

**PAIR Investment Company  
Limited**

Condensed Interim Financial  
Statements for the Half Year ended  
June 30, 2025



## **INDEPENDENT AUDITORS' REVIEW REPORT** **To the Members of PAIR Investment Company Limited**

### **Report on Review of Condensed Interim Financial Statements**

#### **Introduction**

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

#### **Scope of Review**

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

#### **Conclusion**

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

#### **Other matter**

The cumulative figures for the half year, presented in the second quarter accounts are subject to a limited scope review by the statutory auditors of the company. Accordingly, the figures of the condensed interim statement of profit and loss account and condensed interim statement of comprehensive income for the three months period ended June 30, 2025 and figures of condensed interim statement of changes in equity for half year ended December 31, 2024 have not been reviewed by us.

The engagement partner on the review resulting in this independent auditor's review report is **Hena Sadiq**.

  
Chartered Accountants

Place: Karachi

Date: August 26, 2025

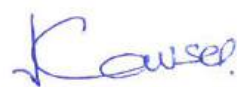



UDIN: RR202510057EWkcdGmqz

PAIR Investment Company Limited  
Condensed Interim Statement of Financial Position  
As at 30 June 2025



		June 30 2025 (Un-audited)	December 31 2024 (Audited)
	Note	(Rupees in '000)	
<b>ASSETS</b>			
Cash and balances with treasury banks	6	293,970	213,742
Balances with other banks	7	358,561	288,245
Lendings to financial institutions		-	-
Investments	8	28,519,270	25,923,281
Advances	9	12,244,123	10,700,180
Property and equipment	10	533,176	557,055
Intangible assets	11	12,150	12,234
Deferred tax assets	12	542,687	576,030
Other assets	13	2,268,832	2,165,681
<b>Total Assets</b>		<b>44,772,769</b>	<b>40,436,448</b>
<b>LIABILITIES</b>			
Bills payable		-	-
Borrowings	14	27,685,144	23,798,678
Deposits and other accounts	15	4,719,650	4,501,237
Lease liabilities		-	-
Subordinated debt		-	-
Deferred tax liabilities		-	-
Other liabilities	16	1,369,761	1,253,335
<b>Total Liabilities</b>		<b>33,774,555</b>	<b>29,553,250</b>
<b>NET ASSETS</b>		<b>10,998,214</b>	<b>10,883,198</b>
<b>REPRESENTED BY</b>			
Share capital	17	6,000,000	6,000,000
Reserves	18	1,368,162	1,327,571
Surplus on revaluation of assets	19	354,451	280,885
Unappropriated profit		3,275,601	3,274,742
		<b>10,998,214</b>	<b>10,883,198</b>
<b>CONTINGENCIES AND COMMITMENTS</b>			
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The annexed notes 1 to 40 form an integral part of these condensed interim financial statements.

  
 Chief Financial Officer
   
 Managing Director /  
 Chief Executive Officer
   
 Chairman
   
 Director
   
 Director



PAIR Investment Company Limited  
Condensed Interim Statement of Profit and Loss Account (Un-audited)  
For the half year ended 30 June 2025



		Quarter ended		Half year ended	
		April - June 2025	April - June 2024	January - June 2025	January - June 2024
Note		(Rupees in '000)			
Mark-up / return / interest earned	23	1,228,568	1,650,239	2,541,102	3,277,382
Mark-up / return / interest expensed	24	869,274	1,287,350	1,752,515	2,503,492
Net mark-up / interest income		359,294	362,889	788,587	773,890
NON MARK-UP / INTEREST INCOME					
Fee and commission income	25	7,025	2,537	19,235	15,714
Dividend income		2,946	18,465	6,227	45,859
Foreign exchange income		(771)	273	(1,173)	301
Income / (loss) from derivatives		-	-	-	-
Gain on sale of securities	26	21,928	5,169	29,801	8,495
Other income	27	(3)	3,649	(3)	3,646
Total non mark-up / interest income		31,125	30,093	54,087	74,015
Total Income		390,419	392,982	842,674	847,905
NON MARK-UP / INTEREST EXPENSES					
Operating expenses	28	181,327	64,614	399,369	235,960
Workers Welfare Fund		3,457	6,787	6,914	10,982
Other charges		-	-	-	-
Total non mark-up / interest expenses		184,784	71,401	406,283	246,942
PROFIT BEFORE CREDIT LOSS ALLOWANCE		205,635	321,581	436,391	600,963
Credit loss allowance and write offs - net	29	3,093	240,603	75,952	(13,581)
PROFIT BEFORE LEVIES AND TAXATION		202,542	80,978	360,439	614,544
Levies	30	4,744	28,903	11,050	28,903
PROFIT BEFORE INCOME TAX		197,798	52,075	349,389	585,641
Taxation	31	78,959	34,028	146,432	236,748
PROFIT AFTER TAXATION		118,839	18,047	202,957	348,893
Basic and diluted earnings per share - (Rupees)	32	0.20	0.03	0.34	0.58

The annexed notes 1 to 40 form an integral part of these condensed interim financial statements.

  
 Chief Financial Officer

  
 Managing Director /  
 Chief Executive Officer

  
 Chairman

  
 Director

  
 Director

PAIR Investment Company Limited  
Condensed Interim Statement of Comprehensive Income (Un-audited)  
For the half year ended 30 June 2025



	Quarter ended		Half year ended	
	April - June 2025	April - June 2024	January - June 2025	January - June 2024
	(Rupees in '000)			
Profit after taxation for the period	118,839	18,047	202,957	348,893
Other comprehensive income				
Items that may be reclassified to profit and loss account in subsequent periods:				
Movement in surplus / (deficit) on revaluation of debt investments through FVOCI - net of tax	153,568	32,313	99,055	(30,681)
Items that will not be reclassified to profit and loss account in subsequent periods:				
Movement in (deficit) / surplus on revaluation of investments in equity investments - net of tax	9,370	(96,491)	(25,489)	(29,911)
Gain on securities classified as FVOCI	8,728	120,468	38,493	142,539
<b>Total comprehensive income</b>	<b>290,505</b>	<b>74,337</b>	<b>315,016</b>	<b>430,840</b>

The annexed notes 1 to 40 form an integral part of these condensed interim financial statements.

