

SCALING DIGITAL GROWTH



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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
 Abdul Aziz Khan
 Zafar Iqbal
 Nazrat Bashir
 Mubashir A. Akhtar
 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

Zafar Iqbal (Chairman)
 Nazrat Bashir
 Mubashir A. Akhtar

e-Vision Committee

Mohammad Naeem Mukhtar (Chairman)
 Muhammad Waseem Mukhtar
 Zafar Iqbal
 Aizid Razzaq Gill

Board Risk Management Committee

Sheikh Mukhtar Ahmad (Chairman)
 Abdul Aziz Khan
 Nazrat Bashir
 Aizid Razzaq Gill

Strategic Planning & Monitoring Committee

Muhammad Waseem Mukhtar (Chairman)
 Abdul Aziz Khan
 Nazrat Bashir
 Aizid Razzaq Gill

Human Resource & Remuneration Committee

Mubashir A. Akhtar (Chairman)
 Abdul Aziz Khan
 Muhammad Waseem Mukhtar
 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
(CDCSRSL)

Registered and Head Office

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Pakistan

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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 Quarter ended March 31, 2024. The operating results and appropriations, as recommended by the Board of Directors are included in the appended table:

	Quarter ended March 31,		Growth
	2024	2023	
	(Rupees in million)		%
Profit after tax for the quarter	11,364	7,589	50
Accumulated profits brought forward	104,802	79,653	32
Transferred from surplus on revaluation of non-banking assets to un-appropriated profit – net of tax	1	0.36	149
Transferred from surplus on revaluation of fixed assets to un-appropriated profit – net of tax	47	20	135
Impact of adoption of IFRS 9 on opening retained earnings	(2,773)	-	100
Profit available for appropriation	113,491	87,262	30
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
Transfer to Statutory Reserves	(1,136)	(759)	50
Accumulated profits carried forward	107,774	83,640	29
Earnings Per Share (EPS) (Rs.)	9.92	6.63	50

The Board of Directors is pleased to announce an interim cash dividend of Rs. 4.00 per share for the first quarter ended March 31, 2024 (March 31, 2023: Rs. 2.50 per share).

Economic Review

The year 2024 commenced amidst a backdrop of mixed developments and uncertain expectations for economic recovery. Despite ongoing geopolitical conflicts and lingering supply chain disruptions from the pandemic, global economic activity demonstrated resilience. Central banks worldwide continued to implement high-interest-rate policies aimed at curbing inflation. The International Monetary Fund (IMF) reflected this cautious outlook in its latest update. In the April 2024 World Economic Outlook, the IMF adjusted its projection for global growth in 2024 upward to 3.2%, a marginal increase of 0.1% from its earlier forecast in January 2024.

According to the IMF, Global headline inflation is expected to decrease from an annual average of 6.8% in 2023 to 5.9% in 2024. In contrast, domestic headline inflation is projected to be 24.8% for 2024, up by 1.2% from the previous projection in October WEO of the IMF.

Domestically, Pakistan is navigating a series of challenges including uncertain political climate, high inflation and weakened business confidence. Despite these difficulties, there are short-term signs of economic improvement. The IMF projects Pakistan's Gross Domestic Product (GDP) growth at 2.0% for 2024 and 3.5% for 2025. Similarly, State Bank of Pakistan (SBP) anticipates GDP growth to remain in the range of 2% to 3% for 2024.

Large Scale Manufacturing (LSM) showed a year-on-year increase of 1.8% in January 2024, which is a significant improvement compared to a decline of 5.6% observed in January 2023. During Jul-Jan FY'24, 12 out of 22 sectors recorded positive growth. These sectors include Food, Beverages, Apparel, Leather, Wood products, Coke & Petroleum Products, Chemicals, Pharmaceuticals, Rubber

Products, Machinery and Equipment, Furniture and Others which notably includes Football manufacturing.

On the external front, Pakistan has seen a substantial reduction in its current account deficit (CAD) which decreased by 74% to US\$ 1.0 billion during Jul-Feb FY'24 as compared to US\$ 3.9 billion in the same period of FY'23. Additionally, the trade deficit stood at US\$ 15.4 billion during Jul-Feb FY'24, compared to US\$ 19.0 billion during Jul-Feb FY'23, marking a decrease of 19%.

Exports increased by 8% to US\$ 25.6 billion during Jul-Feb FY'24 up from US\$ 23.8 billion during Jul-Feb FY'23. In February 2024, there was a 14% growth in exports on YoY basis. However, on month-on-month basis, exports declined by 6%. According to the Pakistan Bureau of Statistics (PBS), the commodities that registered positive growth in exports include Rice, Fruits, Cotton Yarn, Towel, Rubber Tyers & Tubes, and Plastic Materials.

On the other hand, imports decreased by 4% to US\$ 41.1 billion during Jul-Feb FY'24, from US\$ 42.8 billion during Jul-Feb FY'23. Despite the overall decrease, there was an increase of 12% in imports on YoY basis during the month of February 2024. However, on MoM basis, imports decreased by 9%, falling to US\$ 5.1 billion in February 2024 from US\$ 5.6 billion in January 2024.

Workers' remittances recorded at US\$ 18.1 billion during Jul-Feb FY'24, slightly declined by 1.2% from US\$ 18.3 billion in the corresponding period last year. However, in the month of February 2024 it increased by 13% on YoY basis to record at US\$ 2.3 billion as compared to US\$ 2.0 billion in the month of February 2023.

Pakistan's total foreign exchange reserves stood at US\$ 13.4 billion at the end of March 2024, compared to US\$ 9.2 billion at the end of March 2023 showing an increase of 46%. Whereas, reserves with SBP increased by 91% to US\$ 8.0 billion at the end of March 2024 from US\$ 4.2 billion at the end of March 2023.

During Jul-Feb FY'24, Foreign Direct Investment (FDI) amounted to US\$ 820.6 million, showing a decrease of 17% compared to US\$ 990.2 million in the same period last year. However, in February 2024, FDI witnessed a growth of 16% to record at US\$ 131 million from US\$ 113 million in the same month last year. Power sector attracted the highest FDI share of 30%, whereas Oil & Gas exploration and Financial Business sectors attracted 18% and 15% respectively of total FDI. Foreign Portfolio Investment recorded an inflow of US\$ 111.7 million during Jul-Feb FY'24 as against an outflow of US\$ 1,017.4 million in the same period last year.

Considering various developments on the political and economic fronts, the Pakistan Stock Exchange (PSX) experienced positive performance in February 2024. The benchmark KSE-100 index closed at 64,579 points on February 29, 2024. Additionally, the market capitalization of the PSX was recorded at Rs. 9.35 trillion in March 2024.

Money supply (M2) stood at Rs. 33,739 billion at the end of March 2024, compared to Rs. 28,814 billion at the end of March 2023 depicting a growth of 17%. Currency in Circulation (CIC) was recorded at Rs. 8,651 billion by the end of March 2024 increased by 5% from Rs. 8,271 billion at the end of March 2023.

For March 2024, the National Consumer Price Index (CPI) remained at a 20.7% increase on a YoY basis, compared to a 23.1% increase in the previous month. On a MoM basis, it increased by 1.7% in March 2024, compared to no change observed in the previous month.

Considering the moderate pickup in economic activity, along with the rebound in agriculture output, improvements in external account balance, a downward trend in inflation and modest trend in commodity prices, the monetary policy committee (MPC) decided to keep the policy rate at 22% in its recent meeting. However, despite the decline in inflation in February 2024, the level of inflation remains high and its outlook is still vulnerable.

Financial Review

The banking sector maintained its resilience during the first quarter of 2024. Despite facing challenges, the sector managed to expand its asset base slightly by 0.1%, reaching Rs. 45,263 billion as of March 31, 2024, up from Rs. 45,183 billion as on December 31, 2023. Investments increased by 4%, to Rs. 26,270 billion at the end of the period, compared to Rs. 25,280 billion on December 31, 2023. However, gross advances of the banking industry decreased by 3%, recorded at Rs. 11,964 billion as on March 31, 2024 down from Rs. 12,352 billion as on December 31, 2023. On the liabilities side, total deposits grew by 2%, standing at Rs. 28,322 billion at the end of the quarter, compared to Rs. 27,841 billion as on December 31, 2023.

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. 94,312 million for the quarter ended March 31, 2024. This represents a 27% increase from Rs. 74,040 million for the quarter ended March 31, 2023.

Mark-up/Interest expense for the quarter ended March 31, 2024, increased to Rs. 65,165 million, up from Rs. 53,527 million in the corresponding period last year, representing an increase of 22%. This rise is attributable to higher cost of deposits and interest expense on right of use of assets which were partially offset by lower borrowing expense. Consequently, net markup and interest income was recorded at Rs. 29,147 million for the quarter under review,

compared to Rs. 20,513 million for the corresponding period last year, depicting a remarkable growth of 42%.

An increase in fee income by 41% to Rs. 3,549 million as of March 31, 2024, up from Rs. 2,518 million as of March 31, 2023, was driven by higher card-related fees, income from remittances, investment banking fees, branch banking customer fees, and commissions on trade.

Capital Gain increased by 70% to Rs. 303 million for the quarter ended March 31, 2024, up from Rs. 178 million as on March 31, 2023, due to higher gain on Federal government securities. Additionally, dividend income for the quarter under review reached Rs. 976 million, an increase of 11% compared to Rs. 879 million for the corresponding quarter last year.

Foreign Exchange Income of Your Bank reached Rs. 1,272 million for the quarter ended March 31, 2024, compared to Rs. 3,243 for the corresponding quarter last year, representing a decrease of 61%. This reduction is primarily attributable to lower volatility in the interbank market and improved liquidity as compared to same period last year.

Other income stood at Rs. 235 million for the quarter ended March 31, 2024, compared to Rs. 26 million for the quarter ended March 31, 2023.

Owing to higher fee income, other income, capital gain and dividend income, partially offset by lower foreign exchange income, total non-markup income of Your Bank decreased by 7% to reach Rs. 6,335 million for the quarter ended March 31 2024, compared to Rs. 6,843 million for the corresponding quarter last year.

Growth in administrative expenses has been restricted to 15%, reaching Rs. 13,378 million for the first Quarter of 2024, compared to Rs. 11,621 million for the first quarter of 2023. This increase is due to higher salaries & benefits expenses, depreciation, utilities expenses, IT expenses, security service charges and repair and maintenance.

Profit before taxation of Your Bank was recorded at Rs. 22,266 million for the quarter ended March 31, 2024, compared to Rs. 13,426 million for the same quarter last year, marking a significant increase of 66%.

Profit after taxation for the quarter under review registered at Rs. 11,364 million, in comparison with Rs. 7,589 million for the quarter ended March 31, 2023, depicting a robust growth of 50%.

Earnings per share of Your Bank stood at Rs. 9.92 during the quarter March 31, 2024, compared to Rs. 6.63 during the quarter ended March 31, 2023.

Your Bank is committed to a hybrid expansion approach that blends "digital" and "brick-and-mortar" banking operations, with an increased focus on digital banking products and services. The Bank operates a large ATM network consisting of 1,572 machines, including 1,320 on-site, 247 off-site, and 5 Mobile Banking Units (MBU). As of the end of the quarter, the Bank's branch outreach increased to 1,485 branches, with 1,343 conventional, 128 Islamic banking branches and 14 digital branches.

Total assets of Your Bank were recorded at Rs. 2,337,345 million as on March 31, 2024, showing a growth of 0.3% over Rs. 2,329,317 at December 31, 2023. Main increase is witnessed in balances with other banks, lending to financial institutions and other assets. Net assets of Your Bank increased by 8% to Rs. 209,032 million as on March 31, 2024, up from Rs. 194,254 million as at December 31, 2023.

Gross advances and net advances reached Rs. 718,646 million and Rs. 703,444 million respectively, while the non-

Director’s Review

performing advances portfolio stood at Rs. 12,832 million as of March 31, 2024, compared to Rs. 794,138 million, Rs. 781,597 million and Rs. 13,039 million respectively as on December 31, 2023.

Your Bank continued its efforts towards low infection ratio and high overall coverage ratio which stood at 1.79% and 118.5% respectively as on March 31, 2024. No FSV benefit was availed while determining provisions against non-performing loans, allowed under guidelines of SBP.

IFRS-9 has been implemented to annual periods beginning on or after January 01, 2024. The Bank has opted for modified retrospective approach and has not restated comparative amounts. Any adjustments to the carrying amounts of financial assets and liabilities at the date of transition were recognized in the opening retained earnings and other reserves at the beginning of the current year.

Deposits of the Bank stood at Rs. 1,698,876 million as on March 31, 2024, compared to Rs.1,676,623 as on December 31, 2023, registering a growth of 1.3%.

Total Investments of Your Bank stood at Rs. 1,165,710 million as on March 31,2024 in comparison with Rs. 1,150,318 million as on December 31, 2023. This mainly pertains to increase in Pakistan Investment Bonds and higher revaluation gains partially offset by lower treasury bills.

Lendings to financial institutions stood at Rs. 44,591 million as on March 31, 2024 as compared to Rs. 9,418 million as on December 31, 2023 due to increase in Repo Lendings and Call Money Lendings.

Return on Assets of Your Bank improved to 1.95% as on March 31, 2024, compared to 1.79% as on December 31, 2023.

Return on Equity of Your Bank stood at 29.3% as on March 31, 2024, compared to 29.4% as on December 31, 2023.

Capital Adequacy Ratio of Your Bank was 27.42% as of March 31, 2024, compared to 26.21% as of December 31, 2023.

Future Outlook

Global growth is showing signs of improvement earlier than expected due to moderating risks. The IMF’s recent April 24 WEO projects global growth at 3.2% for 2025 and 3.1% for 2029. However, inflation for 2025 is expected to be 4.5%, slightly higher by 0.1% than the earlier projection of 4.4% in the IMF’s January 2024 outlook.

Despite a deceleration in domestic inflation in February 2024, the level of inflation remains high. Fully aware of this concern, the MPC has maintained its current stance with the aim of reducing inflation to the target range of 5-7% by September 2025.

