolidated Condensed Interim Financial Statements

(Un-audited) for the nine months ended September 30, 2024

	(Audited)	
	September 30, 2024	December 31, 2023
		Rupees in '000
<b>40 CAPITAL ADEQUACY, LEVERAGE RATIO &amp; LIQUIDITY REQUIREMENTS</b>		
<b>Minimum Capital Requirement (MCR):</b>		
Paid-up capital (net of losses)	<u>11,450,739</u>	11,450,739
<b>Capital Adequacy Ratio (CAR):</b>		
Eligible Common Equity Tier 1 (CET 1) Capital	158,155,940	137,272,038
Eligible Additional Tier 1 (ADT 1) Capital	-	-
Total Eligible Tier 1 Capital	<u>158,155,940</u>	137,272,038
Eligible Tier 2 Capital	61,544,487	44,070,701
Total Eligible Capital (Tier 1 + Tier 2)	<u>219,700,427</u>	181,342,739
<b>Risk Weighted Assets (RWAs):</b>		
Credit Risk	437,449,643	472,828,682
Market Risk	55,773,215	41,288,208
Operational Risk	177,359,474	177,359,474
Total	<u>670,582,332</u>	691,476,364
<b>Common Equity Tier 1 Capital Adequacy ratio</b>		
Tier 1 Capital Adequacy Ratio	23.58%	19.85%
Total Capital Adequacy Ratio	<u>32.76%</u>	26.23%
<b>Leverage Ratio (LR):</b>		
Eligible Tier-1 Capital	158,155,940	137,272,038
Total Exposures	<u>2,790,156,952</u>	2,473,204,725
Leverage Ratio	<u>5.67%</u>	5.55%
<b>Liquidity Coverage Ratio (LCR):</b>		
Total High Quality Liquid Assets	888,370,953	729,610,915
Total Net Cash Outflow	<u>421,257,965</u>	395,703,808
Liquidity Coverage Ratio	<u>210.89%</u>	184.38%
<b>Net Stable Funding Ratio (NSFR):</b>		
Total Available Stable Funding	1,721,036,216	1,682,223,313
Total Required Stable Funding	<u>1,125,972,085</u>	1,046,798,062
Net Stable Funding Ratio	<u>152.85%</u>	160.70%

# Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) for the nine months ended September 30, 2024

## 41 NON ADJUSTING EVENT AFTER THE REPORTING DATE

41.1 The Board of Directors of the Bank in its meeting held on October 30, 2024 has proposed an interim cash dividend for the quarter ended September 30, 2024 of Rs. 4.00 per share (September 30, 2023: cash dividend of Rs. 3.00 per share). The consolidated condensed interim financial statements of the Bank for the nine months ended September 30, 2024 do not include the effect of these appropriations which will be accounted for subsequent to the period end.

## 42 GENERAL

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

## 43 DATE OF AUTHORIZATION FOR ISSUE

These consolidated condensed interim financial statements were authorized for issue on October 30, 2024 by the Board of Directors of the Bank.

Muhammad Atif Mirza  
Chief Financial Officer

Nazrat Bashir  
Director

Aizid Razzaq Gill  
President and Chief Executive

Mohammad Naeem Mukhtar  
Chairman

Mian Ikram Ul Haq  
Director

## Notes:

## Notes:





**Allied Bank Limited**

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