*Kausel*

Chief Financial Officer

*H. Dhaneshwar*

Managing Director /  
Chief Executive Officer

*H. Dhaneshwar*

Chairman

*Ravi*

Director

*Dhaneshwar*

Director

PAIR Investment Company Limited  
Condensed Interim Statement of Changes in Equity (Un-audited)  
For the half year ended 30 June 2025

	Note	Share capital	Statutory reserve	(Deficit) / surplus on revaluation of investments (Rupees in '000)	Unappropriated profit	Total
<b>Opening Balance as at 1 January, 2024 (audited)</b>		6,000,000	1,247,496	124,696	3,208,966	10,581,158
Profit after tax for the period ended 30 June 2024		-	-	-	348,893	348,893
<b>Other comprehensive income</b>						
Movement in (deficit) / surplus on revaluation of investments in equity instruments - net of tax		-	-	(29,911)	-	(29,911)
Movement in (deficit) / surplus on revaluation of investments in debts instruments - net of tax		-	-	(30,681)	-	(30,681)
Realized gain on sale of securities classified as FVOCI		-	-	-	142,539	142,539
<b>Total comprehensive income for the year ended 30 June 2024</b>		-	-	(60,592)	491,432	430,840
Transfer to statutory reserve	18	-	69,779	-	(69,779)	-
<b>Transactions with owners, recorded directly in equity</b>						
Final cash dividend - 31 December 2023 declared subsequent to the year end		-	-	-	(450,000)	(450,000)
<b>Opening Balance as at 1 July 2024 (un-audited)</b>		6,000,000	1,317,275	64,104	3,180,619	10,561,998
Profit after tax for the period ended 31 December 2024		-	-	-	51,484	51,484
<b>Other comprehensive income</b>						
Movement in (deficit) / surplus on revaluation of investments in equity instruments - net of tax		-	-	6,028	-	6,028
Movement in (deficit) / surplus on revaluation of investments in debts instruments - net of tax		-	-	210,753	-	210,753
Realized gain on sale of securities classified as FVOCI		-	-	-	55,563	55,563
Remeasurement gain / (loss) on defined benefit obligations - net of tax		-	-	-	(2,628)	(2,628)
<b>Total comprehensive income for the year ended 31 December 2024</b>		-	-	216,781	104,419	321,200
Transfer to statutory reserve	18	-	10,296	-	(10,296)	-
<b>Opening Balance as at 01 January 2025 (audited)</b>		6,000,000	1,327,571	280,885	3,274,742	10,883,198
Profit after tax for the period ended 30 June 2025		-	-	-	202,957	202,957
<b>Other comprehensive income</b>						
Movement in (deficit) / surplus on revaluation of investments in equity instruments - net of tax		-	-	(25,489)	-	(25,489)
Movement in (deficit) / surplus on revaluation of investments in debts instruments - net of tax		-	-	99,055	-	99,055
Gain / (loss) on securities classified as FVOCI		-	-	-	38,493	38,493
		-	-	73,566	241,450	315,016
Transfer to statutory reserve	18	-	40,591	-	(40,591)	-
<b>Transactions with owners recognised directly in equity</b>						
Final cash dividend - 31 December 2024 declared subsequent to the year end		-	-	-	(200,000)	(200,000)
<b>Closing Balance as at 30 June 2025</b>		6,000,000	1,368,162	354,451	3,275,601	10,998,214

The annexed notes 1 to 40 form an integral part of these condensed interim financial statements.

*Kareel*

Chief Financial Officer

*A. Daneshwar*

Managing Director /  
Chief Executive Officer

*Prakash Ranjan*

Chairman

Director

*Prasen*

Director



PAIR Investment Company Limited  
Condensed Interim Cash Flow Statement (Un-audited)  
For the half year ended 30 June 2025

PAIR

Note June 30 30 June  
2025 2024  
----- (Rupees in '000) -----

**CASH FLOWS FROM OPERATING ACTIVITIES**

Profit before levies and taxation	360,439	614,544
Less: Dividend income	(6,227)	(45,859)
	<u>354,212</u>	<u>568,685</u>

**Adjustments:**

Depreciation	30,705	24,601
Amortisation	84	119
Credit loss allowance and write offs	75,952	(13,581)
Gain / (loss) on sale of Property and Equipment	3	(3,646)
Charge for defined benefit plan	9,228	7,298
Unrealised (gain) / loss on revaluation of securities classified as FVPL	(2,040)	187
	<u>113,932</u>	<u>14,978</u>
	<u>468,144</u>	<u>583,663</u>

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**(Increase) / decrease in operating assets**

Securities classified as FVPL	(130,565)	75,714
Advances	(1,623,989)	(61,520)
Others assets (excluding advance taxation)	75,243	(86,762)
	<u>(1,679,311)</u>	<u>(72,568)</u>

**Increase in operating liabilities**

Borrowings from financial institutions	3,886,466	1,243,349
Deposits	218,413	961,415
Other liabilities	116,426	(59,319)
	<u>4,221,305</u>	<u>2,145,445</u>
	<u>3,010,138</u>	<u>2,656,540</u>
Levies paid	(11,050)	(28,903)
Income tax paid	(328,669)	(344,385)
Defined benefits paid	(9,228)	(1,152)
Net cash flows generated from operating activities	<u>2,661,191</u>	<u>2,282,100</u>

**CASH FLOWS FROM INVESTING ACTIVITIES**

Net Investments in securities classified as FVOCI - Debt	(2,340,242)	(2,165,905)
Net Investments in securities classified as FVOCI - Equity	30,242	455,489
Dividends received	6,227	45,859
Investments in property and equipment	(6,882)	(110,807)
Investment in intangible assets	-	(3,250)
Disposal of property and equipment	52	4,609
Net cash flows used in investing activities	<u>(2,310,603)</u>	<u>(1,774,005)</u>

**CASH FLOWS FROM FINANCING ACTIVITIES**

Dividend paid	(200,000)	(450,000)
Net cash flows from financing activities	<u>(200,000)</u>	<u>(450,000)</u>
Net increase in cash and cash equivalents	150,588	58,095
Cash and cash equivalents at beginning of the period	502,171	454,921
Cash and cash equivalents at end of the period	<u>652,759</u>	<u>513,016</u>

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The annexed notes 1 to 40 form an integral part of these condensed interim financial statements.

*J. Cavel*  
Chief Financial Officer

*A. Daneshwar*  
Managing Director /  
Chief Executive Officer

*Finshad*  
Chairman

*Ramli*  
Director

*Qamir*  
Director

**PAIR Investment Company Limited**  
**Notes to the Condensed Interim Financial Statements (Un-audited)**  
**For the half year ended 30 June 2025**

**1. STATUS AND NATURE OF BUSINESS**

PAIR Investment Company Limited, ("the Company") is an unlisted Public Limited Company incorporated in Pakistan on January 15, 2007 under the Companies Ordinance, 1984 (repealed by The Companies Act, 2017). The Company has been notified as a Development Financial Institution by the Ministry of Finance, Government of Pakistan.

The Company is a Joint Venture (50:50) between Government of Pakistan and Iran Foreign Investment Company which is owned by the Government of Iran. The Company's objectives interalia includes financing for industrial and commercial projects, capital and money market operations and other investment banking activities. Its registered and principal office is situated at 17th Floor Ocean Tower, Clifton, Karachi. The other regional office is situated at Mezzanine Floor, PACE Tower T-27-H Gulberg 2, Lahore.

**2. BASIS OF PREPARATION**

**2.1 Statement of compliance**

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

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

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

- 2.2** The disclosures made in these condensed interim financial statements have been based on the format prescribed by the SBP vide BPRD Circular No.2 dated February 09, 2023 and IAS 34. SBP prescribed format for condensed interim financial statement of profit and loss account has been amended by showing separate line item of levies proceeding to profit before taxation to comply with requirements of IAS 37, IFRC 21 and guide on IAS 12 issued by Institute of Chartered Accountants of Pakistan (ICAP). These condensed interim financial statements do not include all the information and disclosures required for annual financial statements and should be read in conjunction with the financial statements for the year ended December 31, 2024.

**3. MATERIAL ACCOUNTING POLICY INFORMATION**

The material accounting policy information and methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those applied in the preparation of the audited annual financial statements of the Company for the year ended December 31, 2024.