Entity Rating

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 (ABL) 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: April 24, 2024

ڈائریکٹرز کا تجزیہ

معرضہ شدہ ہولڈرز:

یورڈ ڈائریکٹرز کی جانب سے ہم 31 مارچ 2024ء کو اختتام پذیر سرمایہ کے مالیاتی نتائج پیش کرتے ہوئے نہایت مسرت محسوس کرتے ہیں۔ ہرڈ کی طرف سے سفارش کردہ کاروباری نتائج اور تفصیلات مندرجہ ذیل جدول میں درج ہے:

سرمایہ نتیجہ 31 مارچ		
2023	2024	موہو %
ملین روپے		%
7,589	11,364	50
79,653	104,802	32
0.36	1	149
20	47	135
-	(2,773)	100
87,262	113,491	30
تصرف کے لیے دستیاب منافع		
حتمی کیش ڈیویڈنڈ برائے سال نتیجہ 31 دسمبر 2023 - 4.00 روپے فی حصص		
(2,863)	(4,580)	60
ضوابطی ریزرو میں منتقلی		
(759)	(1,136)	50
83,640	107,774	29
آگے منتقل کیا جاوے گا منافع شدہ منافع		
6.63	9.92	50
فی حصص آمدنی (EPS) روپے		

پرتوجہ کیا ہے۔ اسی مہما سے، اسٹیٹ بینک آف پاکستان نے سال 2024ء کے لیے کی ڈی اینی کی نمونہ شرح 3 فیصد تک اندازہ کی ہے۔

یورڈ نہایت مسرت کے ساتھ 31 مارچ 2024ء کو اختتام پذیر پہلی سرمایہ کے لیے 4.00 روپے فی شیئر کے عبوری کیش ڈیویڈنڈ کا اعلان کرتا ہے (31 مارچ 2023ء: 2.50 روپے فی حصص)

معاشی تجزیہ:

بڑے پیمانے کی پیداواری صنعت نے جنوری 2024ء کے دوران، سال بہ سال کی بنیاد پر، 1.8 فیصد کا اضافہ درج کیا ہے۔ جو کہ جنوری 2023ء میں حاصل کی گئی 5.6 فیصد کی کمی کے مقابلے میں ایک قابل ذکر شرح ہے۔ مالی سال 2024ء کے جولائی تا جنوری کے عرصے میں 22 میں سے 12 شعبوں میں مثبت نمو حاصل ہوئی ہے۔ ان شعبوں میں خوردگ، مشروبات، ملبوسات، چمچے، کڑی کی اشیاء، کاک و بیڈروم پراڈکٹس، کیمیکلز، فارما سٹیجیکلز، برقی پراڈکٹس، مشینری و آلات، فرنیچر اور دیگر شامل ہیں جن میں فنڈ ہال کی پیداوار نمایاں ہے۔

سال 2024ء کا آغاز ملٹی پلٹی پینڈی رتوں اور معاشی بحالی کے لیے غیر یقینی توقعات کے پس منظر میں ہوا۔ جغرافیائی وسیع جاری تنازعات اور عالمگیرہاء کے دورے درپیش رسد کی ترسیل میں حائل کاروباروں کے باوجود عالمی معاشی سرگرمی نے بھرپور پلک اور مثبتی کا مظاہرہ کیا ہے۔ افراط زر میں بتدریج کمی کے متصور کے تحت، دنیا بھر کے مرکزی بینکوں نے بلند انٹرسٹ ریٹ کی پالیسیوں کا نفاذ اور عمل درآمد جاری رکھا۔ بین الاقوامی مالیاتی فنڈ (آئی ایم ایف) نے اپنے تاثرات میں اپ ڈیٹ میں اس تنازعہ میں کمی کی حکمت عملی کی ہے۔ اپریل 2024ء میں جاری کردہ عالمی معاشی پیش بینی (ورلڈ آؤٹ لوک آؤٹ لک - WEO) میں آئی ایم ایف نے عالمی نمو کی شرح میں جنوری 2024ء میں اپنی سابقہ اندازہ کی گئی شرح میں 0.1 فیصد کے معمولی اضافے کی مطابقت کرتے ہوئے اسے 3.2 فیصد پر تخمینہ کیا ہے۔ آئی ایم ایف کے مطابق عالمی ہیڈلائن (سرخیل) افراط زر کی شرح سال 2023ء میں 8.6 فیصد کی سالانہ اوسط میں کمی کا اندازہ کرتے ہوئے، سال 2024ء میں اس کی شرح 5.9 فیصد تک آنے کی توقع ظاہر کی ہے۔

بیرونی مہاڈ پر، پاکستان کے کرنٹ اکاؤنٹ خسارے میں قابل ذکر کمی دیکھی گئی۔ جو کہ مالی سال 2023ء کی اسی مہما میں 3.9 ملین امریکی ڈالرز کے حجم کے مقابلے میں 74 فیصد کی کمی کے ساتھ مالی سال 2024ء کے جولائی تا فروری کے عرصے میں 1 ملین امریکی ڈالرز پر جا پہنچا۔ علاوہ ازیں، تجارتی خسارہ مالی سال 2023ء کے جولائی تا فروری کی مدت کے 19.0 ملین امریکی ڈالرز کے خسارے کے تناسب میں مالی سال 2024ء کے جولائی تا فروری کے عرصے میں 19 فیصد کی کمی کے ساتھ 15.4 ملین امریکی ڈالرز پر پہنچ گیا۔

اس کے برعکس، ملکی ہیڈلائن (سرخیل) افراط زر کی شرح 24.8 فیصد پر پہنچنے کی توقع ہے جو کہ آئی ایم ایف کے اکتوبر میں جاری کردہ عالمی معاشی پیش بینی کے سابقہ تخمینے سے 2.1 فیصد زیادہ ہے۔

برآمدات، مالی سال 2023ء کے جولائی تا فروری کے عرصے میں 23.8 ملین امریکی ڈالرز کے حجم کے مقابلے میں 8 فیصد کے اضافے کے ساتھ مالی سال 2024ء کے جولائی تا فروری کی مدت میں 25.6 ملین امریکی ڈالرز پر درج ہوئیں۔ فروری 2024ء کے دوران، سال بہ سال کی بنیاد پر، برآمدات میں 14 فیصد اضافہ جبکہ ماہانہ بنیاد پر 6 فیصد کمی واقع ہوئی ہے۔ پاکستان کے ادارہ شماریات کے مطابق جن ایشیا کی برآمدات میں مثبت نمو درج کی گئی ان میں چاول، بھج، کاشن یارن، تولیے، ربر ٹائز و میوز اور پلاسٹک خام مال شامل ہیں۔ دوسری طرف برآمدات، مالی سال 2023ء کے جولائی تا فروری کے عرصے میں 42.8 ملین

داخلی طور پر، پاکستان غیر یقینی سیاسی صورتحال، بلند افراط زر اور کمزور کاروباری اعتماد جیسے چیلنجز میں گھرا ہوا ہے۔ ان مشکلات کے باوجود قلیل مدت میں معیشت کے ابھرنے اور بہتر ہونے کی روشن امکانات ہیں۔ آئی ایم ایف نے پاکستان کی کل داخلی پیداوار (جی ڈی پی) کی عمومی شرح کو سال 2024ء کے لیے 2 فیصد، جبکہ سال 2025ء کے لیے 3.5 فیصد

تبدیلی واقع نہیں ہوئی تھی۔

معاشی سرگرمی میں دیرمانے روپے کی بہتری اور اس کے ساتھ ساتھ زرعی پیداوار میں مشروط کارکردگی، بیرونی اکاؤنٹ کے توازن میں بہتری، افراط زر میں کمی کے ریمان اور اجناس کی قیمتوں میں استحصال کے ریمان کے مدنظر مائٹری پالیسی کھینچنے اپنے حالیہ اجلاس میں پالیسی ریٹ کو 22 فیصدی شرح پر برقرار رکھا ہے۔ تاہم فروری 2024ء میں کمی کے باوجود، افراط زر کی شرح میں بلندی کی روش برقرار ہے اور اس کی پیش بینی ابھی قدرے کمزور ہے۔

مالیاتی جائزہ:

بینکنگ کے شعبے نے سال 2024ء کی چھٹی سہ ماہی کے دوران اپنی مجموعی اور کل کو برقرار رکھا ہے۔ کئی چیلنجز سے نبرد آزما ہونے کے باوجود، یہ شعبہ اپنے اثاثہ جات کی اساس میں 31 دسمبر 2023ء کے 183,45,183 ملین روپے کے حجم کی نسبت 0.1 فیصد کی معمولی دست برداری کے ساتھ 31 مارچ 2024ء تک اس کو 45,263,263 ملین روپے تک لانے میں کامیاب رہا ہے۔ سرمایہ کاری 31 دسمبر 2023ء کے 25,280 ملین روپے کے مقابلے میں اس مدت کے اختتام تک 4 فیصد کے اضافے کے ساتھ 26,270 ملین روپے پر درج ہوئی۔ تاہم، بینکنگ کی صنعت کے کل قرضہ جات 31 دسمبر 2023ء کے 12,352 ملین روپے کی سطح سے 3 فیصدی کمی کے ساتھ 31 مارچ 2024ء تک 11,964 ملین روپے پر ریکارڈ ہوئے۔ واجبات کے حوالے سے، کل ڈیپازٹس 31 دسمبر 2023ء کے 27,841 ملین روپے کی نسبت اس سہ ماہی کے اختتام تک 2 فیصد کے اضافے کے ساتھ 28,322 ملین روپے پر جا پہنچے۔

اوسط پیداواری اثاثہ جات میں مثبت تبدیلیوں اور اس کے ساتھ بہتر سہ ماہی اور اپنی سرمایہ کاری کے مدبرانہ انتظام نے نیک 31 مارچ 2024ء کو اختتام پذیر سہ ماہی کے لیے 94,312 ملین روپے کی بلند مارک آمدنی حاصل کرنے میں مدد دی۔ یہ 31 مارچ 2023ء کو اختتام پذیر سہ ماہی حاصل شدہ 74,040 ملین روپے کی آمدنی سے 27 فیصد کے اضافے کا مظہر ہے۔

مارک اپ انٹرنٹ اخراجات، گزشتہ سال کے مقابلے میں 53,527 ملین روپے کے حجم سے 22 فیصد کا اضافہ ظاہر کرتے ہوئے 31 مارچ 2024ء کو اختتام پذیر سہ ماہی کے لیے 65,165 ملین روپے پر ریکارڈ ہوئے۔ اس اضافے میں ڈیپازٹس کی بلند لاگت اور اثاثہ جات کے استحصال کے اختیارات سے مختلف انٹرنٹ اخراجات میں بڑھوتی کا نمایاں کردار تھا، جسے قرضہ جات کے اخراجات میں کمی نے کسی قدر زائل کر دیا۔ چنانچہ، اس زمرہ تجزیہ سہ ماہی میں خالص مارک اپ و انٹرنٹ آمدنی پچھلے سال کی مقابلے میں 20,513 ملین روپے کی سطح کی نسبت 42 فیصدی نہایت قابل رخصت نمو کے ساتھ 29,147 ملین روپے پر درج کی گئی۔

کارڈ سے مختلف بلڈینس، ترسیلات سے حاصل ہونے والی آمدنی، انویسٹمنٹ بینکنگ کی فیس، برانچ بینکنگ کے صارفین کی فیس اور تجارت سے حاصل شدہ کمیشن آمدنی کی بدولت فیس آمدنی 31 مارچ 2023ء کے 518 ملین روپے کی سطح سے 41 فیصد کے اضافے کے اندراج کے ساتھ 31 مارچ 2024ء تک 3,549 ملین روپے پر بڑھا کر گئی۔

فیڈرل گورنمنٹ سیکورٹیز (دفاقی حکومت کے ترمیمات) کی فروخت سے حاصل ہونے والے زیادہ گین (آمدنی) کے باعث کچھل گین 31 مارچ 2023ء تک کی 178 ملین روپے کی سطح کے مقابلے میں 31 مارچ 2024ء کو اختتام پذیر سہ ماہی کے لیے 70 فیصد کا اضافہ ظاہر کرتے ہوئے 303 ملین روپے پر جا پہنچا۔ علاوہ ازیں، ڈیویڈنڈ آمدنی گزشتہ سال کی مقابلے میں 879 ملین روپے کے حجم سے 11 فیصد کے اضافے کے ساتھ اس زمرہ

امریکی ڈالرز کے حجم کے مقابلے میں 4 فیصدی کمی کے ساتھ مالی سال 2024ء کے جولائی تا فروری کی مدت میں 41.1 ملین امریکی ڈالرز پر درج ہوئے۔ اس مجموعی کمی کے باوجود، فروری 2024ء کے سینیے میں درآمدات میں، سال بہ سال کی بنیاد پر، 12 فیصد کا اضافہ دیکھا گیا۔ تاہم، فروری 2024ء کے دوران درآمدات میں ماہانہ بنیاد پر 9 فیصدی کمی واقع ہوئی اور جنوری 2024ء کے 5.6 ملین امریکی ڈالرز کی نسبت کم ہوتے ہوئے 5.1 ملین امریکی ڈالرز پر ریکارڈ کی گئیں۔

مالی سال 2024ء کے جولائی تا فروری کے عرصے میں، افرادی ترسیلات زمرہ گزشتہ سال کے مقابلے میں 18.3 ملین امریکی ڈالرز کی سطح سے 1.2 فیصد کی معمولی کمی کے ساتھ 18.1 ملین امریکی ڈالرز پر ریکارڈ ہوئے۔ تاہم، فروری 2024ء میں، سال بہ سال کی بنیاد پر، فروری 2023ء کے سینیے کے 2 ملین امریکی ڈالرز کے حجم کے مقابلے میں 13 فیصد کے اضافے کے ساتھ 2.3 ملین امریکی ڈالرز پر درج کی گئیں۔

پاکستان کے کل زرمبادلہ کے ذخائر مارچ 2023ء کے اختتام پر درج شدہ 9.2 ملین امریکی ڈالرز کی نسبت مارچ 2024ء کے اختتام تک 46 فیصد کے اضافے کو ظاہر کرتے ہوئے 13.4 ملین امریکی ڈالرز پر ریکارڈ کیے گئے۔ جبکہ، اسٹیٹ بینک آف پاکستان کے ذخائر مارچ 2023ء کے اختتام کی 4.2 ملین امریکی ڈالرز کی سطح کے مقابلے میں مارچ 2024ء کے اختتام تک 91 فیصد کے اضافے کے اندراج کے ساتھ 8 ملین امریکی ڈالرز جا پہنچے۔

مالی سال 2024ء کے جولائی تا فروری کے عرصے میں فیرنگی براہ راست سرمایہ کاری گزشتہ سال کے مقابلے میں 990.2 ملین امریکی ڈالرز کی سطح کے تناسب میں 17 فیصدی کمی کے ساتھ 820.6 ملین امریکی ڈالرز پر پہنچ گئی۔ تاہم، فروری 2024ء میں فیرنگی براہ راست سرمایہ کاری گزشتہ سال کے اسی سینیے کے حاصل کردہ 113 ملین امریکی ڈالرز کے حجم کے مقابلے میں 16 فیصد کی نمو کے ساتھ 131 ملین امریکی ڈالرز پر ریکارڈ کی گئی۔ توانائی کے شعبے نے 30 فیصد کے حصے کے ساتھ فیرنگی براہ راست سرمایہ کاری کو اپنی جانب راغب کیا۔ جبکہ، تیل و گیس کی تلاش اور مالیاتی کاروبار میں کل فیرنگی براہ راست سرمایہ کاری کی شرح بائز پر 18 فیصد اور 15 فیصد درج ہوئی۔ فارن پورٹ فولیو انویسٹمنٹ (Foreign Portfolio Investment) میں مالی سال 2024ء کے جولائی تا فروری کے عرصے میں پچھلے سال کے مقابلے میں 1,017.4 ملین امریکی ڈالرز کے اخراج کی نسبت 111.7 ملین امریکی ڈالرز کی وصولیاں ریکارڈ کی گئیں۔

سیاحت اور معاشی محاذ پر قوت پذیر چیلنجز فزٹوں کے تناظر میں، پاکستان اسٹاک ایکسچینج (پی ایس ایکس) نے فروری 2024ء کے دوران مثبت کارکردگی کا مظاہرہ کیا۔ اس کی اسٹاک ایکسچینج کا اشاریہ 1100 (Benchmark) 29 فروری 2024ء کو 64,579 پوائنٹس پر بند ہوا۔ مزید برآں، پی ایس ایکس کی مارکیٹ کپیٹلائزیشن (market capitalization) مارچ 2024ء میں 9.35 ٹریلین روپے پر ریکارڈ ہوئی۔