**4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS**

The basis for accounting estimates adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the financial statements of the Company for the year ended December 31, 2024.



## 5. FINANCIAL RISK MANAGEMENT

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

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

## 6. CASH AND BALANCES WITH TREASURY BANKS

In hand			
Local currency		18	67
Foreign currencies		985	256
		1,003	323
With State Bank of Pakistan in			
Local currency current account	6.1	291,988	212,490
With National Bank of Pakistan in			
Local currency current account		17	17
Local currency deposit account	6.2	962	912
		979	929
		293,970	213,742
Less: Credit loss allowance held against cash and balances with treasury banks		-	-
Cash and balances with treasury banks - net of credit loss allowance		293,970	213,742

- 6.1 This represents current account maintained for minimum cash reserve required to be maintained with the State Bank of Pakistan in accordance with its requirements of BSD Circular No. 04 dated May 22, 2004.
- 6.2 This carries mark-up at the rate 10.50% per annum (December 31, 2024: 13.50%).

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

## 7. BALANCES WITH OTHER BANKS

In Pakistan			
In current accounts		106,728	100,258
In deposit accounts	7.1	252,061	188,171
		358,789	288,429
Less: Credit loss allowance held against balances with other banks		(228)	(184)
Balances with other banks - net of credit loss allowance		358,561	288,245

- 7.1 These deposit accounts carry annual mark-up rate of 5.50% to 9.50% (December 31, 2024: 5.02% to 13.50%).

# 8. INVESTMENTS

## 8.1 Investments by type

	June 30, 2025				December 31, 2024			
	Un-audited				Audited			
	Cost / amortised cost	Credit loss allowance	Surplus / (Deficit)	Carrying Value	Cost / amortised cost	Credit loss allowance	Surplus / (Deficit)	Carrying Value
	(Rupees in '000)				(Rupees in '000)			
<b>FVTPL</b>								
Shares - listed	400,079	-	18,031	418,110	269,514	-	15,991	285,505
	400,079	-	18,031	418,110	269,514	-	15,991	285,505
<b>FVOCI</b>								
Federal Government Securities	22,646,127	-	423,059	23,069,186	19,970,322	-	292,874	20,263,196
Shares - listed	150,280	-	49,168	199,448	142,029	-	78,298	220,327
Non Government Debt Securities	5,588,726	(772,120)	15,920	4,832,526	5,924,289	(776,258)	6,222	5,154,253
	28,385,133	(772,120)	488,147	28,101,160	26,036,640	(776,258)	377,394	25,637,776
<b>Total investments</b>	<b>28,785,212</b>	<b>(772,120)</b>	<b>506,178</b>	<b>28,519,270</b>	<b>26,306,154</b>	<b>(776,258)</b>	<b>393,385</b>	<b>25,923,281</b>

## 8.2 Investments given as collateral

### Pakistan Investment Bonds

Carrying Value  
Surplus

	June 30 2025	December 31 2024
	Un-audited	Audited
	(Rupees in '000)	
	14,306,403	5,571,868
	148,357	49,092
	14,454,760	5,620,960

### Shares

Carrying Value  
Surplus

	29,057	39,624
	16,988	28,353
	46,045	67,977

		June 30 2025 (Un-audited)	December 31 2024 (Audited)
		----- (Rupees in '000) -----	
8.3	Credit loss allowance for diminution in value of investments		
	Opening balance	776,258	51,717
	Charge / (reversals)		
	Charge for the period / year	6,139	728,715
	Reversals for the period	(10,277)	(4,174)
		(4,138)	724,541
	Closing Balance	772,120	776,258

8.4 Particulars of credit loss allowance against debt securities

	June 30, 2025		December 31, 2024	
	Outstanding amount	Credit loss allowance Held	Outstanding amount	Credit loss allowance Held
	----- (Rupees in '000) -----			
Domestic				
Performing	27,318,425	50,034	24,960,305	49,470
Underperforming	12,500	46	25,000	476
Non-performing				
Substandard	400,115	316,091	400,115	316,114
Doubtful	-	-	471,397	372,404
Loss	503,813	405,949	37,794	37,794
	903,928	722,040	909,306	726,312
Total	28,234,853	772,120	25,894,611	776,258

		Performing		Non Performing		Total	
		June 30	December 31	June 30	December 31	June 30	December 31
		2025	2024	2025	2024	2025	2024
		(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)
9	ADVANCES	Note ----- (Rupees in '000) -----					
	Loans, cash credits, running finances, etc.	12,120,779	10,614,750	1,931,418	1,816,616	14,052,197	12,431,366
	Islamic financing and related assets	-	-	136,907	133,749	136,907	133,749
	Advances - gross	9.1 12,120,779	10,614,750	2,068,325	1,950,365	14,189,104	12,565,115
	Credit loss allowance against advances						
	-Stage 1	(114,171)	(78,504)	-	-	(114,171)	(78,504)
	-Stage 2	(5,093)	(21,187)	(10,967)	(30,727)	(16,060)	(51,914)
	-Stage 3	-	-	(1,814,750)	(1,734,517)	(1,814,750)	(1,734,517)
		(119,264)	(99,691)	(1,825,717)	(1,765,244)	(1,944,981)	(1,864,935)
	Advances - net of credit loss allowance	12,001,515	10,515,059	242,608	185,121	12,244,123	10,700,180

These include personal loans and house loans of Rs. 61.795 million (December 31, 2024: Rs. 66.097 million) advanced to employees in accordance with their terms of employment. These personal loans and house loans carry mark-up at the rates of 3% and 5% (December 31, 2024: 3% and 5%) respectively.

		June 30, 2025 (Un-audited)	December 31, 2024 (Audited)
		----- (Rupees in '000) -----	
9.1	Particulars of advances (gross)		
	In local currency	14,189,104	12,565,115
	In foreign currencies	-	-
		14,189,104	12,565,115



- 9.2 Advances include Rs. 2,068 million (31 December 2024: Rs. 1,950 million) which have been placed under non-performing / Stage 3 status as detailed below:-

Category of Classification		Note	June 30, 2025 (Un-audited)		December 31, 2024 (Audited)	
			Non Performing Loans	Credit Loss Allowance	Non Performing Loans	Credit Loss Allowance
----- (Rupees in '000) -----						
Domestic						
Other Assets Especially Mentioned (OAEM)			136,907	10,967	133,749	30,727
Substandard			-	-	-	-
Doubtful		Stage 3	513,653	405,787	288,755	228,117
Loss		9.2.1	1,417,765	1,408,963	1,527,861	1,506,400
			2,068,325	1,825,717	1,950,365	1,765,244

- 9.2.1 This includes security deposit against lease assets placed by the customer with the Company therefore no provision is recorded in accordance with prudential regulations and IFRS 9.

9.3 Particulars of credit loss allowance against advances

	June 30, 2025 (Un-audited)				December 31, 2024 (Audited)			
	Stage 3	Stage 2	Stage 1	Total	Stage 3	Stage 2	Stage 1	Total
(Rupees in '000)								
Opening balance	1,734,517	51,914	78,504	1,864,935	2,022,738	18,218	172,335	2,213,291
Charge for the period / year	180,956	5,094	50,454	236,504	64,143	42,493	47,474	154,110
Reversals	(100,723)	(40,948)	(14,787)	(156,458)	(154,879)	(8,797)	(141,305)	(304,981)
	80,233	(35,854)	35,667	80,046	(90,736)	33,696	(93,831)	(150,871)
Amounts written off	-	-	-	-	(197,485)	-	-	(197,485)
Closing balance	1,814,750	16,060	114,171	1,944,981	1,734,517	51,914	78,504	1,864,935

- 9.3.1 Credit loss allowance for Stage 1 is Rs. 114.1 million and for Stage 2 is Rs. 16.1 million.

9.4 Particulars of credit loss allowance against advances

	June 30, 2025 (Un-audited)				December 31, 2024 (Audited)			
	Stage 3	Stage 2	Stage 1	Total	Stage 3	Stage 2	Stage 1	Total
(Rupees in '000)								
In local currency	1,814,750	16,060	114,171	1,944,981	1,734,517	51,914	78,504	1,864,935
In foreign currencies	-	-	-	-	-	-	-	-
	1,814,750	16,060	114,171	1,944,981	1,734,517	51,914	78,504	1,864,935

9.5 Advances - Particulars of credit loss allowance

	June 30, 2025			December 31, 2024		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
(Rupees in '000)						
9.5.1 Opening balance	78,504	51,914	1,734,517	172,335	18,218	2,022,738
New Advances	50,454	-	6,710	12,130	8,082	-
Advances derecognised or repaid	(13,672)	(20,126)	(100,724)	(137,527)	(4,476)	(155,094)
Transfer to stage 1	-	-	-	1,559	(4,321)	-
Transfer to stage 2	(1,115)	5,094	-	(3,778)	12,226	-
Transfer to stage 3	-	(20,822)	174,247	-	-	-
	35,667	(35,854)	80,233	(127,616)	11,511	(155,094)
Amounts written off / charged off	-	-	-	-	-	(197,485)
Changes in risk parameters	-	-	-	33,785	22,185	64,358
Other changes (to be specific)	-	-	-	-	-	-
Closing balance	114,171	16,060	1,814,750	78,504	51,914	1,734,517

9.5.2 Advances - Category of classification

		June 30, 2025		December 31, 2024	
Domestic		Outstanding amount	Credit loss allowance held	Outstanding amount	Credit loss allowance held
(Rupees in '000)					
Performing	Stage 1	11,969,263	(114,171)	10,303,083	(78,504)
Underperforming	Stage 2	288,423	(16,060)	445,416	(51,914)
Non-Performing	Stage 3				
Substandard		-	-	-	-
Doubtful		513,653	(405,787)	288,755	(228,117)
Loss		1,417,765	(1,408,963)	1,527,861	(1,506,400)
		1,931,418	(1,814,750)	1,816,616	(1,734,517)
		14,189,104	(1,944,981)	12,565,115	(1,864,935)

		June 30 2025 (Un-audited)	December 31 2024 (Audited)
		(Rupees in '000)	
10.	PROPERTY AND EQUIPMENT		
	Property and equipment	533,176	557,055
10.1	Additions to property and equipment		
	The following additions have been made to fixed assets during the period / year :		
	Property and equipment		
	Electrical office and computer equipment	6,882	19,452
	Vehicles	-	106,678
		6,882	126,130
10.2	Disposal of property and equipment		
	The net book value of fixed assets disposed off during the period is as follows:		
	Property and equipment		
	Furniture and fixtures	52	-
	Electrical office and computer equipment	3	95
	Vehicles	-	859
		55	954
11.	INTANGIBLE ASSETS		
	Computer Softwares and Licenses	142	226
	Capital Work in Progress	12,008	12,008
		12,150	12,234

## 12. DEFERRED TAX ASSETS

### Deductible Temporary Differences on

- Credit loss allowance against advances, off balance sheet, investment etc.
- Lease assets
- Others

June 30, 2025			
At January 01 2025	Recognised in profit and loss account	Recognised in other comprehensive income	At June 30 2025
(Rupees in '000)			
617,915	(35,307)	-	582,608
80,946	50,496	-	131,442
2,468	122	-	2,590
701,329	15,311	-	716,640

### Taxable Temporary Differences on

- Surplus on revaluation of investments
- Post retirement employee benefits
- Accelerated tax depreciation

(96,509)	(2,254)	(37,187)	(135,950)
(2,926)	-	-	(2,926)
(25,864)	(9,213)	-	(35,077)
(125,299)	(11,467)	(37,187)	(173,953)
576,030	3,844	(37,187)	542,687

- 12.1 Deferred tax asset of Rs. 205.35 million has not been recorded, which pertains to provision for non-performing loans & impairment provision, due to uncertainty of reversal of provision to recover the benefit. Further, the Company has charged deferred tax at the rate of 29% instead of 37% due to management's expectation of the rate that deferred tax would be recovered in future.

### Deductible Temporary Differences on

- Credit loss allowance against advances, off balance sheet, etc.
- Lease assets
- Others

December 31, 2024			
At January 01 2024	Recognised in profit and loss account	Recognised in other comprehensive income	At December 31 2024
(Rupees in '000)			
407,482	210,433	-	617,915
51,301	29,645	-	80,946
2,815	(347)	-	2,468
461,598	239,731	-	701,329

### Taxable Temporary Differences on

- Surplus on revaluation of investments - net
- Post retirement employee benefits
- Accelerated tax depreciation

(16,279)	(553)	(79,677)	(96,509)
(2,644)	(282)	-	(2,926)
(1,512)	(24,352)	-	(25,864)
(20,435)	(25,187)	(79,677)	(125,299)
441,163	214,544	(79,677)	576,030

## 13. OTHER ASSETS

- Income / Mark-up accrued in local currency - net of provision
- Advances, deposits, prepayments and other receivables
- Advance taxation (payments less provisions)
- Receivable from defined benefits plan
- Dividend receivable
- Security deposits

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

- Less: Provision held against other assets
- Other Assets - total

792,288	842,745
68,670	93,456
1,396,050	1,217,656
10,091	10,091
150	150
1,583	1,583
2,268,832	2,165,681
-	-
2,268,832	2,165,681



- 13.1 Mark-up suspended amounting to Rs. 2,396.3 million (31 December 2024: Rs. 2,300.5 million) included in provision against other asset, has been netted off against the markup receivable amount.