مئی سہ ماہی (ایم 2) مارچ 2023ء کے اختتام کے 28,814 ملین روپے کے حجم کی نسبت مارچ 2024ء کے اختتام تک 17 فیصدی کمی کے ساتھ 33,739 ملین روپے پر جا پہنچا۔ کرنسی کی سرکولیشن مارچ 2023ء کے اختتام کی 8,271 ملین روپے کی سطح سے 5 فیصد کا اضافہ ظاہر کرتے ہوئے مارچ 2024ء کے اختتام تک 8,651 ملین روپے پر درج ہوئی۔

مارچ 2024ء کے لیے، صارف قیمتوں کے قومی جدول (ڈیٹیل کنزیومر پرائس انڈیکس سی پی آئی) کا اضافہ، پچھلے سینیے کے 23.1 فیصدی کمی کے مقابلے میں، سال بہ سال کی بنیاد پر، 20.7 فیصد پر ماہانہ بنیاد پر، مارچ 2024ء میں 1.7 فیصد تک بڑھ گیا جبکہ، اس کے تناسب میں گزشتہ ماہ کے دوران، اس کی شرح میں کوئی

تجزیہ سرمایہ میں 976 ملین روپے پر پہنچ گئی۔

فرائی اور دیگر اثاثہ جات میں نمایاں اضافہ دیکھا گیا۔ آپ کے بینک کے خالص اثاثہ جات 31 دسمبر 2023ء کی 194,254 ملین روپے کی سطح سے 8 فیصد کے اضافے کے ساتھ 31 مارچ 2024ء تک 209,032 ملین روپے پر درج ہوئے۔

کل قرضہ جات اور خالص قرضہ جات بالترتیب 718,646 ملین روپے اور 703,444 ملین روپے پر پہنچ گئے جبکہ غیر فعال قرضہ جات کا پورٹ فولیو 31 مارچ 2024ء تک 12,832 ملین روپے پر رہا۔ اس کے مقابلے میں 31 دسمبر 2023ء تک ان کا حجم بالترتیب 794,138 ملین روپے، 781,597 ملین روپے اور 13,039 ملین روپے پر رہا تھا۔

آپ کے بینک نے انٹیکسٹ کی کم شرح اور مجموعی کوریج کی بلند شرح کے حصول کی کوششوں کو جاری رکھا جو کہ 31 مارچ 2024ء تک بالترتیب 1.79 فیصد اور 118.5 فیصد پر درج ہوئیں۔ اسٹیٹ بینک آف پاکستان کا گائیڈ لائنز میں اجازت کے باوجود، غیر فعال قرضہ جات کے لیے اخراجات (پروویژن) کا شمار کرتے ہوئے جبری فروخت کے فوائد کو شامل نہیں کیا گیا۔

آئی ایف آر ایس - 9 (IFRS - 9) کو 01 جنوری 2024ء سے یا اس کے بعد سے شروع ہونے والی سالانہ مدتوں کے لیے نافذ کر دیا گیا ہے۔ بینک نے اس مدت میں سنبھلی مدت سے قابل اطلاق ترمیم شدہ نقطہ نظر کو اختیار کیا ہے اور تفصیلی رقم کو دوبارہ تحریر نہیں کیا ہے۔ منتقلی کی تاریخ سے مابقی اثاثہ جات اور واجبات کی تصنیف شدہ رقم میں کسی بھی مطابقت کو رواں سال کے آغاز میں برقرار رکھی گئی ابتدائی آمدنی اور دیگر ذخائر میں تسلیم کیا گیا ہے۔

بینک کے ڈیپازٹس 31 دسمبر 2023ء کے 1,676,623 ملین روپے کے حجم سے 1.3 فیصد کی نمو رجسٹر کرتے ہوئے 31 مارچ 2024ء تک 1,698,676 ملین روپے پر درج ہوئے۔

آپ کے بینک کی کل سرمایہ کاری 31 دسمبر 2023ء کے 1,150,318 ملین روپے کے حجم کے مقابلے میں 31 مارچ 2024ء تک 1,165,710 ملین روپے پر درج ہوئی۔ اس میں پاکستان ایسوسی ایشنڈ بانڈز میں اضافے اور اسکے تخمینوں کی بلند آمدنی، جسے کم ٹریڈیبلوں نے جزوی طور پر زائل کیا، کا بنیادی کردار تھا۔

ریپو لینڈنگ اور کال منی لینڈنگ (Repo Lending and Call Money Lending) میں اضافے کی وجہ سے مابقی اداروں کو فراہم کئے قرضہ جات 31 دسمبر 2023ء کے 9,418 ملین روپے کے حجم کی نسبت 31 مارچ 2024ء تک 44,591 ملین روپے پر درج ہوئے۔

آپ کے بینک کے اثاثہ جات کی آمدنی 31 دسمبر 2023ء کی 1.79 فیصد کی شرح کی نسبت 31 مارچ 2024ء تک 1.95 فیصد پر درج ہوئی۔

آپ کے بینک کی ایکویٹی کی آمدنی 31 دسمبر 2023ء کی 29.4 فیصد کی شرح کی نسبت 31 مارچ 2024ء تک منفی 29.3 فیصد پر درج ہوئی۔

آپ کے بینک کے سرمائے کی معقولیت (Capital Adequacy) کی شرح 31 دسمبر 2023ء کی 26.21 فیصد کی سطح کی نسبت 31 مارچ 2024ء تک 27.42 فیصد پر درج ہوئی۔

آپ کے بینک کی فارن ایکٹیو آمدنی گزشتہ سال کی تقابلی سرمایہ کی حاصل شدہ 3,243 ملین روپے کی سطح سے 31 مارچ 2024ء کو اختتام پذیر سرمایہ میں 61 فیصد کی کمی کے اندر ان کے ساتھ 1,272 ملین روپے پر درج ہوئی۔ اس کی کمی کے بنیادی عوامل میں انٹرنیشنل مارکیٹ میں گزشتہ سال کی مماثلگی مرے کی نسبت اتار چڑھاؤ میں کمی اور سیاحت میں بدحوالی شامل تھے۔

دیگر آمدنی 31 مارچ 2023ء کو اختتام پذیر سرمایہ کے 26 ملین روپے کے حجم کے تناسب میں 31 مارچ 2024ء کو اختتام پذیر سرمایہ کے لیے 235 ملین روپے پر یکاؤ ہوئی۔

نیشنل آمدنی، دیگر آمدنی، کیٹیبل گین اور ڈویڈنڈ آمدنی میں اضافے کی بناء پر، جسے فارن ایکٹیو آمدنی میں کمی نے قدرے زائل کر دیا، آپ کے بینک کی کل فارن مارک اپ آمدنی پچھلے سال کے تقابلی سرمایہ کے 6,843 ملین روپے کے حجم کی نسبت 31 مارچ 2024ء کو اختتام پذیر سرمایہ کے لیے 7 فیصد کی کمی کے ساتھ 6,335 ملین روپے پر یکاؤ ہوئی۔

اختتامی اخراجات میں ہونے والے اضافے کو 15 فیصد کی شرح پر محدود رکھا گیا اور سال 2023ء کی بجلی سرمایہ کے 11,621 ملین روپے اخراجات کے مقابلے میں سال 2024ء کی بجلی سرمایہ تک اٹا حجم 13,378 ملین روپے پر پہنچ گیا۔ اس میں تحواہوں اور دیگر فوائد کے اخراجات میں اضافے، فروسٹی (ڈیپریسی ایشن)، پینلٹیڈ اخراجات، آئی ٹی کے اخراجات، سیکورٹی سروس پارٹرز اور مرمت و دیگر بحال کے اخراجات کا نمایاں کردار تھا۔

آپ کے بینک کا منافع قبل از ٹیکس گزشتہ سال کی مماثلگی سرمایہ کے 13,426 ملین روپے کے مقابلے میں 31 مارچ 2024ء کو اختتام پذیر سرمایہ کے لیے 6 فیصد کی شاندار وسعت کے اظہار کے ساتھ 22,266 ملین روپے پر یکاؤ ہوا۔

منافع بعد از ٹیکس 31 مارچ 2023ء کو اختتام پذیر سرمایہ کی 7,589 ملین روپے کی سطح کے تناسب میں اس نے زنجیرہ سرمایہ میں 50 فیصد کی مضبوط نمو کے ساتھ 11,364 ملین روپے پر درج کیا گیا۔

آپ کے بینک کی فی حصص آمدنی 31 مارچ 2023ء کو اختتام پذیر سرمایہ کے دوران کی 6.63 روپے فی حصص کی سطح کی نسبت 31 مارچ 2024ء کو اختتام پذیر سرمایہ کے دوران 9.92 روپے فی حصص پر جا پہنچی۔

آپ کا بینک اپنا دست کی دہری سوچ پر عمل کا اعادہ کیے ہوئے ہے جو کہ ڈیجیٹل اور روایتی (ریٹیکلڈ مارٹر) بینکنگ آپریٹرز کے استخراج پر مشتمل ہو اور جس میں ڈیجیٹل بینکنگ کی پراڈکٹس اور خدمات پر زیادہ توجہ مرکوز ہو۔ بینک ایک وسیع اے ٹی ایم نیٹ ورک کا حامل ہے جو کہ 572 شیڈوں پر مشتمل ہے۔ جس میں 1,320 آن سائٹ، 247 آف سائٹ اور 5 سوہاگ بینکنگ پینس شامل ہیں۔ اس سرمایہ کے اختتام تک بینک کی برانچوں کی تعداد بڑھتے ہوئے 1,485 برانچوں پر پہنچ گئی۔ جس میں 1,343 روایتی، 128 اسٹاک بینکنگ کی برانچیں اور 14 ڈیجیٹل برانچیں شامل ہیں۔

آپ کے بینک کے کل اثاثہ جات 31 دسمبر 2023ء کے 2,329,317 ملین روپے کے حجم سے 0.3 فیصد کی نمو کے اندر ان کے ساتھ 31 مارچ 2024ء تک 2,337,345 ملین روپے پر جا پہنچے۔ اس میں دیگر بینکوں کے ساتھ ٹیلیس، مابانی اداروں کو قرض کی

ادراگن کا بھی بھرپور پریقے سے اتراف کرتے ہیں

مخائب و برائے بورڈ آف ڈائریکٹرز

محمد ضم بخار

چیئرمین بورڈ آف ڈائریکٹرز

ازد رزاق گل

چیف ایگزیکٹو آفیسر

مستقبل کی پیش بینی :

غذات کے معتدل ہونے کے باعث عالمی نمو ساہجہ توقع سے کہیں زیادہ بہتری کے اشارے ظاہر کر رہی ہے۔ آئی ایم ایف کے 24 اپریل کو جاری کردہ حالیہ (عالمی معاشی پیش بینی) (ڈبلیو او (WEO)) میں سال 2025ء کے عالمی نمو کی شرح 3.2 فیصد اور سال 2029ء کے لیے 3.1 فیصد پر تخمینہ کی گئی ہے۔ تاہم، سال 2025ء کے لیے افراط زر کی شرح 4.5 فیصد پر توقع کی گئی۔ یہ شرح، آئی ایم ایف کی جانب سے جنوری 2024ء میں اعلازہ دی گئی 4.4 فیصد کی ساہجہ شرح سے 0.1 فیصد کا معمولی اضافہ ظاہر کرتی ہے۔

فردی 2024ء میں داخلی افراط زر کی شرح میں بلندی کا رخاں برقرار ہے۔ ان تمام عوامل کا مکمل ادراک رکھتے ہوئے ایم پی سی (مائٹری پالیسی کمیٹی) نے ستمبر 2025ء تک افراط زر کی شرح کو 5 تا 7 فیصد تک لانے کے مقصد کے تحت اپنے رداں بیانے کو برقرار رکھا ہے۔

اہم پیش روئیکو:

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے بینک کی طویل المدتی اور قلیل المدتی ریٹنگ کو بائزینٹ "AAA" ٹریل اے اور "A1+" (اے ون پلس) کی اعلیٰ سطح پر برقرار رکھا ہے۔ یہ درجہ بنیاداً بینک کے قرضہ جات کے اعلیٰ معیار اور اہلی مالیتی ذمہ داریوں کی اہلیتوں کی انتہائی مضبوط صلاحیتوں کی عکاس ہیں۔ آپ کے بینک نے، ملک کے مالیاتی ادارے جو بلند ترین کریڈٹ ریٹنگ کے حامل ہیں، کے اپنی نوعیت کے مخصوص گروپ میں اپنی حیثیت کو مزید کھلم کھیا ہے۔

کارپوریٹ گورننس ریٹنگ:

وی آئی ایس (VIS) کریڈٹ ریٹنگ کمیٹی لمیٹڈ نے الائیڈ بینک لمیٹڈ (اے ٹی ایل) کی کارپوریٹ گورننس کی درجہ بندی کو برقرار رکھتے ہوئے زیادہ سے زیادہ 10 کے پیمانے میں سے "CGR-9++" کی سطح پر یقین کیا ہے۔ کارپوریٹ گورننس کی "CGR-9++" کی یہ ریٹنگ بینک کے مضبوط اور کھلم گورننس کے نظام (فریم ورک) پر مبنی اور اعادہ کا مظہر ہیں۔

بورڈ آف ڈائریکٹرز:

بورڈ آف ڈائریکٹرز اور بورڈ کی ذیلی کمیٹیوں کی بناوٹ کو کارپوریٹ معلوما کے جزو میں درج کیا گیا ہے۔ غیر انتظامی ڈائریکٹرز کو بورڈ یا اور اسکی کمیٹی کے اجلاس 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 سمجھوتا ممکن ہے اور یہ اسٹیٹ بینک آف پاکستان کی یقین کردہ حدود کی مطابقت میں ہے۔ جو ڈائریکٹر اجلاس میں شریک نہیں ہوا اسکو کوئی معاوضہ ادا نہیں کیا جاتا ہے۔ اسی طرح اسکی سفارشات جن پر سرپرکلیشن کے ذریعہ غور اور جانچا جاتا ہے ان کا بھی کوئی معاوضہ نہیں دیا جاتا۔

تسلیم و یقین:

بورڈ آف ڈائریکٹرز اور مینجمنٹ کی جانب سے، ہم اپنے معزز شیئرز ہولڈرز اور قابل قدر صارفین کے الائیڈ بینک پر اسکے اہتمام، سکیورٹی اینڈ ایگزیکٹو کمیٹی آف پاکستان، اسٹیٹ بینک آف پاکستان، اور دیگر انتظامی اداروں کا ان کی مسلسل رہنمائی اور اعانت پر انتہائی خلوص سے شکر یہ ادا کرتے ہیں۔

ہم اپنے ملازمین کا صارفین کی توقعات پر پورا اترنے کے لیے نہایت ذمہ داری اور مستندی کے ساہجہ کام کرنے اور بینک کے اغراض و مقاصد کے حصول کے لیے انتھک محنت