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

#### 14. BORROWINGS

##### Secured

Borrowings from State Bank of Pakistan- Under financing facility for:

- Imported & Locally Manufactured Plant & Machinery (LTFF)	14.1	1,045,083	1,184,385
- Renewable Energy Facility (REF)	14.2	543,155	581,788
- Temporary Economic Refinance Facility (TERF)	14.3	984,278	1,072,080
- Financing Facility for Storage of Agriculture Produce (FFSAP)	14.4	334,417	368,892
		2,906,933	3,207,145

Borrowings from State Bank of Pakistan - open market operation	14.5	7,802,900	4,888,200
<b>Total Borrowings from State Bank of Pakistan</b>		<b>10,709,833</b>	<b>8,095,345</b>

Repurchase agreement borrowings	14.5	6,639,200	720,000
Term borrowings	14.6	4,836,111	5,383,333
<b>Total Secured</b>		<b>22,185,144</b>	<b>14,198,678</b>

##### Unsecured

Call borrowings	14.7	5,500,000	9,600,000
<b>Total Unsecured</b>		<b>5,500,000</b>	<b>9,600,000</b>
		<b>27,685,144</b>	<b>23,798,678</b>

- 14.1 The Company has obtained funds from the SBP for extending Long Term Financing Facility (LTFF) for Imported & Locally Manufactured Plant & Machinery. These borrowings carry mark-up rate of 2.0% to 15% per annum (December 31, 2024: 2.0% to 15%). These borrowings will mature by 2033 (December 31, 2024: 2033).
- 14.2 The Company has obtained funds from the SBP for extending financing facility for renewable energy facility (REF). These borrowings carry mark-up rate of 2.0% to 3.0% per annum (December 31, 2024: 2.0% to 3.0%). These borrowings will mature by 2034 (December 31, 2024: 2034).
- 14.3 The Company has obtained funds from the SBP for extending Temporary Economic Refinance Facility (TERF) for economic relief. These borrowings carry mark-up rate of 1.0% per annum (December 31, 2024: 1.0%). These borrowings will mature by 2032 (December 31, 2024: 2032).
- 14.4 The Company has obtained funds from the SBP for extending Financing Facility for Storage of Agricultural Produce (FFSAP) for economic relief. These borrowings carry mark-up rate of 2.50% per annum (December 31, 2024: 2.50%). These borrowings will mature by 2030 (December 31, 2024: 2030).
- 14.5 These carry mark-up at the rates ranging from 11.15% to 11.9% per annum (December 31, 2024: 13.11% to 13.25% per annum) and are secured against government securities having carrying amount of Rs. 8.310 billion & market value of Rs. 8.343 billion (December 31, 2024: carrying amount of Rs. 5.572 billion & market value of Rs. 5.621 billion). These borrowings will mature up to July 2025 (December 31, 2024: January 2025).
- 14.6 These represent finances obtained from Allied Bank Limited to finance regular business operations of the Company. These finances are secured against pledge of all present and future movable assets (excluding investments). It carries mark up at the rate of 6 months KIBOR +0.10 to 0.13% per annum. These are repayable in semi annual installments and shall be repaid by 2029. Total available facility is Rs. 6 billion.

- 14.7 These represent clean finances obtained by the Company. These carry mark up at the rates ranging from 11.1% to 11.9% (December 31, 2024: 13.10% to 13.25% per annum). These borrowings will mature up to April 2025 (December 31, 2024: January 2025).

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

**15. DEPOSITS AND OTHER ACCOUNTS**

**Customers**

Term deposits

15.2 2,650,832 2,608,141

**Financial Institutions**

Term deposits

15.3 2,068,818 1,893,096

4,719,650 4,501,237

**15.1 Composition of deposits**

- Individuals

15.4 750,038 642,674

- Public Sector Entities

500,000 750,000

- Non-Banking Financial Institutions

2,068,818 1,893,096

- Private Sector

1,400,794 1,215,467

4,719,650 4,501,237

- 15.2 The mark-up rates on these certificate of investments (COI) range between 10.60% to 19.00% per annum (December 31, 2024: 10.6% to 19.00% per annum). These COIs will mature up to June 2026 (December 31, 2024: December 2025).

- 15.3 The mark-up rates on these certificate of investments (COI) is 10.95% to 11.70% per annum (December 31, 2024: 12.25% to 16.50% per annum). These COIs will mature up to September 2025 (December 31, 2024: March 2025).

- 15.4 These includes both interest bearing and non-interest bearing certificate of investments (COI) issued to the employees of the Company maturing up to November 2027 (December 31, 2024: November 2027). The interest bearing deposits carry interest rates ranging between 10.6% to 19.00% per annum (December 31, 2024: 11.50% to 21.30% per annum).

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

**16. OTHER LIABILITIES**

Mark-up / Return / Interest payable in local currency

330,170 380,228

Accrued expenses

145,160 19,962

Payable to an associated undertaking

9,623 11,855

Government levies payable

74,075 67,666

Provision for audit fee

1,553 1,998

Advance insurance premium on lease

755 751

Security deposits against finance lease

799,576 770,875

Provision for staff rewards

8,849 -

1,369,761 1,253,335

17. SHARE CAPITAL

17.1 Authorised capital

June 30  
2025  
(Un-audited)  
(Number of shares)

December 31  
2024  
(Audited)  
(Number of shares)

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

1,000,000,000    1,000,000,000    Ordinary shares of Rs. 10 each

10,000,000    10,000,000

17.2 Issued, subscribed and paid-up share capital

600,000,000    600,000,000    Fully paid in cash

6,000,000    6,000,000

17.3 Major shareholders (holding more than 5% of total paid-up capital)

Name of shareholder	June 30, 2025 (Un-audited)		December 31, 2024 (Audited)	
	Number of shares held	Percentage of shareholding	Number of shares held	Percentage of shareholding
Government of Pakistan	300,000,000	50%	300,000,000	50%
Iran Foreign Investment Company	300,000,000	50%	300,000,000	50%
	<u>600,000,000</u>	<u>100%</u>	<u>600,000,000</u>	<u>100%</u>

18. RESERVES

Statutory reserve

Opening balance  
Transfer during the period / year  
Closing balance

June 30 2025 (Un-audited)	December 31 2024 (Audited)
1,327,571	1,247,496
<u>40,591</u>	<u>80,075</u>
<u>1,368,162</u>	<u>1,327,571</u>

18.1 According to BPD Circular No. 15 dated May 31 2004 issued by SBP, an amount not less than 20% of the after tax profits shall be transferred to create a reserve fund till such time the reserve fund equals the amount of the paid-up capital and after that a sum not less than 5% of profit after tax shall be credited to the statutory reserve.

19. SURPLUS ON REVALUATION OF ASSETS

Surplus / (deficit) on revaluation of

- Securities measured at FVOCI - Debt
- Securities measured at FVOCI - Equity

Note

June 30 2025 (Un-audited)	December 31 2024 (Audited)
438,979	299,096
<u>49,168</u>	<u>78,298</u>
488,147	377,394
(127,550)	(86,722)
<u>(6,146)</u>	<u>(9,787)</u>
(133,696)	(96,509)
<u>354,451</u>	<u>280,885</u>

Deferred tax on surplus / (deficit) on revaluation of:

- Securities measured at FVOCI - Debt
- Securities measured at FVOCI - Equity



		June 30 2025 (Un-audited)	December 31 2024 (Audited)
	Note	(Rupees in '000)	
<b>20. CONTINGENCIES AND COMMITMENTS</b>			
- Commitments	20.1 - 20.3	14,442,100	5,651,200
- Other contingent liabilities	20.4	245,280	245,280
		<u>14,687,380</u>	<u>5,896,480</u>

**20.1 Commitments in respect of repo transactions**

Repurchase agreement borrowings

<u>14,442,100</u>	<u>5,608,200</u>
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**20.2 Direct credit substitutes**

<u>-</u>	<u>43,000</u>
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The amount represents Standby Letter of Credit and Letter of Comfort facilities issued to the Company's clients in its normal course of business.

**20.3 Commitments to extend credit**

The Company makes commitments to extend credit in the normal course of its business but these being revocable commitments do not attract any significant penalty or expense if the facility is unilaterally withdrawn.

**20.4 Other contingent liabilities**

**20.4.1** The status of tax contingencies remains unchanged from the disclosure in Note 19.5 of the annual audited financial statements for the year ended December 31, 2024, except for the matter relating to super tax for Tax Year 2023. In February 2024, a notice under Section 4C of the Income Tax Ordinance, 2001 was issued, raising a demand of Rs. 73.103 million against the declared super tax of Rs. 23.266 million. The notice was challenged before the Islamabad High Court (IHC), which decided the matter in favor of the Company. The tax department subsequently filed an Intra-Court Appeal (ICA) against the IHC judgment; however, the matter now resides with the Supreme Court and is currently pending adjudication.

**21. OFF BALANCE SHEET FINANCIAL INSTRUMENTS**

Off balance sheet financial instruments includes derivatives, contracts the characteristics of which are derived from those of underlying assets. These include forwards and swaps in money and foreign exchange markets. The Company's exposure in these instruments represents equity futures. The Company also enters into repo transactions against government securities carrying fixed interest rates and having fixed contractual maturities. The credit risk associated with repo transactions is secured through underlying government securities.

**22. DERIVATIVE INSTRUMENTS**

The Company at present does not offer structured derivative products such as interest rate swaps, forward rate swaps, forward rate agreements or forward exchange options. However, the Company buys and sells derivative instruments such as equity futures.

**22.1 Equity futures**

An equity futures contract is a standardized contract, traded on a futures counter of the stock exchange, to buy or sell a certain underlying scrip at a certain date in the future, at a specified price.

The Company uses equity futures as a hedging instrument to hedge its equity portfolio against equity price risk. Only selected shares are allowed to be traded on futures exchange. Equity futures give flexibility to the Company either to take delivery on the future settlement date or to settle it by adjusting the notional value of the contract based on the current market rates.

		June 30, 2025 (Un-audited)	June 30, 2024 (Un-audited)
	Note	(Rupees in '000) -----	
<b>23. MARK-UP / RETURN / INTEREST EARNED</b>			
On loans and advances		660,141	795,111
On investments		1,877,253	2,472,976
On deposits with financial institutions		3,708	9,295
		<u>2,541,102</u>	<u>3,277,382</u>
<b>23.1 Interest income (calculated using effective interest rate method) recognised on:</b>			
Financial assets measured at amortised cost;		660,141	795,111
Financial assets measured at fair value through OCI.		1,880,961	2,482,271
		<u>2,541,102</u>	<u>3,277,382</u>
<b>24. MARK-UP / RETURN / INTEREST EXPENSED</b>			
Deposits		305,473	353,266
Securities sold under repurchase agreements		65,725	144,358
On borrowing from State Bank of Pakistan- Under financing facility			
- Imported & Locally Manufactured Plant & Machinery (LTFF)		15,146	18,688
- Temporary Economic Refinance Facility (TERF)		5,065	5,780
- Renewable Energy (REF)		8,198	8,150
- Financing Facility for Storage of Agriculture Produce (FFSAP)		4,399	4,183
Borrowings from State Bank of Pakistan - open market operation		367,082	622,764
Term Borrowing		331,461	473,000
Clean Borrowing		647,283	873,303
Staff Loans		2,683	-
		<u>1,752,515</u>	<u>2,503,492</u>
<b>24.1 Interest expense calculated using effective interest rate method</b>		<u>1,752,515</u>	<u>2,503,492</u>
<b>25. FEE &amp; COMMISSION INCOME</b>			
Credit related fees		18,865	14,424
Commission on guarantees		370	1,290
		<u>19,235</u>	<u>15,714</u>
<b>26. GAIN ON SALE OF SECURITIES - NET</b>			
Realised	26.1	27,761	8,682
Unrealised - Measured at FVPL		2,040	(187)
		<u>29,801</u>	<u>8,495</u>
<b>26.1 Realised gain on:</b>			
Shares		<u>27,761</u>	<u>8,682</u>

	June 30, 2025 (Un-audited) ----- (Rupees in '000) -----	June 30, 2024 (Un-audited) ----- (Rupees in '000) -----
<b>26.2 Net gain / loss on financial assets / liabilities measured at FVPL:</b>		
Mandatorily measured at FVPL	27,761	8,682
Net gain / (loss) on investments in equity instruments designated at FVOCI	38,493	142,539
	<u>66,254</u>	<u>151,221</u>
<b>27. OTHER INCOME</b>		
(Loss) / gain on sale of property and equipment - net	<u>(3)</u>	<u>3,646</u>
<b>28. OPERATING EXPENSES</b>		
Total compensation expense	299,221	128,583
<b>Property expense</b>		
Property taxes	569	387
Insurance	4,371	3,516
Utilities cost	7,235	7,399
Security (including guards)	980	924
Repair & maintenance (including janitorial charges)	5,642	5,104
Depreciation on owned assets	24,928	20,803
	43,725	38,133
<b>Information technology expenses</b>		
Software maintenance	3,705	3,312
Hardware maintenance	1,942	1,785
Depreciation	5,777	3,798
Amortisation	84	119
Network charges	5,571	5,249
Others	328	492
	17,407	14,755
<b>Other operating expenses</b>		
Directors' fees and allowances	7,375	8,375
Legal & professional charges	5,054	12,321
Travelling & conveyance	15,131	22,984
Training & development	395	177
Postage & courier charges	126	154
Communication	871	851
Stationery & printing	1,259	658
Marketing, advertisement & publicity	189	847
Auditors Remuneration	1,840	1,667
Commission and brokerage	3,049	2,338
Others	3,727	4,117
	39,016	54,489
	<u>399,369</u>	<u>235,960</u>



		June 30, 2025 (Un-audited)	June 30, 2024 (Un-audited)
	Note	----- (Rupees in '000) -----	
<b>29. CREDIT LOSS ALLOWANCE &amp; WRITE OFFS - NET</b>			
Credit loss allowance / (reversal) against balances with other banks		44	(39)
(Reversal) / credit loss allowance for diminution in value of investments	8.3	(4,138)	193,222
Credit loss allowance / (reversal) against loans & advances	9.3	80,046	(404,249)
Other credit loss allowance / write offs	9.3.1	-	197,485
		<u>75,952</u>	<u>(13,581)</u>
<b>30. Levies</b>			
Final tax	30.1	<u>11,050</u>	<u>28,903</u>
30.1	This represents final tax on dividend income, capital gains and return on investment on sukuk under section 5, 37A and 5AA respectively of the Income Tax Ordinance, 2001. These has been recognised as levies in these condensed interim financial statements as per the requirements of IFRIC 21 / IAS 37 and guide on IAS 12 issued by ICAP.		
		June 30, 2025 (Un-audited)	June 30, 2024 (Un-audited)
	Note	----- (Rupees in '000) -----	
<b>31. TAXATION</b>			
Current		150,276	182,516
Prior period		-	(13,531)
Deferred		(3,844)	67,763
		<u>146,432</u>	<u>236,748</u>
<b>32. BASIC &amp; DILUTED EARNINGS PER SHARE</b>			
Profit for the period		<u>202,957</u>	<u>348,893</u>
		(Number of Shares in '000)	
Weighted average number of ordinary shares		<u>600,000</u>	<u>600,000</u>
Basic & diluted earnings per share		<u>0.34</u>	<u>0.58</u>
		June 30, 2025 (Un-audited)	June 30, 2024 (Un-audited)
		----- (Rupees in '000) -----	
<b>33. CASH AND CASH EQUIVALENTS</b>			
Cash and balances with treasury bank	6	293,970	264,114
Balances with other banks	7	358,561	248,807
Add: Credit loss allowance held against balances with other banks	7	228	95
		<u>652,759</u>	<u>513,016</u>
<b>34. FAIR VALUE MEASUREMENTS</b>			

The fair value of quoted securities other than those classified as amortised cost, is based on quoted market price. Quoted securities classified under held to collect model are carried at amortised cost.