UNCONSOLIDATED FINANCIAL STATEMENTS

for the three months period ended March 31, 2024

Unconsolidated Statement of Financial Position

(Un-audited) as at March 31, 2024

	Note	March 31, 2024	(Audited) December 31, 2023
Rupees in '000			
ASSETS			
Cash and balances with treasury banks	7	164,469,748	156,136,308
Balances with other banks	8	12,890,747	2,455,601
Lendings to financial institutions - net	9	44,591,363	9,418,003
Investments - net	10	1,165,709,779	1,150,318,089
Advances - net	11	703,443,812	781,597,230
Property and equipment	12	118,910,324	113,778,667
Right-of-use assets	13	8,270,625	8,287,055
Intangible assets	14	3,469,984	3,409,291
Deferred tax assets		-	3,821,594
Other assets - net	15	115,588,471	100,094,817
		<u>2,337,344,853</u>	<u>2,329,316,655</u>
LIABILITIES			
Bills payable	17	8,752,234	9,322,405
Borrowings	18	332,461,651	373,674,042
Deposits and other accounts	19	1,698,876,259	1,676,623,075
Lease liabilities	20	10,708,442	10,632,854
Sub-ordinated debt		-	-
Deferred tax liabilities - net	21	3,550,846	-
Other liabilities	22	73,963,364	64,809,815
		<u>2,128,312,796</u>	<u>2,135,062,191</u>
NET ASSETS		<u>209,032,057</u>	<u>194,254,464</u>
REPRESENTED BY			
Share capital	23	11,450,739	11,450,739
Reserves		38,869,886	37,961,636
Surplus on revaluation of assets - net of tax	24	50,936,977	40,039,632
Unappropriated profit		107,774,455	104,802,457
		<u>209,032,057</u>	<u>194,254,464</u>
CONTINGENCIES AND COMMITMENTS	25		

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

Muhammad Atif Mirza
Chief Financial Officer

Azid Razaq Gill
President and Chief Executive

Mubashir A. Akhtar
Director

Nazrat Bashir
Director

Mohammad Naeem Mukhtar
Chairman

Unconsolidated Profit and Loss Account

(Un-audited) for the three months period ended March 31, 2024

	Note	March 31, 2024	March 31, 2023
Rupees in '000			
Mark-up / return / interest earned	27	94,311,559	74,040,237
Mark-up / return / interest expensed	28	65,164,933	53,527,186
Net mark-up / interest income		29,146,626	20,513,051
NON MARK-UP / INTEREST INCOME			
Fee and commission income	29	3,549,015	2,517,989
Dividend income		976,341	879,230
Foreign exchange income		1,271,878	3,242,600
Income from derivatives		-	-
Gain on securities - net	30	302,802	177,832
Net gain / (loss) on derecognition of financial assets measured at amortized cost		-	-
Other income	31	235,074	25,829
Total non mark-up / interest income		6,335,110	6,843,480
Total income		35,481,736	27,356,531
NON MARK-UP / INTEREST EXPENSES			
Operating expenses	32	12,802,078	11,255,799
Workers welfare fund		466,348	287,152
Other charges	33	109,873	78,011
Total non mark-up / interest expenses		13,378,299	11,620,962
Profit before credit loss allowance		22,103,437	15,735,569
Credit loss allowance and write offs - net	34	(162,755)	2,309,777
Extra-ordinary / unusual items		-	-
PROFIT BEFORE TAXATION		22,266,192	13,425,792
Taxation	35	10,902,624	5,836,975
PROFIT AFTER TAXATION		11,363,568	7,588,817
In Rupees			
Basic and Diluted earnings per share	36	9.92	6.63

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

Mubashir A. Akhtar
Director

Nazrat Bashir
Director

Mohammad Naeem Mukhtar
Chairman

Unconsolidated Statement of Comprehensive Income

(Un-audited) for the three months period ended March 31, 2024

	March 31, 2024	March 31, 2023
	Rupees in '000	
Profit after taxation for the period	11,363,568	7,588,817
Other comprehensive income		
<i>Items that may be reclassified to profit and loss account in subsequent periods:</i>		
Effect of translation of net investment in foreign branches	(228,107)	2,997,195
Movement in deficit on revaluation of investments - net of tax	-	(10,092,621)
Movement in surplus on revaluation of debt investments through FVOCI - net of tax	2,452,924	-
	2,224,817	(7,095,426)
<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	668,170	-
	668,170	-
Total comprehensive income	14,256,555	493,391

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

Muhammad Atif Mirza
Chief Financial Officer

Azid Razzaq Gill
President and Chief Executive

Mubashir A. Akhtar
Director

Nazrat Bashir
Director

Mohammad Naeem Mukhtar
Chairman

Unconsolidated Statement of Changes In Equity

(Un-audited) for the three months period ended March 31, 2024

	Share capital	Capital reserve Exchange translation reserve	Statutory reserve	Revenue reserve General reserve	Investments	Surplus on revaluation of Fixed assets	Non-banking assets	Un-appropriated profit	Total
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	882,450	79,652,815	127,811,408
Profit after taxation for the three months ended March 31, 2023	-	-	-	-	-	-	-	7,588,817	7,588,817
Other Comprehensive Income - net of tax	-	-	-	-	-	-	-	-	-
Deficit on revaluation of investments - net of tax	-	-	-	-	(10,092,621)	-	-	-	(10,092,621)
Effect of translation of net investment in foreign branches	-	2,997,195	-	-	-	-	-	-	2,997,195
	-	2,997,195	-	-	(10,092,621)	-	-	-	(7,095,426)
Transfer to statutory reserve	-	-	758,882	-	-	-	-	(758,882)	-
Transferred from surplus in respect of incremental depreciation of fixed assets to un-appropriated profit-net of tax	-	-	-	-	-	(19,568)	-	19,568	-
Transferred from surplus in respect of incremental depreciation of non-banking assets to un-appropriated profit-net of tax	-	-	-	-	-	-	(360)	360	-
Transactions with owners recognized directly in equity									
Final cash dividend for the year ended									
December 31, 2022 (Rs. 2.5 per ordinary share)								(2,862,685)	(2,862,685)
								(2,862,685)	(2,862,685)
Balance as at March 31, 2023	11,450,739	8,330,435	26,855,095	6,000	(28,226,486)	22,504,248	882,090	83,639,993	125,442,114
Profit after taxation for the nine months period ended December 31, 2023	-	-	-	-	-	-	-	33,094,170	33,094,170
Other Comprehensive Income - net of tax	-	-	-	-	-	-	-	-	-
Surplus on revaluation of investments - net of tax	-	-	-	-	21,348,738	-	-	-	21,348,738
Surplus on revaluation of fixed assets - net of tax	-	-	-	-	-	23,485,406	-	-	23,485,406
Surplus on revaluation of non-banking assets - net of tax	-	-	-	-	-	-	96,088	-	96,088
Re-measurement gain on defined benefit obligation - net of tax	-	-	-	-	-	-	-	487,850	487,850
Effect of translation of net investment in foreign branches	-	(539,311)	-	-	-	-	-	-	(539,311)
	-	(539,311)	-	-	21,348,738	23,485,406	96,088	487,850	44,878,771
Transfer to statutory reserve	-	-	3,309,417	-	-	-	-	(3,309,417)	-
Transferred from surplus in respect of incremental depreciation of fixed assets to un-appropriated profit-net of tax	-	-	-	-	-	(49,525)	-	49,525	-
Transferred from surplus in respect of incremental depreciation of non-banking assets to un-appropriated profit-net of tax	-	-	-	-	-	-	(927)	927	-
Transactions with owners, recognized directly in equity									
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								(2,862,685)	(2,862,685)
December 31, 2023 (Rs. 2.5 per ordinary share)								(3,435,221)	(3,435,221)
Third interim cash dividend for the year ended								(9,160,591)	(9,160,591)
December 31, 2023 (Rs. 3 per ordinary share)								(104,802,457)	(104,802,457)
Balance as at December 31, 2023 (Audited)	11,450,739	7,791,124	30,164,512	6,000	(6,877,748)	45,940,129	977,251	104,802,457	194,254,464
Impact of adoption of IFRS 9 on opening retained earnings	-	-	-	-	7,824,133	-	-	(2,722,800)	5,101,333
Profit after taxation for the three months period ended March 31, 2024	-	-	-	-	-	-	-	11,363,568	11,363,568
Other Comprehensive Income - net of tax	-	-	-	-	-	-	-	-	-
Surplus on revaluation of debt investments - net of tax	-	-	-	-	2,452,924	-	-	-	2,452,924
Surplus on revaluation of equity investments - net of tax	-	-	-	-	668,170	-	-	-	668,170
Effect of translation of net investment in foreign branches	-	(228,107)	-	-	-	-	-	-	(228,107)
	-	(228,107)	-	-	3,121,094	-	-	-	2,892,987
Transfer to statutory reserve	-	-	1,136,357	-	-	-	-	(1,136,357)	-
Transferred from surplus in respect of incremental depreciation of fixed assets to un-appropriated profit-net of tax	-	-	-	-	-	(44,561)	-	44,561	-
Surplus realized on disposal of revalued fixed assets - net of tax	-	-	-	-	-	(2,424)	-	2,424	-
Transferred from surplus in respect of incremental depreciation of non-banking assets to un-appropriated profit-net of tax	-	-	-	-	-	-	(897)	897	-
Transactions with owners, recognized directly in equity									
Final cash dividend for the year ended									
December 31, 2023 (Rs. 4 per ordinary share)								(4,580,295)	(4,580,295)
								(4,580,295)	(4,580,295)
Balance as at March 31, 2024	11,450,739	7,563,017	31,300,869	6,000	4,067,479	45,893,144	976,354	107,774,455	209,032,057

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

Muhammad Atif Mirza
Chief Financial Officer

Azid Razaq Gill
President and Chief Executive

Mubashir A. Akhtar
Director

Nazrat Bashir
Director

Mohammad Naeem Mukhtar
Chairman

Unconsolidated Cash Flow Statement

(Un-audited) for the three months period ended March 31, 2024

	Note	March 31, 2024	March 31, 2023
Rupees in '000			
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before taxation		22,266,192	13,425,792
Less: Dividend income		(976,341)	(879,230)
		21,289,851	12,546,562
Adjustments:			
Net mark-up / interest income		(29,146,626)	(20,513,051)
Depreciation - Operating Fixed Assets		1,503,171	1,067,726
Depreciation - Non Banking Assets		6,773	2,508
Depreciation on right of use assets		456,452	431,619
Finance charges on leased assets		326,676	269,240
Amortization		150,394	139,534
Credit loss allowance and write offs	34	(162,048)	2,311,956
Unrealized loss on revaluation of securities measured at FVTPL		8,148	6,412
Provision for workers welfare fund		466,348	287,152
Charge for defined benefit plans		37,009	118,418
Loss / (gain) on sale / disposal of property and equipment		(206,973)	(5,225)
		(26,560,676)	(15,883,711)
		(5,270,825)	(3,337,149)
(Increase) / Decrease in operating assets			
Lendings to financial institutions		(35,173,360)	(5,044,407)
Securities classified as FVTPL		9,058,728	(3,526,222)
Advances		78,320,587	61,337,999
Other assets (excluding advance taxation)		3,706,218	(1,558,295)
		55,912,173	51,209,075
Increase / (Decrease) in operating liabilities			
Bills payable		(570,171)	(4,597,940)
Borrowings from financial institutions		(41,065,017)	(3,563,235)
Deposits		22,253,184	7,350,863
Other liabilities (excluding current taxation)		(13,322,759)	4,640,548
		(32,704,763)	3,830,236
		17,936,585	51,702,162
Income tax paid		(15,460,490)	(7,591,988)
Mark-up / interest received		76,097,700	66,882,584
Mark-up / interest paid		(45,166,283)	(39,271,091)
Defined benefits paid		(219,532)	(170,494)
Net cash flow generated from operating activities		33,187,980	71,551,173
CASH FLOW FROM INVESTING ACTIVITIES			
Net investments in securities classified as FVOCI		118,676,300	(22,543,569)
Net investments in amortized cost securities		(120,742,661)	(95,436)
Investments in subsidiary		(1,000,000)	-
Dividend received		815,787	616,851
Investments in property and equipment and intangible assets		(8,567,588)	(3,237,037)
Disposals of property and equipment		1,928,646	7,843
Effect of translation of net investment in foreign branches		(228,107)	2,997,195
Net cash flow used in investing activities		(9,117,623)	(22,254,153)
CASH FLOW FROM FINANCING ACTIVITIES			
Payments of lease obligations against right of use assets		(766,698)	(603,230)
Dividend paid		(4,387,699)	(3,081)
Net cash flow used in financing activities		(5,154,397)	(606,311)
Increase / (Decrease) in cash and cash equivalents during the period		18,915,960	48,690,709
Cash and cash equivalents at beginning of the period		158,114,255	91,392,750
Effect of exchange rate changes on opening cash and cash equivalents		285,299	(475,127)
		158,399,554	90,917,623
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD		177,315,514	139,608,332

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

Muhammad Atif Mirza	Azid Razaq Gill	Mubashir A. Akhtar
Chief Financial Officer	President and Chief Executive	Director
Nazrat Bashir	Mohammad Naeem Mukhtar	
Director	Chairman	

Notes to the Unconsolidated Condensed Interim Financial Statements

(Un-audited) for the three months period ended March 31, 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 1,483 (December 31, 2023: 1,481) branches in Pakistan including 128 (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 its 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 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 three months period ended March 31, 2024

- 2.1.2 The SBP, vide BSD Circular Letter No. 10, dated August 26, 2002 has deferred the applicability of International Accounting Standard 39 'Financial Instruments: Recognition and Measurement' (IAS 39) and International Accounting Standard 40 'Investment Property' (IAS 40) for banking companies till further instructions. Please refer to note 3.2 for applicability of IFRS 9. Further, according to a notification of SECP dated April 28, 2008, International Financial Reporting Standard 7 'Financial Instruments Disclosure' (IFRS 7), 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. However, investments have been classified and disclosed in accordance with the requirements prescribed by SBP through various circulars.
- 2.1.3 The Securities and Exchange Commission of Pakistan (SECP) vide SRO 56 (1) / 2016 dated January 28, 2016, has notified that the requirements of International Financial Reporting Standard 10 'Consolidated Financial Statements' (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 State Bank of Pakistan through BPRD Circular No. 04 of 2015 dated February 25, 2015 has deferred applicability of Islamic Financial Accounting Standard 3 'Profit & Loss Sharing on Deposits' (IFAS-3) issued by The Institute of Chartered Accountants of Pakistan and notified by the Securities & Exchange Commission of Pakistan (SECP), vide their SRO No. 571 of 2013 dated June 12, 2013 for Institutions offering Islamic Financial Services (IIFS).
- 2.1.5 These unconsolidated condensed interim financial statements do not include all the information and disclosures required in the audited annual unconsolidated financial statements, and should be read in conjunction with the audited annual unconsolidated financial statements for the year ended December 31, 2023.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of these unconsolidated condensed interim financial statements are consistent with those applied in preparing the audited annual unconsolidated financial statements of the Bank for the year ended December 31, 2023 except for the adoption of the IFRS 9 Financial Instruments w.e.f January 01, 2024.

3.1 New Standards, Interpretations and amendments adopted by the Bank

Impact of IFRS 9 - Financial Instruments

As permitted by the transitional provisions of IFRS 9, the Bank has opted for modified retrospective approach and has not restated comparative figures. Any adjustments to the carrying amounts of financial assets and liabilities at the date of transition were recognised in the opening retained earnings and other reserves at the beginning of the current year without restating the comparative.