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

#### 34.1 Fair value of financial assets

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

- Level 1:** Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2:** Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3:** Fair value measurements using input for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

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

Government securities	PKRV / PKFRV rates (MUFAP rates)
Term finance certificates and sukuk bonds (other than government)	MUFAP rates
Listed securities	PSX rates

In the opinion of the management, the fair value of the remaining financial assets and liabilities is not significantly different from their carrying values.

- 34.2** 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 measured is categorised.

#### On balance sheet financial instruments

	June 30, 2025			
	Fair value			
	Level 1	Level 2	Level 3	Total
	(Rupees in 000)			
<b>Financial assets measured at fair value</b>				
Federal Government Securities	-	23,069,186	-	23,069,186
Shares in listed companies	617,558	-	-	617,558
Non Government Debt Securities	1,968,964	2,863,562	-	4,832,526
	2,586,522	25,932,748	-	28,519,270
	December 31, 2024			
	Fair value			
	Level 1	Level 2	Level 3	Total
	(Rupees in 000)			
<b>Financial assets measured at fair value</b>				
Federal Government Securities	-	20,263,196	-	20,263,196
Shares in listed companies	505,832	-	-	505,832
Non Government Debt Securities	2,006,801	3,147,452	-	5,154,253
	2,512,633	23,410,648	-	25,923,281

35. SEGMENT INFORMATION

Segment Details with respect to Business Activities

June 30, 2025

	Corporate Finance & Commercial Banking	Trading & Sales (other than Capital Market)	Capital Markets	Others	Total
(Rupees in '000)					
<b>Profit &amp; Loss</b>					
Net mark-up/return/profit	384,684	397,883	-	6,020	788,587
Inter segment revenue - net	-	-	-	-	-
Non mark-up / return / interest income	19,235	-	36,027	(1,175)	54,087
<b>Total Income</b>	<b>403,919</b>	<b>397,883</b>	<b>36,027</b>	<b>4,845</b>	<b>842,674</b>
Segment direct expenses	35,928	18,123	15,747	336,485	406,283
Inter segment expense allocation	-	-	-	-	-
<b>Total expenses</b>	<b>35,928</b>	<b>18,123</b>	<b>15,747</b>	<b>336,485</b>	<b>406,283</b>
Provisions	80,090	(4,138)	-	-	75,952
<b>Profit before levies and taxation</b>	<b>287,901</b>	<b>383,898</b>	<b>20,280</b>	<b>(331,640)</b>	<b>360,439</b>

June 30, 2025

	Corporate Finance & Commercial Banking	Trading & Sales (other than Capital Market)	Capital Markets	Others	Total
(Rupees in '000)					
<b>Balance Sheet</b>					
Cash & Bank balances	-	291,988	-	360,543	652,531
Investments	3,276,926	24,662,031	580,313	-	28,519,270
Net inter segment lending	-	-	-	-	-
Lendings to financial institutions	-	-	-	-	-
Advances - performing	11,939,721	-	-	61,795	12,001,516
- non-performing	242,607	-	-	-	242,607
Others	119,259	678,742	150	2,558,694	3,356,845
<b>Total Assets</b>	<b>15,578,513</b>	<b>25,632,761</b>	<b>580,463</b>	<b>2,981,032</b>	<b>44,772,769</b>
Borrowings	4,709,835	22,908,087	67,222	-	27,685,144
Subordinated debt	-	-	-	-	-
Deposits & other accounts	4,719,650	-	-	-	4,719,650
Net inter segment borrowing	-	-	-	-	-
Others	978,546	33,857	1,181	356,177	1,369,761
<b>Total liabilities</b>	<b>10,408,031</b>	<b>22,941,944</b>	<b>68,403</b>	<b>356,177</b>	<b>33,774,555</b>
Equity	5,170,482	2,690,817	512,060	2,624,855	10,998,214
<b>Total Equity &amp; liabilities</b>	<b>15,578,513</b>	<b>25,632,761</b>	<b>580,463</b>	<b>2,981,032</b>	<b>44,772,769</b>
Contingencies & Commitments	990,404	14,442,100	-	-	15,432,504



June 30, 2024

	Corporate Finance & Commercial Banking	Trading & Sales (other than Capital Market)	Capital Markets	Others	Total
(Rupees in '000)					
Profit & Loss					
Net mark-up/return/profit	587,424	201,781	-	(15,315)	773,890
Inter segment revenue - net	-	-	-	-	-
Non mark-up / return / interest income	15,714	-	54,354	3,947	74,015
Total Income	603,138	201,781	54,354	(11,368)	847,905
Segment direct expenses	35,051	15,168	13,031	183,692	246,942
Inter segment expense allocation	-	-	-	-	-
Total expenses	35,051	15,168	13,031	183,692	246,942
Provisions	(13,708)	88	-	39	(13,581)
Profit before levies and taxation	581,795	186,525	41,323	(195,099)	614,544

December 31, 2024 (Audited)

	Corporate Finance & Commercial Banking	Trading & Sales (other than Capital Market)	Capital Markets	Others	Total
(Rupees in '000)					
Balance Sheet					
Cash & Bank balances	-	-	-	501,987	501,987
Investments	3,580,921	21,864,137	478,223	-	25,923,281
Net inter segment lending	-	-	-	-	-
Lendings to financial institutions	-	-	-	-	-
Advances - performing	10,448,962	-	-	66,097	10,515,059
Advances - non-performing	185,121	-	-	-	185,121
Others	159,169	683,577	150	2,468,104	3,311,000
Total Assets	14,374,173	22,547,714	478,373	3,036,188	40,436,448
Borrowings	6,447,969	17,264,236	86,473	-	23,798,678
Subordinated debt	-	-	-	-	-
Deposits & other accounts	2,709,793	1,719,140	72,304	-	4,501,237
Net inter segment borrowing	-	-	-	-	-
Others	167,369	212,856	-	873,110	1,253,335
Total liabilities	9,325,131	19,196,232	158,777	873,110	29,553,250
Equity	5,049,042	3,351,482	319,596	2,163,078	10,883,198
Total Equity & liabilities	14,374,173	22,547,714	478,373	3,036,188	40,436,448
Contingencies & Commitments	43,000	5,608,200	-	245,280	5,896,480

### 36. RELATED PARTY TRANSACTIONS

Related parties of the Company comprise retirement benefit plan, major shareholders, directors, key management personnel and their close family members.