For notes disclosures, the consequential amendments to IFRS 7 disclosures as a result of adoption of IFRS 9 have also only been applied to the current period. The comparative period notes disclosures repeat those disclosures made in the prior year.

The adoption of IFRS 9 has resulted in changes in the accounting policies for recognition, classification and measurement of financial assets and financial liabilities and impairment of financial assets. IFRS 9 also significantly amends other standards dealing with financial instruments such as IFRS 7 'Financial Instruments: Disclosures'.

Notes to the Unconsolidated Condensed Interim Financial Statements

(Un-audited) for the three months period ended March 31, 2024

3.1.1 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.

	Carrying amount as per accounting policy as at December 31, 2023	Classification under IFRS-09					Remeasurement under IFRS 9	IFRS 9 carrying amount as at January 01, 2024
		AT FVTPL	At FVOCI- with recycling	At FVOCI- without recycling	At Amortized Cost			
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	

3.1.2 Impact on equity and regulatory capital 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 a reduction in equity of approximately Rs. 2,722.8 million, with corresponding impacts as follows:

- 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.

In order to mitigate the impact of ECL provisioning on capital, a transitional arrangement is allowed to the banks to absorb the impact on regulatory capital. Accordingly, banks which choose to apply this transitional arrangement may implement this in accordance with SBP's Guideline for absorption of ECL for CAR purposes as mentioned in Annexure-B of BPRD Circular no. 3 of 2022.

The estimated impact of initial adoption of IFRS 9 on the Bank's capital ratios, without accounting for the allowed transitional arrangement, is as follows:

- Common Equity Tier 1 Capital Adequacy Ratio - 19.74%
- Tier 1 Capital Adequacy Ratio - 19.74%
- Total Capital Adequacy Ratio - 26.18%

3.1.3 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) but which fail the SPPI test

The Bank holds a portfolio of mutual funds investments which was earlier classified as available for sale 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

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) for the three months period ended March 31, 2024

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.

(b) Debt investments previously classified as available for sale (AFS) reclassified to amortized 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 Amortized 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, instead of designated FVTPL category under existing local regulations.

(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. The changes in fair value of such securities will no longer be reclassified to profit or loss when they are disposed of.

(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.

Several amendments apply for the first time in 2024, but do not have an impact on the unconsolidated condensed interim financial statements of the Bank:

	Effective date (periods beginning on or after)
- IAS 1 - Classification of Liabilities as Current or Non-current and 'Non-current Liabilities with Covenants - (Amendments)	January 01, 2024
- IAS 7 and IFRS 7 - Disclosures: Supplier Finance Arrangements - Amendments	January 01, 2024
- IFRS 16 - Lease Liability in a Sale and Leaseback - Amendments	January 01, 2024

Notes to the Unconsolidated Condensed Interim Financial Statements

(Un-audited) for the three months period ended March 31, 2024

3.2 Standards, interpretations of and amendments to accounting and reporting standards that are not yet effective

The following amendments to existing accounting standards will be effective from the dates mentioned below against the respective standard or amendment:

	Effective date (periods beginning on or after)
- IAS 21 - Lack of exchangeability - Amendments	January 01, 2025
- IFRS 10 and IAS 28 - Sale or Contribution of Assets between an Investor	Not yet announced

The above mentioned amendments are not likely to have a material impact on the Bank's financial statements.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The basis for accounting estimates adopted in the preparation of these unconsolidated condensed interim financial statements are the same as that applied in the preparation of the audited annual unconsolidated financial statements for the year ended December 31, 2023.

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 three months period ended March 31, 2024

	Note	March 31, 2024	(Audited) December 31, 2023
Rupees in '000			
7 CASH AND BALANCES WITH TREASURY BANKS			
In hand			
Local currency		37,788,640	34,479,516
Foreign currencies		2,972,804	3,877,058
		40,761,444	38,356,574
Remittances in transit		393,540	384,744
With State Bank of Pakistan (SBP) in			
Local currency current accounts		89,359,374	73,799,188
Foreign currency current accounts		79,742	149,569
Foreign currency deposit accounts (non-remunerative)		5,022,506	5,580,842
Foreign currency deposit accounts (remunerative)		10,069,815	11,695,327
		104,531,437	91,224,926
With National Bank of Pakistan in			
Local currency current accounts		18,127,929	25,519,660
Prize Bonds		655,398	650,404
		164,469,748	156,136,308
8 BALANCES WITH OTHER BANKS			
In Pakistan			
In current accounts		7,500	7,500
Outside Pakistan			
In current accounts		2,047,887	1,931,547
In deposit accounts		10,836,932	516,554
		12,884,819	2,448,101
Credit loss allowance held against balances with other banks		(1,572)	-
		12,890,747	2,455,601
9 LENDINGS TO FINANCIAL INSTITUTIONS			
Call money lendings - local currency		4,169,208	1,000,000
Repurchase agreement lendings (Reverse Repo)		40,422,269	8,418,003
Certificates of investment		70,000	70,000
		44,661,477	9,488,003
Less: Credit loss allowance held against lendings to financial institutions	9.1	(70,114)	(70,000)
Lendings to financial institutions - net of credit loss allowance		44,591,363	9,418,003

Notes to the Unconsolidated Condensed Interim Financial Statements

(Un-audited) for the three months period ended March 31, 2024

	March 31, 2024		(Audited) December 31, 2023	
	Lending	Credit loss allowance held	Classified Lending	Provision Held
Rupees in '000				
9.1 Category of classification				
Domestic				
Performing - Stage 1	44,591,477	114	-	-
Under performing - Stage 2	-	-	-	-
Non-performing - Stage 3	70,000	70,000	-	-
Substandard	-	-	-	-
Doubtful	-	-	-	-
Loss	70,000	70,000	70,000	70,000
Total	44,661,477	70,114	70,000	70,000

	March 31, 2024				(Audited) December 31, 2023			
	Cost / Amortized cost	Credit loss allowance	Surplus / (Deficit)	Carrying Value	Cost / Amortized cost	Provision for diminution	Surplus / (Deficit)	Carrying Value
Rupees in '000								
10 INVESTMENTS								
10.1 Investments by type:								
FVTPL					Held-for-trading securities			
Federal Government Securities	11,055,719	-	(8,148)	11,047,571	20,114,447	-	(64,599)	20,049,848
Open Ended Mutual Funds	25,000	-	11,903	36,903	-	-	-	-
	11,080,719	-	3,755	11,084,474	20,114,447	-	(64,599)	20,049,848
FVOCI					Available for sale			
Federal Government Securities	832,839,884	(5,308,882)	1,202,738	828,733,740	1,047,943,332	(2,452,459)	(19,702,262)	1,025,788,611
Shares	12,791,849	-	6,541,043	19,332,892	13,329,302	(760,822)	6,228,739	18,797,219
Non Government Debt Securities	24,650,209	(135,903)	(3,638)	24,510,668	25,391,300	(21,071)	(21,711)	25,348,518
Foreign Securities	1,770	-	-	1,770	1,770	-	-	1,770
Open Ended Mutual Funds	-	-	-	-	25,000	-	9,454	34,454
	970,283,712	(5,444,785)	7,740,143	972,579,070	1,086,690,704	(3,234,352)	(13,485,780)	1,069,970,572
Amortized cost					Held to maturity			
Federal Government Securities	180,546,235	-	-	180,546,235	59,797,669	-	-	59,797,669
Non Government Debt Securities	297,015	(297,015)	-	-	302,920	(302,920)	-	-
	180,843,250	(297,015)	-	180,546,235	60,100,589	(302,920)	-	59,797,669
Subsidiaries	1,500,000	-	-	1,500,000	500,000	-	-	500,000
Total Investments	1,163,707,681	(5,741,800)	7,743,898	1,165,709,779	1,167,405,740	(3,537,272)	(13,550,379)	1,150,318,089

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) for the three months period ended March 31, 2024

	March 31, 2024	(Audited) December 31, 2023
Rupees in '000		
10.1.1 Investments given as collateral - at market value		
Pakistan Investment Bonds	213,097,597	268,646,617
Total Investments given as collateral	213,097,597	268,646,617
10.2 Credit loss allowance for diminution in value of investments		
10.2.1 Opening balance	3,537,272	2,321,414
Impact of adoption of IFRS 9	2,317,757	-
Exchange adjustments	(23,448)	69,221
Charge / (reversals)		
Charge for the period / year	131,540	2,082,408
Reversals for the period / year	(221,321)	(17,717)
	(89,781)	2,064,691
Reversal on disposals	-	(918,054)
Closing Balance	5,741,800	3,537,272

	(Audited)			
	March 31, 2024		December 31, 2023	
	Outstanding amount	Credit loss allowance Held	Outstanding amount	Provision Held
Rupees in '000				
10.2.2 Particulars of provision against debt securities				
Category of Classification				
Domestic				
Performing - Stage 1	1,108,089,649	8,929	-	-
Underperforming - Stage 2	10,535,406	2,854,236	-	-
Non-performing - Stage 3	318,085	318,085	-	-
Substandard	-	-	-	-
Doubtful	-	-	-	-
Loss	318,085	318,085	323,991	323,991
	1,118,943,140	3,181,250	323,991	323,991
Overseas				
Performing - Stage 1	-	-	-	-
Underperforming - Stage 2	19,390,203	2,560,550	-	-
Non-performing - Stage 3	-	-	-	-
Substandard	-	-	-	-
Doubtful	-	-	-	-
Loss	-	-	-	-
	-	-	-	-
Total	1,138,333,343	5,741,800	323,991	323,991

10.3 The market value of Pakistan Investment Bonds classified as held-to-maturity as at March 31, 2024 amounted to Rs. 159,235.023 million (December 31, 2023: Rs. 51,778 million).

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) for the three months period ended March 31, 2024

11	ADVANCES	Note	Performing		Non Performing		Total	
			(Audited)		(Audited)		(Audited)	
			March 31, 2024	December 31, 2023	March 31, 2024	December 31, 2023	March 31, 2024	December 31, 2023
Rupees in '000								
	Loans, cash credits, running finances, etc.		625,281,100	699,211,949	11,505,994	11,713,507	636,787,094	710,925,456
	Islamic financing and related assets	41.3	79,507,414	79,621,981	5,729	5,729	79,513,143	79,627,710
	Bills discounted and purchased		1,025,800	2,264,978	1,319,793	1,319,793	2,345,593	3,584,771
	Advances - gross	11.1	705,814,314	781,098,908	12,831,516	13,039,029	718,645,830	794,137,937
Credit loss allowance / Provision against advances								
	Stage 1	11.3	(1,057,854)	-	-	-	(1,057,854)	-
	Stage 2	11.3	(1,879,262)	-	-	-	(1,879,262)	-
	Stage 3	11.3	-	-	(12,264,902)	-	(12,264,902)	-
	Specific	11.3	-	-	-	(12,335,688)	-	(12,335,688)
	General	11.3	-	(205,019)	-	-	-	(205,019)
			(2,937,116)	(205,019)	(12,264,902)	(12,335,688)	(15,202,016)	(12,540,707)
	Advances - net of credit loss allowance		702,877,198	780,893,889	566,614	703,341	703,443,812	781,597,230

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

11.1 Particulars of advances (Gross)

In local currency	682,147,464	753,527,904
In foreign currencies	36,498,366	40,610,033
	718,645,830	794,137,937

11.2 Advances include Rs. 12,831.516 million (December 31, 2023: Rs. 13,039.029 million) which have been placed under non-performing / Stage 3 status as detailed below:

Category of Classification:	(Audited)			
	March 31, 2024		December 31, 2023	
	Non Performing Loans	Credit loss allowance	Non Performing Loans	Provision held
Rupees in '000				
Domestic				
Other Assets Especially Mentioned	123,127	69,001	31,765	250
Substandard - Stage 3	207,065	136,704	361,480	90,154
Doubtful - Stage 3	196,146	131,046	46,947	23,473
Loss - Stage 3	12,305,178	11,928,151	12,598,837	12,221,811
Total	12,831,516	12,264,902	13,039,029	12,335,688

Notes to the Unconsolidated Condensed Interim Financial Statements

(Un-audited) for the three months period ended March 31, 2024

11.3 Particulars of credit loss allowance against advances

	March 31, 2024				(Audited) 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	-	(2,007)	-	(2,007)	-	9,497	9,497
Charge for the period / year	-	78,403	23,463	101,866	1,694,691	241,205	1,935,896
Reversals for the period / year	(236,202)	(32,833)	-	(269,035)	(1,097,561)	(155,286)	(1,252,847)
	(236,202)	45,570	23,463	(167,169)	597,130	85,919	683,049
Amounts written off	-	-	-	-	-	-	-
Closing balance	12,264,902	1,879,262	1,057,854	15,202,018	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.

	March 31, 2024			
	Stage 3	Stage 2	Stage 1	Total
	Rupees in '000			
Opening balance	12,501,104	1,835,699	1,034,391	15,371,194
New Advances	159,456	69,603	136,585	365,644
Advances derecognised or repaid	(205,181)	(73,947)	(111,245)	(390,373)
Transfer to stage 1	-	(49,553)	12,603	(36,950)
Transfer to stage 2	(254,974)	123,123	(13,713)	(145,564)
Transfer to stage 3	64,497	(25,663)	(767)	38,067
	(236,202)	43,563	23,463	(169,176)
Amounts written off / charged off	-	-	-	-
Changes in risk parameters	-	-	-	-
Other changes	-	-	-	-
Closing balance	12,264,902	1,879,262	1,057,854	15,202,018

Notes to the Unconsolidated Condensed Interim Financial Statements

(Un-audited) for the three months period ended March 31, 2024

		March 31, 2024	
		Outstanding amount	Credit loss allowance Held
Rupees in '000			
11.5	Advances - Category of classification		
	Domestic		
	Performing - Stage 1	662,666,487	1,057,854
	Underperforming - Stage 2	41,943,389	1,769,544
	Non-Performing - Stage 3	12,831,516	12,264,902
	Other impaired	2,030	1,567
	Other Assets Especially Mentioned	121,097	67,434
	Substandard	207,065	136,704
	Doubtful	196,146	131,046
	Loss	12,305,178	11,928,151
		<u>717,441,392</u>	<u>15,092,300</u>
	Overseas		
	Performing - Stage 1	-	-
	Underperforming - Stage 2	1,204,438	109,718
	Non-Performing - Stage 3	-	-
	Substandard	-	-
	Doubtful	-	-
	Loss	-	-
		<u>1,204,438</u>	<u>109,718</u>
	Total	<u>718,645,830</u>	<u>15,202,018</u>

		(Audited)	
		March 31, 2024	December 31, 2023
Rupees in '000			
12	PROPERTY AND EQUIPMENT		
	Capital work-in-progress	12.1 12,992,293	9,779,743
	Property and equipment	105,918,031	103,998,924
		<u>118,910,324</u>	<u>113,778,667</u>
12.1	Capital work-in-progress		
	Civil works	7,707,858	7,759,247
	Equipment	-	89,246
	Advances to suppliers	5,284,435	1,931,250
		<u>12,992,293</u>	<u>9,779,743</u>

Notes to the Unconsolidated Condensed Interim Financial Statements

(Un-audited) for the three months period ended March 31, 2024

12.2 Additions to property and equipment

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

	March 31, 2024	March 31, 2023
Rupees in '000		
Capital work-in-progress	17,860,494	1,836,446
Property and equipment		
Freehold land	606,984	62,765
Leasehold land	519,198	-
Building on freehold land	520,580	26,986
Building on leasehold land	92,623	9,005
Furniture and fixture	178,593	61,755
Electrical office and computer equipment	2,128,118	1,035,238
Vehicles	597,307	77,854
Others-building improvements	470,469	162,263
	5,113,872	1,435,866
Total	22,974,366	3,272,312

12.3 Disposal of property and equipment

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

	March 31, 2024	March 31, 2023
Rupees in '000		
Furniture and fixture	590	951
Electrical office and computer equipment	715	1,667
Vehicles	82	-
Freehold land	1,670,225	-
Building on freehold land	21,923	-
Total	1,693,535	2,618

	(Restated)					
	March 31, 2024			December 31, 2023		
	Buildings	Others	Total	Buildings	Others	Total
Rupees in '000						
13 RIGHT-OF-USE ASSETS						
At January 01						
Cost	8,323,181	-	8,323,181	7,846,611	-	7,846,611
Accumulated Depreciation	(36,126)	-	(36,126)	(23,217)	-	(23,217)
Net carrying amount at January 01, 2024	8,287,055	-	8,287,055	7,823,394	-	7,823,394
Additions during the year	440,675	-	440,675	2,464,205	-	2,464,205
Deletions during the year	(1,523)	-	(1,523)	(235,706)	-	(235,706)
Depreciation charge during the year	(455,582)	-	(455,582)	(1,764,838)	-	(1,764,838)
Net carrying amount at March 31, 2024	8,270,625	-	8,270,625	8,287,055	-	8,287,055

Notes to the Unconsolidated Condensed Interim Financial Statements

(Un-audited) for the three months period ended March 31, 2024

		(Audited)	
		March 31, 2024	December 31, 2023
		Rupees in '000	
14	INTANGIBLE ASSETS		
	Capital work-in-progress	14.1	725,185
	Intangible Assets	2,744,799	2,630,420
		<u>3,469,984</u>	<u>3,409,291</u>
14.1	Capital work-in-progress		
	Software	722,311	775,996
	Advances to suppliers	2,874	2,875
		<u>725,185</u>	<u>778,871</u>
		March 31, 2024	March 31, 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	148,583	264,316
	Software	115,736	244,989
	Total	<u>264,319</u>	<u>509,305</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 three months period ended March 31, 2024

	March 31, 2024	(Audited) December 31, 2023
	Rupees in '000	
15 OTHER ASSETS		
Income / Mark-up accrued in local currency	87,829,983	69,602,045
Income / Mark-up accrued in foreign currency	1,099,887	953,413
Advances, deposits, advance rent and other prepayments	5,284,878	3,081,606
Non-banking assets acquired in satisfaction of claims	1,037,000	1,038,270
Branches adjustment account	-	1,701,578
Mark to market gain on forward foreign exchange contracts	-	80,674
Acceptances	6,592,183	8,444,550
Due from the employees' retirement benefit schemes		
Pension fund	6,402,444	6,185,041
Fraud and forgeries	575,105	544,824
Stationery and stamps in hand	1,034,762	863,475
Overdue Foreign Bills Negotiated / Discounted	294,772	302,470
Home Remittance Cell agent receivable	2,292	1,749
Receivable from State Bank of Pakistan	14,562	4,375
Charges receivable	29,868	29,873
ATM / Point of Sale settlement account	5,333,318	7,075,342
Suspense Account	1,106	295
Others	164,493	137,755
	<u>115,696,653</u>	<u>100,047,335</u>
Less: Credit loss allowance held against other assets	15.1	(996,020)
Other assets (net of credit loss allowance)	114,546,727	99,051,315
Surplus on revaluation of non-banking assets		
acquired in satisfaction of claims	1,041,744	1,043,502
Other Assets - Total	<u>115,588,471</u>	<u>100,094,817</u>

15.1 Credit loss allowance held against other assets

Advances, deposits, advance rent and other prepayments	217,757	213,329
Provision against fraud and forgeries	474,563	444,282
Overdue Foreign Bills Negotiated / Discounted	302,470	302,470
Charges receivable	29,834	29,840
Others	125,302	6,099
	<u>1,149,926</u>	<u>996,020</u>

15.1.1 Movement in provision held against other assets

Opening balance	996,020	755,808
Impact of adoption of IFRS 9	48,085	-
Charge for the period / year	107,620	505,416
Reversals	(24)	(259,078)
Net charge	107,596	246,338
Amounts written off	(1,775)	(6,126)
Closing balance	<u>1,149,926</u>	<u>996,020</u>

Notes to the Unconsolidated Condensed Interim Financial Statements

(Un-audited) for the three months period ended March 31, 2024

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

16 CONTINGENT ASSETS

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

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

17 BILLS PAYABLE

In Pakistan	8,726,504	9,296,223
Outside Pakistan	25,730	26,182
	<u>8,752,234</u>	<u>9,322,405</u>

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

18 BORROWINGS

Secured

Borrowings from State Bank of Pakistan		
Repurchase agreement borrowings	185,000,000	270,000,000
Under export refinance scheme	27,220,342	28,652,901
Under long term financing facility	33,490,072	34,880,671
Under financing scheme for renewable energy	641,135	639,066
Under temporary economic refinance scheme	12,372,599	12,741,909
Under refinance scheme for modernization of SMEs	6,136	8,182
Refinance and credit guarantee scheme for women entrepreneurs	22,852	13,517
Under refinance scheme for combating COVID-19	120,247	133,325
	<u>258,873,383</u>	<u>347,069,571</u>
Repurchase agreement borrowings from Financial Institutions	24,597,778	1,843,392
Trading liability	28,924,908	7,541,047
	<u>312,396,069</u>	<u>356,454,010</u>

Unsecured

Call borrowings	7,965,601	2,677,677
Overdrawn nostro accounts	44,981	192,355
Musharaka borrowing	12,050,000	14,350,000
Other borrowings	5,000	-
	<u>20,065,582</u>	<u>17,220,032</u>
	<u>332,461,651</u>	<u>373,674,042</u>

Notes to the Unconsolidated Condensed Interim Financial Statements

(Un-audited) for the three months period ended March 31, 2024

	(Audited)					
	March 31, 2024			December 31, 2023		
	In Local Currency	In Foreign Currencies	Total	In Local Currency	In Foreign Currencies	Total
Rupees in '000						
19 DEPOSITS AND OTHER ACCOUNTS						
Customers						
Current deposits	601,977,037	36,095,612	638,072,649	616,041,518	44,460,629	660,502,147
Savings deposits	676,835,204	22,850,507	699,685,711	652,715,228	19,697,405	672,412,633
Term deposits	194,772,202	44,022,929	238,795,131	201,318,101	51,084,504	252,402,605
Others	36,513,362	60,089	36,573,451	30,467,120	61,278	30,528,398
	1,510,097,805	103,029,137	1,613,126,942	1,500,541,967	115,303,816	1,615,845,783
Financial Institutions						
Current deposits	17,162,185	1,707,055	18,869,240	14,062,494	853,715	14,916,209
Savings deposits	65,961,778	-	65,961,778	44,978,314	-	44,978,314
Term deposits	819,350	98,949	918,299	819,350	63,419	882,769
Others	-	-	-	-	-	-
	83,943,313	1,806,004	85,749,317	59,860,158	917,134	60,777,292
	1,594,041,118	104,835,141	1,698,876,259	1,560,402,125	116,220,950	1,676,623,075

- 19.1 This includes deposits eligible to be covered under insurance arrangements amounting to Rs. 1,123,910 million for March 31, 2024 (December 31, 2023: Rs. 1,138,708 million).

	Note	(Restated)	
		March 31, 2024	December 31, 2023
		Rupees in '000	
20 LEASE LIABILITIES			
Outstanding amount at the start of the year		10,632,854	9,787,443
Additions during the year		437,812	2,224,497
Lease payments including interest		(688,872)	(2,580,364)
Interest expense		327,044	1,189,825
Exchange difference		(396)	11,453
Outstanding amount at the end of the period		10,708,442	10,632,854
20.1 Liabilities outstanding			
Not later than one year		250,660	368,816
Later than one year and upto five years		5,131,238	5,148,027
Over five years		5,326,544	5,116,011
		10,708,442	10,632,854

Notes to the Unconsolidated Condensed Interim Financial Statements

(Un-audited) for the three months period ended March 31, 2024

	Note	March 31, 2024	(Restated) December 31, 2023
Rupees in '000			
21	DEFERRED TAX LIABILITIES		
Deductible Temporary Differences on			
Credit loss allowance against advances, off balance sheet etc.		3,201,227	492,469
Workers welfare fund		2,885,958	2,657,448
Others		102,650	102,650
		6,189,835	3,252,567
Taxable Temporary Differences on			
Surplus on revaluation of property and equipment		(4,157,387)	(4,200,202)
Surplus on revaluation of non-banking assets		(65,390)	(66,251)
Surplus on revaluation of investments		(3,907,970)	6,608,032
Accelerated tax depreciation or amortization		(1,533,521)	(1,696,139)
Actuarial gains		(76,413)	(76,413)
		(9,740,681)	569,027
		(3,550,846)	3,821,594
	Note	March 31, 2024	(Audited) December 31, 2023
Rupees in '000			
22	OTHER LIABILITIES		
Mark-up / return / interest payable in local currency		33,944,227	14,143,930
Mark-up / return / interest payable in foreign currencies		1,960,429	1,762,006
Accrued expenses		3,439,843	3,920,388
Provision for taxation (provisions less payments)		3,699,700	7,730,026
Retention money payable		861,402	679,647
Deferred income		982,032	855,132
Unearned commission and income on bills discounted		435,106	759,785
Acceptances		6,592,183	8,444,550
Unclaimed dividends		452,864	442,049
Dividend payable		208,124	26,343
Branch adjustment account		1,757,027	-
Unrealized loss on forward foreign exchange contracts		294,279	-
Unrealized loss on forward government securities transactions		37,041	13,812
Provision for:			
Gratuity		806,365	806,365
Employees' medical benefits		1,488,091	1,473,496
Employees' compensated absences		1,220,604	1,200,318
Payable to defined contribution plan		62,096	117,158
Credit loss allowance against off-balance sheet obligations	22.1	436,472	298,904
Security deposits against lease		1,047,328	941,987
Charity fund balance		1,325	1,000
Home Remittance Cell overdraft		574,734	794,027
With-holding tax payable		1,308,615	8,608,289
Sundry deposits		4,236,259	4,162,588
Workers welfare fund payable		5,889,711	5,423,363
Others		2,227,507	2,204,652
		73,963,364	64,809,815

Notes to the Unconsolidated Condensed Interim Financial Statements

(Un-audited) for the three months period ended March 31, 2024

	Note	March 31, 2024	(Audited) December 31, 2023
Rupees in '000			
22.1 Credit loss allowance against off-balance sheet obligations			
Opening balance		298,904	298,904
Impact of adoption of IFRS 9		151,241	-
Charge for the period / year		-	-
Reversals for the period / year		(13,673)	-
		(13,673)	-
Closing balance		436,472	298,904

23 SHARE CAPITAL

23.1 Authorized capital

	(Audited)			(Audited)	
	March 31, 2024	December 31, 2023		March 31, 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	15,000,000
23.2 Issued, subscribed and paid-up capital					
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
	9,148,550	9,148,550	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)	91,486	91,486
	8,400,000	8,400,000	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
	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 Unconsolidated Condensed Interim Financial Statements

(Un-audited) for the three months period ended March 31, 2024

	Note	March 31, 2024	(Audited) December 31, 2023
Rupees in '000			
24	SURPLUS ON REVALUATION OF ASSETS - NET OF TAX		
Surplus / (deficit) arising on revaluation of:			
Property and equipment		50,050,531	50,140,331
Non-banking assets acquired in satisfaction of claims		1,041,744	1,043,502
Available-for-sale securities		-	(13,485,780)
Securities measured at FVOCI - Debt		1,197,395	-
Securities measured at FVOCI - Equity		6,778,054	-
		59,067,724	37,698,053
Deferred tax on (surplus) / deficit on revaluation of:			
Property and equipment		(4,157,387)	(4,200,202)
Non-banking assets acquired in satisfaction of claims		(65,390)	(66,251)
Available-for-sale securities		-	6,608,032
Securities measured at FVOCI - Debt		(586,724)	-
Securities measured at FVOCI - Equity		(3,321,246)	-
		(8,130,747)	2,341,579
Surplus on revaluation of assets - net of tax		50,936,977	40,039,632
25	CONTINGENCIES AND COMMITMENTS		
Guarantees	25.1	63,211,883	66,315,450
Commitments	25.2	521,662,209	495,953,754
Other contingent liabilities	25.3	7,372,356	6,987,410
		592,246,448	569,256,614
25.1	Guarantees		
Financial guarantees		5,784,824	5,603,283
Performance guarantees		13,563,873	13,503,642
Other guarantees		43,863,186	47,208,525
		63,211,883	66,315,450
25.2	Commitments		
Documentary credits and short term trade related transactions:			
letters of credit		157,676,379	153,136,140
Commitments in respect of:			
forward foreign exchange contracts	25.2.1	326,921,779	322,127,301
forward government securities transactions	25.2.2	29,637,533	11,439,221
operating leases	25.2.3	270,748	298,754
Commitments for acquisition of:			
property and equipment		6,429,746	8,054,382
intangible assets		726,024	897,956
		521,662,209	495,953,754
25.2.1	Commitments in respect of forward foreign exchange contracts		
Purchase		176,239,089	180,292,360
Sale		150,682,690	141,834,941
		326,921,779	322,127,301

Notes to the Unconsolidated Condensed Interim Financial Statements

(Un-audited) for the three months period ended March 31, 2024

	March 31, 2024	(Audited) December 31, 2023
	Rupees in '000	
25.2.2 Commitments in respect of forward government securities transactions		
Purchase	28,682,727	10,053,843
Sale	954,806	1,385,378
	<u>29,637,533</u>	<u>11,439,221</u>
25.2.3 Commitments in respect of operating leases		
Not later than one year	111,716	112,416
Later than one year and not later than five years	137,110	162,545
Later than five years	21,922	23,793
	<u>270,748</u>	<u>298,754</u>
25.3 Other contingent liabilities		
25.3.1 Claims against the Bank not acknowledged as debt	7,372,356	6,987,410