The Company enters into transactions with related parties in the ordinary course of business and on substantially the same terms as for comparable transactions with person of similar standing. Contributions to and accruals in respect of staff retirement benefits and other benefit plans are made in accordance with the actuarial valuations / terms of the contribution plan. Remuneration to the executives / officers is determined in accordance with the terms of their

Details of transactions with related parties during the period, other than those which have been disclosed elsewhere in these condensed interim financial statements are as follows:

	June 30, 2025 (Un-audited)			December 31, 2024 (Audited)		
	Directors	Key management personnel	Other related parties	Directors	Key management personnel	Other related parties
	(Rupees in '000)					
<b>Advances</b>						
Opening balance	-	41,801	-	-	47,991	-
Addition during the period / year	-	-	-	-	2,000	-
Repaid during the period / year	-	(4,130)	-	-	(8,190)	-
Closing balance	-	37,671	-	-	41,801	-
<b>Other Assets</b>						
Other receivable	-	-	18,548	-	-	18,077
<b>Deposits and other accounts</b>						
Opening balance	-	136,342	2,173,546	-	73,835	1,551,712
Received during the period / year	-	835,733	3,043,545	-	1,394,454	8,300,150
Withdrawn during the period / year	-	(789,142)	(2,864,105)	-	(1,331,947)	(7,678,316)
Closing balance	-	182,933	2,352,986	-	136,342	2,173,546
<b>Other Liabilities</b>						
Interest / mark-up payable	-	1,036	59,635	-	802	16,818
Other liabilities						
- bonus payable to Key Management	-	4,493	-	-	8,871	-
- payable to Iran Foreign Investment Company - associate	-	-	9,623	-	-	11,855
- director fee payable	-	-	700	-	-	-
<b>RELATED PARTY TRANSACTIONS</b>						
	June 30, 2025 (Un-audited)			June 30, 2024 (Un-audited)		
	Directors	Key management personnel	Other related parties	Directors	Key management personnel	Other related parties
	(Rupees in '000)					
<b>Income</b>						
Mark-up / return / interest earned	-	965	-	-	1,074	-
<b>Expense</b>						
Mark-up / return / interest paid	-	8,860	134,710	-	10,454	187,936
<b>Operating expenses</b>						
Fees for Board & Committee Meeting	7,375	-	-	8,375	-	-
Managerial Remuneration	-	92,056	-	-	83,049	-
Cash Bonus / Awards	-	47,076	-	-	34,145	-
Contribution to defined contribution plan	-	6,291	-	-	5,496	-
Rent & house maintenance	-	14,467	-	-	11,937	-
Utilities	-	4,361	-	-	2,722	-
Medical	-	8,603	-	-	7,480	-
Conveyance	-	8,126	-	-	11,273	-
Others	-	334	-	-	282	-
Contribution to the defined contribution plan	-	-	9,542	-	-	7,991
Payment to the defined benefit plan	-	-	9,228	-	-	7,587
Charge for defined benefit plan	-	-	9,228	-	-	7,298

37. CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

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

December 31  
2024  
(Audited)

**Minimum Capital Requirement (MCR):**

Paid-up capital (net of losses)

6,000,000 6,000,000

**Capital Adequacy Ratio (CAR):**

Eligible Common Equity Tier 1 (CET 1) Capital

7,340,677 7,455,982

Eligible Additional Tier 1 (AT1) Capital

- -

**Total Eligible Tier 1 Capital**

7,340,677 7,455,982

Eligible Tier 2 Capital

- -

**Total Eligible Capital (Tier 1 + Tier 2)**

7,340,677 7,455,982

**Risk Weighted Assets (RWAs):**

Credit Risk

13,905,622 12,487,254

Market Risk

1,232,800 1,011,664

Operational Risk

2,967,610 2,967,610

**Total**

18,106,032 16,466,528

	June 30, 2025		December 31, 2024	
	Required	Actual	Required	Actual
Common Equity Tier 1 Capital Adequacy ratio (%)	6.00%	40.54%	6.00%	45.28%
Tier 1 Capital Adequacy Ratio (%)	7.50%	40.54%	7.50%	45.28%
Total Capital Adequacy Ratio (%)	11.5%*	40.54%	11.50%	45.28%

\*In terms of BPRD Circular Letter No. 12 of 2020 dated March 26, 2020, SBP has reduced Capital Conversion Buffer (CCB) requirement from 2.5% to 1.5% to enable the banks/DFIs to continue funding the real economy during evolving situation of CoVID-19 outbreak.

Standardized Approach of Basel III is used for calculating Capital Adequacy for Credit and Market Risk while Basic indicator Approach is used for calculating Capital Adequacy for Operational Risk.

	June 30 2025 (Un-audited) ----- (Rupees in '000) -----	December 31 2024 (Audited)
<b>Leverage Ratio (LR):</b>		
Eligible Tier-1 Capital	7,340,677	7,455,982
Total Exposures	45,476,035	41,167,922
Leverage Ratio	16.14%	18.11%
<b>Liquidity Coverage Ratio (LCR):</b>		
Total High Quality Liquid Assets	9,088,269	15,159,901
Total Net Cash Outflow	6,137,547	10,260,112
Liquidity Coverage Ratio (%)	1.48	1.48
<b>Net Stable Funding Ratio (NSFR):</b>		
Total Available Stable Funding	17,214,782	17,769,062
Total Required Stable Funding	16,437,116	15,186,515
Net Stable Funding Ratio (%)	105%	117%



37.1 State Bank of Pakistan issued Green Banking Guidelines vide IH&SMEFD Circular No. 08 of 2017 with a view to safeguarding against environmental risks emerging from banks and DFIs' businesses and operations. In order to align the DFI with regulatory expectations, PICL has put in place a Green Banking Framework focusing on following three areas:

1) **Environmental Risk Management**

For increasing financial stability through management and mitigation of environmental Risks of Lending portfolio, PICL has in place integration of environmental risk considerations into the credit risk assessment by introducing an Environmental Risk Rating, which is part of the Credit Risk Assessment.

2) **Business Facilitation**

The DFI is pursuing a green portfolio through soliciting clients for Renewable Energy related Lending by offering the SBP's Renewable Energy Refinance Scheme.

3) **Own Impact Reduction**

In order to reduce its own impact on environment, the DFI has set targets to lower its energy consumption, paper and waste reduction, bring energy efficient equipments, and plantation of greenery in surroundings.

38. **GENERAL**

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

38.2 The Pakistan Credit Rating Agency Limited (PACRA) as at June 20, 2025 has maintained the long term entity rating to AA (Double A) and the short term rating at A1+ (A one plus) of the Company.

38.3 Comparative information has been re-classified, re-arranged or additionally incorporated in these condensed interim financial statements wherever necessary to facilitate comparison and better presentation.

39. **EVENTS AFTER THE REPORTING DATE**

There are no events after the reporting date which could have material effect on these condensed interim financial statements.

40. **DATE OF AUTHORISATION**

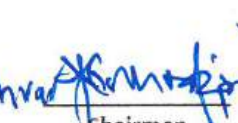
These condensed interim financial statements were authorised for issue on 23 AUG 2025 by the Board of Directors of the Company.



Chief Financial Officer



Managing Director /  
Chief Executive Officer



Chairman



Director



Director