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 three months period ended March 31, 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	March 31, 2024	March 31, 2023
Rupees in '000			
27 MARK-UP / RETURN / INTEREST EARNED			
On:			
Loans and advances		35,941,904	27,994,967
Investments		57,189,301	45,216,990
Lendings to financial institutions		921,395	593,069
Balances with banks		258,959	235,211
		<u>94,311,559</u>	<u>74,040,237</u>
27.1 Interest income (calculated using effective interest rate method)			
Financial assets measured at amortized cost		43,036,709	-
Financial assets measured at fair value through OCI		50,991,745	-
Financial assets measured at fair value through PL		283,105	-
		<u>94,311,559</u>	<u>-</u>
28 MARK-UP / RETURN / INTEREST EXPENSED			
On:			
Deposits		46,784,709	32,425,817
Borrowings		16,877,551	20,122,483
Cost of foreign currency swaps against foreign currency deposits		1,175,997	709,646
Interest expense on lease liability		326,676	269,240
		<u>65,164,933</u>	<u>53,527,186</u>
29 FEE AND COMMISSION INCOME			
Branch banking customer fees		616,464	536,474
Consumer finance related fees		5,225	11,085
Card related fees (debit and credit cards)		1,849,819	1,195,802
Credit related fees		6,849	7,825
Investment banking fees		357,291	243,660
Commission on trade		169,178	129,667
Commission on guarantees		56,657	45,533
Commission on cash management		96,166	97,512
Commission on remittances including home remittances		381,758	245,701
Commission on bancassurance		5,789	4,730
Card acquiring business		3,819	-
		<u>3,549,015</u>	<u>2,517,989</u>
30 GAIN / (LOSS) ON SECURITIES			
Realised - net	30.1	331,730	183,755
Unrealised - held for trading	10.1	-	(6,412)
Unrealised - measured at FVTPL	30.2	(5,699)	-
Unrealised - forward government securities		(23,229)	489
		<u>302,802</u>	<u>177,832</u>

Notes to the Unconsolidated Condensed Interim Financial Statements

(Un-audited) for the three months period ended March 31, 2024

	March 31, 2024	March 31, 2023
	Rupees in '000	
30.1 Realised gain / (loss) on:		
Federal government securities	331,730	135,520
Shares	-	48,235
	331,730	183,755
30.2 Net gain / loss on financial assets / liabilities measured at FVTPL		
Designated upon initial recognition	35,320	-
Mandatorily measured at FVTPL	2,449	-
	37,769	-
Net gain / (loss) on financial assets measured at FVOCI	288,262	-
	326,031	-
31 OTHER INCOME		
Rent on property	6,926	5,388
Gain on sale of property and equipment - net	206,973	5,225
Other assets disposal	13,723	6,021
Recovery of written off mark-up and charges	2	36
Fee for attending Board meetings	256	672
Income from data centre hosting service	4,429	4,429
Gain on sale of islamic financing and related assets	2,765	4,058
	235,074	25,829

Notes to the Unconsolidated Condensed Interim Financial Statements

(Un-audited) for the three months period ended March 31, 2024

	March 31, 2024	March 31, 2023
	Rupees in '000	
32 OPERATING EXPENSES		
Total compensation expense	5,185,149	4,626,812
Property expense:		
Rent & taxes	84,879	87,316
Insurance	30,289	24,972
Utilities cost	575,364	426,115
Security (including guards)	510,948	392,525
Repair & maintenance (including janitorial charges)	432,542	330,389
Depreciation	1,510,148	1,194,877
	3,144,170	2,456,194
Information technology expenses:		
Software maintenance	575,862	545,240
Hardware maintenance	170,549	134,932
Depreciation	348,557	232,024
Amortisation	150,394	139,534
Network charges	233,734	194,283
Others	1,023	604
	1,480,119	1,246,617
Other operating expenses:		
Directors' fees and allowances	16,200	16,944
Fees and allowances to Shariah Board	2,598	2,461
Legal & professional charges	64,261	49,120
Outsourced service cost	378,670	304,226
Travelling & conveyance	93,825	87,522
NIFT clearing charges	57,060	47,528
Depreciation	100,917	72,444
Training and development	27,097	35,669
Postage & courier charges	42,428	52,203
Communication	197,776	40,862
Stationery & printing	184,944	109,946
Marketing, advertisement & publicity	517,645	514,023
Donations	19,522	5,667
Auditors Remuneration	6,372	5,192
Brokerage expenses	19,716	21,195
Card related expenses	479,727	641,794
CNIC verification	45,394	35,392
Entertainment	98,060	88,660
Clearing and settlement	62,554	45,239
Insurance	434,059	435,884
Cash In Transit Service Charge	125,839	134,346
Others	17,976	179,859
	2,992,640	2,926,176
	12,802,078	11,255,799

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) for the three months period ended March 31, 2024

	Note	March 31, 2024	March 31, 2023
Rupees in '000			
33 OTHER CHARGES			
Penalties imposed by State Bank of Pakistan		3,100	503
Education cess		12,500	12,501
Depreciation - non-banking assets		6,772	2,508
Others		87,501	62,499
		<u>109,873</u>	<u>78,011</u>

34 CREDIT LOSS ALLOWANCE AND WRITE OFFS - NET

Credit loss allowance against lendings to financial institutions		111	-
Credit loss allowance against nostro accounts		868	-
Credit loss allowance / Provision for diminution in value of investments	10.2.1	(89,781)	855,476
Credit loss allowance / Provision against loans & advances	11.3	(167,169)	1,440,055
Credit loss allowance / Provision against other assets	15.1.1	107,596	16,425
Credit loss allowance against off-balance sheet obligations	22.1	(13,673)	-
Bad debts written off directly		-	-
		(162,048)	2,311,956
Recovery of written off bad debts		(707)	(2,179)
		<u>(162,755)</u>	<u>2,309,777</u>

35 TAXATION

Current - for the period	33.1	11,425,531	6,183,766
- for prior year		-	-
		11,425,531	6,183,766
Deferred - current		(522,907)	(346,791)
		<u>10,902,624</u>	<u>5,836,975</u>

35.1 This also includes proportionate super tax on high earning persons of Rs. 2,331.741 million (March 31, 2023: Rs. 575.234 million).

	March 31, 2024	March 31, 2023
Rupees in '000		
36 EARNINGS PER SHARE - BASIC AND DILUTED		
Profit after taxation	<u>11,363,568</u>	<u>7,588,817</u>
Number of Shares		
Weighted average number of ordinary shares outstanding during the year	<u>1,145,073,830</u>	<u>1,145,073,830</u>
Rupees		
Earnings per share - basic and diluted	<u>9.92</u>	<u>6.63</u>

There is no dilution effect on basic earnings per share.

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) for the three months period ended March 31, 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.

March 31, 2024

	Carrying Value	Level 1	Level 2	Level 3	Total
Rupees in '000					
On balance sheet financial instruments					
Financial assets - measured at fair value					
Investments					
Federal Government Securities	938,809,655	-	938,809,655	-	938,809,655
Shares	19,029,814	18,992,911	36,903	-	19,029,814
Non-Government Debt Securities	13,314,134	-	13,314,134	-	13,314,134
Financial assets - disclosed but not measured at fair value					
Investments	194,556,176	-	-	-	-
Cash and balances with treasury banks	164,469,748	-	-	-	-
Balances with other banks	12,890,747	-	-	-	-
Lendings	44,591,363	-	-	-	-
Advances	703,443,812	-	-	-	-
Other assets	101,005,400	-	-	-	-
Non - Financial Assets measured at fair value					
Property and equipment	90,092,801	-	90,092,801	-	90,092,801
Non-banking assets	2,078,744	-	2,078,744	-	2,078,744
Off-balance sheet financial instruments - measured at fair value					
Forward purchase of foreign exchange	176,239,089	-	176,239,089	-	176,239,089
Forward sale of foreign exchange	150,682,690	-	150,682,690	-	150,682,690
Forward purchase of government securities transactions	28,682,727	-	28,682,727	-	28,682,727
Forward sale of government securities transactions	954,806	-	954,806	-	954,806

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) for the three months period ended March 31, 2024

	(Audited)				Total
	December 31, 2023				
	Carrying Value	Level 1	Level 2	Level 3	
Rupees in '000					
On balance sheet financial instruments					
Financial assets - measured at fair value					
Investments					
Federal Government Securities	1,044,283,263	-	1,044,283,263	-	1,044,283,263
Shares	18,491,692	18,457,238	34,454	-	18,491,692
Non-Government Debt Securities	13,274,049	-	13,274,049	-	13,274,049
Financial assets - disclosed but not measured at fair value					
Investments	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	-	-	-	-
Non - Financial Assets measured at fair value					
Property and equipment	90,354,067	-	90,354,067	-	90,354,067
Non-banking assets	2,081,772	-	2,081,772	-	2,081,772
Off-balance sheet financial instruments - 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 Unconsolidated Condensed Interim Financial Statements

(Un-audited) for the three months period ended March 31, 2024

	March 31, 2024					
	Corporate & Investment Banking	Commercial & Retail Banking	Trading & Sale (Treasury)	Islamic Banking	Others	Total
	Rupees in '000					
38 SEGMENT INFORMATION						
38.1 Segment Details with respect to Business Activities						
Profit & Loss						
Net mark-up/return/profit	29,894,132	(43,195,650)	39,524,246	2,792,889	131,009	29,146,626
Inter segment revenue - net	(28,540,592)	72,473,958	(42,284,087)	-	(1,649,279)	-
Non mark-up / return / interest income	1,806,916	2,402,254	1,548,713	154,643	422,584	6,335,110
Total Income	3,160,456	31,680,562	(1,211,128)	2,947,532	(1,095,686)	35,481,736
Segment direct expenses	207,692	5,954,254	78,535	502,352	6,635,466	13,378,299
Total expenses	207,692	5,954,254	78,535	502,352	6,635,466	13,378,299
Credit loss allowance	106,134	(27,538)	111	(21,803)	(219,659)	(162,755)
Profit before tax	2,846,630	25,753,846	(1,289,774)	2,466,983	(7,511,493)	22,266,192
Balance Sheet						
Cash & Bank balances	38,514	48,683,103	107,031,680	10,903,442	10,703,756	177,360,495
Investments	60,745,624	-	1,063,871,828	39,544,246	1,548,081	1,165,709,779
Net inter segment lending	(573,581,071)	1,461,731,898	(1,028,948,378)	-	140,797,551	-
Lendings to financial institutions	-	-	46,870,530	-	(2,279,167)	44,591,363
Advances - performing	590,748,900	24,455,948	-	79,507,414	11,102,052	705,814,314
Advances - non-performing	323,297	258,075	-	5,729	12,244,415	12,831,516
Credit loss allowance against advances	(2,538,490)	(765,626)	-	(127,966)	(11,769,936)	(15,202,018)
Advances - net	588,533,707	23,948,397	-	79,385,177	11,576,531	703,443,812
Operating fixed assets	154,751	81,066,693	60,410	1,408,628	47,960,451	130,650,933
Others	8,606,195	20,166,661	50,085,611	7,416,822	29,313,182	115,588,471
Total Assets	84,497,720	1,635,596,752	238,971,681	138,658,315	239,620,385	2,337,344,853
Borrowings	77,928,840	2,663,413	239,172,667	14,975,899	(2,279,168)	332,461,651
Deposits & other accounts	3,288,785	1,594,587,666	-	95,505,201	5,494,607	1,698,876,259
Net inter segment borrowing	-	-	-	-	-	-
Others	3,280,095	38,345,673	(200,986)	10,897,973	44,652,131	96,974,886
Total liabilities	84,497,720	1,635,596,752	238,971,681	121,379,073	47,867,570	2,128,312,796
Equity / Reserves	-	-	-	17,279,242	191,752,815	209,032,057
Total Equity and liabilities	84,497,720	1,635,596,752	238,971,681	138,658,315	239,620,385	2,337,344,853
Contingencies and commitments	191,899,240	18,985,357	356,559,312	9,953,984	14,848,555	592,246,448

Notes to the Unconsolidated Condensed Interim Financial Statements

(Un-audited) for the three months period ended March 31, 2024

	March 31, 2023					
	Corporate & Investment Banking	Commercial & Retail Banking	Trading & Sale (Treasury)	Islamic Banking	Others	Total
Rupees in '000						
Profit & Loss						
Net mark-up/return/profit	23,784,580	(29,798,172)	24,927,613	1,386,448	212,582	20,513,051
Inter segment revenue - net	(28,694,732)	58,458,489	(26,437,289)	-	(1,326,468)	-
Non mark-up / return / interest income	1,548,163	1,710,192	3,381,783	88,120	115,222	6,843,480
Total Income	(3,361,989)	30,370,509	(127,893)	1,474,568	(998,664)	27,356,531
Segment direct expenses	208,884	5,298,670	68,465	429,489	5,615,454	11,620,962
Total expenses	208,884	5,298,670	68,465	429,489	5,615,454	11,620,962
Provisions	(2,033,254)	(424,709)	-	(1,812)	149,998	(2,309,777)
Profit before tax	(5,604,127)	24,647,130	(196,358)	1,043,267	(6,464,120)	13,425,792
December 31, 2023 (Audited)						
	Corporate & Investment Banking	Commercial & Retail Banking	Trading & Sale (Treasury)	Islamic Banking	Others	Total
Rupees in '000						
Balance Sheet						
Cash & Bank balances	63,911	52,567,988	87,420,356	7,981,515	10,558,139	158,591,909
Investments	56,323,830	-	1,055,128,295	38,360,057	505,907	1,150,318,089
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	10,497,696	781,098,908
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	658,655,391	32,438,452	-	79,620,372	10,883,015	781,597,230
Operating fixed assets	152,919	74,579,541	5,707	887,783	49,849,063	125,475,013
Others	8,271,993	15,956,021	40,787,167	5,126,241	33,774,989	103,916,411
Total Assets	86,288,240	1,606,615,960	279,049,375	131,548,037	225,815,043	2,329,316,655
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	4,913,901	1,676,623,075
Others	2,537,187	30,412,171	(527,419)	3,904,191	48,438,944	84,765,074
Total liabilities	86,288,240	1,606,615,960	279,049,375	116,514,157	46,594,459	2,135,062,191
Equity / Reserves	-	-	-	15,033,880	179,220,584	194,254,464
Total Equity and liabilities	86,288,240	1,606,615,960	279,049,375	131,548,037	225,815,043	2,329,316,655
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 three months period ended March 31, 2024

	March 31, 2024				December 31, 2023							
	Parent	Directors	Key management personnel	Subsidiaries	Associates*	Other related parties	Parent	Directors	Key management personnel	Subsidiaries	Associates*	Other related parties
	Rupees in '000											
Other Assets												
Interest / mark-up accrued	-	16,678	98,805	-	186,137	-	-	13,464	94,881	3,616	8,660	-
Receivable from staff retirement fund	-	-	-	-	5,430,494	-	-	-	-	-	-	5,238,086
Other receivable	-	-	-	94,310	-	-	-	-	-	66,547	-	-
Credit loss allowance against other assets	-	-	-	-	-	-	-	-	-	-	-	-
Borrowings	-	-	-	-	-	-	-	-	-	-	-	-
Subordinated debt	-	-	-	-	-	-	-	-	-	-	-	-
Deposits and other accounts												
Opening balance	12,963	46,895	35,100	33,398	37,125	7,839,462	1,716	53,731	51,333	21,629	111,965	2,128,234
Received during the period/year	3,728,096	167,471	501,065	4,314,854	3,989,260	150,062,484	21,582,782	510,082	1,116,106	10,686,205	9,933,381	292,682,647
Withdrawn during the period/year	(3,734,981)	(165,580)	(424,007)	(4,122,869)	(4,024,631)	(31,330,365)	(21,571,535)	(516,899)	(1,132,330)	(10,674,436)	(10,008,221)	(285,951,418)
Closing balance	6,078	48,786	112,158	225,283	1,554	26,571,571	12,963	46,895	35,100	33,398	37,125	7,839,462
Other Liabilities												
Interest / mark-up payable	-	-	-	-	-	-	-	-	-	-	-	-
Contingencies and Commitments	-	-	-	-	-	-	-	-	-	-	1,842,309	-
Other contingencies	-	-	-	-	899,606	-	-	-	-	-	-	-

Notes to the Unconsolidated Condensed Interim Financial Statements

(Un-audited) for the three months period ended March 31, 2024

39.1 RELATED PARTY TRANSACTIONS

	March 31, 2024			March 31, 2023								
	Parent	Directors	Key management personnel	Subsidiaries	Associates*	Other related parties	Parent	Directors	Key management personnel	Subsidiaries	Associates*	Other related parties
	Rupees in '000											
Income												
Mark-up/return/interest earned	-	3,214	5,526	2,705	196,137	79	-	1,822	4,448	71,916	14,983	13
Fee and commission income	-	29	104	4,506	327	292	1	18	66	2,742	1,327	191
Dividend income	-	-	-	-	-	-	-	-	-	-	-	-
Net (loss) / gain on sale of securities	-	-	1	160	-	-	-	-	3	-	-	-
Rental income	-	-	-	5,376	-	-	-	-	-	3,596	-	-
Other income	-	-	-	4,810	-	4	-	-	368	4,429	-	-
Expense												
Mark-up/return/interest paid	-	2,320	1,397	7,774	18	392,869	-	546	478	1,782	389	225,776
Directors meeting fee	-	16,200	-	-	-	-	-	16,800	-	-	-	-
Remuneration	-	91,761	306,398	-	-	-	-	47,270	245,662	-	-	-
Charge for defined benefit plans	-	1,331	8,176	-	-	-	-	180	4,059	-	-	-
Contribution to defined contribution plan	-	1,250	3,487	-	-	-	-	625	2,578	-	-	-
Other expenses**	-	-	-	-	220	-	-	299	595	-	6,590	78,066
Rent expense**	-	-	-	-	5,135	-	-	-	-	-	4,982	-
Charge in respect of staff retirement benefit funds	-	-	-	-	-	32,978	-	-	-	-	-	-
Insurance premium paid	-	107	341	-	-	-	-	-	-	-	-	-
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 IAS 24 "Related Party Disclosures".

** Rent expense of ABL Branch with associated company Ibrahimi Fibres Limited & Ibrahimi Agencies Pvt. Limited was carried out on terms other than that of arm's length with prior permission of State Bank of Pakistan. During the period ended March 31, 2024, certain moveable assets having cumulative net book value of Rs. 0 were disposed off for Rs. 396,000 to the Key Management Personnel of the Bank.

Notes to the Unconsolidated Condensed Interim Financial Statements

(Un-audited) for the three months period ended March 31, 2024

	March 31, 2024	(Audited) December 31, 2023
	Rupees in '000	
40 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS		
Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	11,450,739	11,450,739
Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier 1 (CET 1) Capital	140,231,064	136,415,747
Eligible Additional Tier 1 (ADT 1) Capital	-	-
Total Eligible Tier 1 Capital	140,231,064	136,415,747
Eligible Tier 2 Capital	54,015,551	44,340,488
Total Eligible Capital (Tier 1 + Tier 2)	194,246,615	180,756,235
Risk Weighted Assets (RWAs):		
Credit Risk	480,688,691	473,684,877
Market Risk	50,252,742	40,606,084
Operational Risk	175,308,026	175,308,026
Total	706,249,459	689,598,987
Common Equity Tier 1 Capital Adequacy ratio	19.86%	19.78%
Tier 1 Capital Adequacy Ratio	19.86%	19.78%
Total Capital Adequacy Ratio	27.50%	26.21%
Leverage Ratio (LR):		
Eligible Tier-1 Capital	140,231,064	136,415,747
Total Exposures	2,557,540,276	2,470,110,831
Leverage Ratio	5.48%	5.52%
Liquidity Coverage Ratio (LCR):		
Total High Quality Liquid Assets	794,308,033	673,797,912
Total Net Cash Outflow	438,682,601	371,108,564
Liquidity Coverage Ratio	181.07%	181.56%
Net Stable Funding Ratio (NSFR):		
Total Available Stable Funding	1,722,793,186	1,679,029,185
Total Required Stable Funding	977,486,126	1,042,804,071
Net Stable Funding Ratio	176.25%	161.01%

Notes to the Unconsolidated Condensed Interim Financial Statements

(Un-audited) for the three months period ended March 31, 2024

41. ISLAMIC BANKING BUSINESS

The Bank is operating 128 (December 31, 2023: 127 and March 31, 2023: 117) Islamic Banking Branches and 167 (December 31, 2023: 162 and March 31, 2023: 160) Islamic Banking Windows at the end of the period.

		(Audited)	
		March 31, 2024	December 31, 2023
Rupees in '000			
ASSETS			
Cash and balances with treasury banks		10,579,445	7,728,461
Balances with other banks		323,997	253,054
Due from financial institutions	41.1	-	-
Investments	41.2	39,544,246	38,360,057
Islamic financing and related assets - net	41.3	79,385,177	79,620,372
Property and equipment		443,462	420,710
Right-of-use assets		963,821	963,821
Intangible assets		1,345	1,378
Due from Head Office		-	-
Other assets		7,416,822	5,126,241
		<u>138,658,315</u>	<u>132,474,094</u>
LIABILITIES			
Bills payable		343,358	363,436
Due to financial institutions		14,975,899	17,276,361
Deposits and other accounts	41.4	95,505,201	95,333,605
Due to Head Office		5,875,448	427,931
Lease liabilities		1,178,259	1,178,259
Subordinated debt		-	-
Other liabilities		3,500,908	2,860,622
		<u>121,379,073</u>	<u>117,440,214</u>
NET ASSETS		<u>17,279,242</u>	<u>15,033,880</u>
REPRESENTED BY			
Islamic Banking Fund		4,100,000	4,100,000
Reserves		-	-
Surplus on revaluation of assets		366,662	351,709
Unappropriated profit	41.8	<u>12,812,580</u>	<u>10,582,171</u>
		<u>17,279,242</u>	<u>15,033,880</u>
CONTINGENCIES AND COMMITMENTS	41.5		

Notes to the Unconsolidated Condensed Interim Financial Statements

(Un-audited) for the three months period ended March 31, 2024

	(Audited)							
	March 31, 2024				December 31, 2023			
	Cost / Amortized cost	Credit loss allowance for diminution	Surplus / (Deficit)	Carrying Value	Cost / Amortized cost	Provision for diminution	Surplus / (Deficit)	Carrying Value
Rupees in '000								
41.2 Investments by Segments								
Debt Instruments								
Classified at FVOCI								
Federal Government Securities:								
-Jarah Sukuks	26,100,207	-	282,018	26,382,225	24,141,346	-	273,079	24,414,425
-Islamic Naya Pakistan Certificate	971,655	-	-	971,655	1,555,196	-	-	1,555,196
Non Government Debt Securities	12,265,339	(90,273)	15,300	12,190,366	12,381,149	-	9,287	12,390,436
Total Investments	39,337,201	(90,273)	297,318	39,544,246	38,077,691	-	282,366	38,360,057

	(Audited)							
	March 31, 2024				December 31, 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Rupees in '000								
41.2.1 Particulars of credit loss allowance								
Federal Government securities	-	-	-	-	-	-	-	-
Non Government debt securities	1,018	89,255	-	90,273	-	-	-	-
	1,018	89,255	-	90,273	-	-	-	-

Notes to the Unconsolidated Condensed Interim Financial Statements

(Un-audited) for the three months period ended March 31, 2024

	March 31, 2024	December 31, 2023
	Rupees in '000	
41.3 Islamic financing and related assets		
Ijarah Financing	310,850	344,512
Advance Against Ijarah	-	-
Murabaha Financing	260,925	155,607
Advance Against Murabaha	-	-
Diminishing Musharakah	14,635,087	14,886,737
Diminishing Musharakah - Islamic Re-Finance Against Renewable Energy	455,252	466,733
Advance Against Diminishing Musharakah	367,911	42,130
Advance Against Diminishing Musharakah - Islamic Re-Finance Against Renewable Energy	-	-
Business Musharakah Financing	58,478,828	59,298,890
Business Musharakah - Islamic Export Re-Finance	1,388,000	1,230,000
Business Musharakah - Islamic Re-Finance Against Wages And Salaries	-	-
Istisna Financing	-	-
Istisna - Financing Under Islamic Export Re-Finance	-	407,268
Advance Against Istisna	369,996	-
Advance Against Istisna - Financing Under Islamic Export Re-Finance	1,660,000	1,200,000
Musawamah Financing	37,001	136,708
Inventory Against Musawamah	39,936	-
Advance Against Musawamah	-	42,147
Salam Financing	39,835	40,933
Advance Against Salam	102,739	127,474
Ijarah Financing - Staff	703,321	677,652
Diminishing Musharakah Financing - Staff	450,210	442,928
Advance Against Ijarah - Staff	139,478	83,114
Advance Against Diminishing Musharakah - Staff	73,774	44,877
Gross Islamic financing and related assets	79,513,143	79,627,710
Less: Credit loss allowance against Islamic financings		
- Stage 1	74,435	-
- Stage 2	47,802	-
- Stage 3	5,729	-
	127,966	-
Less: provision against Islamic financings		
- Specific	-	5,729
- General	-	1,609
	-	7,338
Islamic financing and related assets - net of credit loss allowance	79,385,177	79,620,372
41.4 Deposits		
Customers		
Current deposits	21,278,313	25,024,904
Savings deposits	23,877,743	23,534,617
Term deposits	5,130,744	4,703,796
Other deposits	1,987,949	2,664,074
	52,274,749	55,927,391
Financial Institutions		
Current deposits	603,041	459,525
Savings deposits	42,627,411	38,946,689
Term deposits	-	-
Other deposits	-	-
	43,230,452	39,406,214
	95,505,201	95,333,605

Notes to the Unconsolidated Condensed Interim Financial Statements

(Un-audited) for the three months period ended March 31, 2024

	March 31, 2024	(Audited) December 31, 2023
	Rupees in '000	
41.5 Contingencies and Commitments		
-Guarantees	2,316,195	2,278,575
-Commitments	3,377,111	2,989,376
-Other contingencies	4,260,678	716,164
	<u>9,953,984</u>	<u>5,984,115</u>

	March 31, 2024	March 31, 2023
	Rupees in '000	
41.6 Profit / Return Earned on Financing, Investments and Placement		
Profit earned on:		
Financing	4,308,195	2,757,827
Investments	2,035,618	1,086,724
Placements	31,104	2,630
	<u>6,374,917</u>	<u>3,847,181</u>

41.7 Profit on Deposits and other Dues Expensed		
Deposits and other accounts	2,489,772	1,517,088
Due to Financial Institutions	1,049,271	910,102
Other Expenses (IFRS-16)	42,985	33,543
	<u>3,582,028</u>	<u>2,460,733</u>

	March 31, 2024	December 31, 2023
	Rupees in '000	
41.8 Islamic banking business unappropriated profit		
Opening Balance	10,582,171	3,199,155
ECL Adjustment as per IFRS-9	(236,574)	
Add: Islamic Banking profit for the period	2,466,983	7,383,016
Less: Taxation	-	-
Less: Reserves	-	-
Less: Transferred / Remitted to Head Office	-	-
Closing Balance	<u>12,812,580</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 April 24, 2024 has proposed an interim cash dividend for the quarter ended March 31, 2024 of Rs. 4.00 per share (March 31, 2023: cash dividend of Rs. 2.50 per share). The unconsolidated condensed interim financial statements of the Bank for the three months ended March 31, 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 April 24, 2024 by the Board of Directors of the Bank.

Muhammad Atif Mirza
Chief Financial Officer

Aizid Razzaq Gill
President and Chief Executive

Mubashir A. Akhtar
Director

Nazrat Bashir
Director

Mohammad Naeem Mukhtar
Chairman

CONSOLIDATED FINANCIAL STATEMENTS

for the three months period ended March 31, 2024

Consolidated Statement of Financial Position

(Un-audited) as at March 31, 2024

	Note	March 31, 2024	(Audited) December 31, 2023
Rupees in '000			
ASSETS			
Cash and balances with treasury banks	7	164,470,950	156,124,352
Balances with other banks	8	12,890,747	2,455,601
Lendings to financial institutions - net	9	44,591,363	9,418,003
Investments - net	10	1,167,759,435	1,154,597,203
Advances - net	11	703,649,384	780,296,455
Property and equipment	12	119,849,267	114,065,779
Right-of-use assets	13	8,312,227	8,329,462
Intangible assets	14	3,484,094	3,416,652
Deferred tax assets		-	3,781,881
Other assets - net	15	116,112,530	100,564,585
		<u>2,341,119,997</u>	<u>2,333,049,973</u>
LIABILITIES			
Bills payable	17	8,752,234	9,322,405
Borrowings	18	332,461,651	373,674,042
Deposits and other accounts	19	1,698,650,996	1,676,589,677
Lease liabilities	20	10,757,767	10,686,438
Sub-ordinated debt		-	-
Deferred tax liabilities - net	21	3,566,281	-
Other liabilities	22	74,585,490	65,451,373
		<u>2,128,774,419</u>	<u>2,135,723,935</u>
NET ASSETS		<u>212,345,578</u>	<u>197,326,038</u>
REPRESENTED BY			
Share capital	23	11,450,739	11,450,739
Reserves		38,869,886	37,961,636
Surplus on revaluation of assets - net of tax	24	50,982,301	40,086,369
Unappropriated profit		111,042,652	107,827,294
		<u>212,345,578</u>	<u>197,326,038</u>
CONTINGENCIES AND COMMITMENTS	25		

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

Muhammad Atif Mirza
Chief Financial Officer

Azid Razaq Gill
President and Chief Executive

Mubashir A. Akhtar
Director

Nazrat Bashir
Director

Mohammad Naeem Mukhtar
Chairman

Consolidated Profit and Loss Account

(Un-audited) for the three months period ended March 31, 2024

	Note	March 31, 2024	March 31, 2023
Rupees in '000			
Mark-up / return / interest earned	27	94,326,891	73,971,224
Mark-up / return / interest expensed	28	65,176,657	53,533,610
Net mark-up / interest income		29,150,234	20,437,614
NON MARK-UP / INTEREST INCOME			
Fee and commission income	29	3,992,545	2,755,544
Dividend income		976,341	879,230
Foreign exchange income		1,271,878	3,242,600
Income from derivatives		-	-
Gain on securities - net	30	302,802	177,832
Net gain / (loss) on derecognition of financial assets measured at amortized cost		-	-
Other income	31	224,728	17,804
Total non-markup / interest income		6,768,294	7,073,010
Total Income		35,918,528	27,510,624
NON MARK-UP / INTEREST EXPENSES			
Operating expenses	32	13,065,304	11,396,366
Workers welfare fund		473,200	290,265
Other charges	33	109,873	78,011
Total non-markup / interest expenses		13,648,377	11,764,642
Share of profit of associates		162,993	142,144
Profit before credit loss allowance		22,433,144	15,888,126
Credit loss allowance and write offs - net	34	(162,755)	2,309,777
Extra-ordinary / unusual items		-	-
PROFIT BEFORE TAXATION		22,595,899	13,578,349
Taxation	35	10,988,971	5,894,122
PROFIT AFTER TAXATION		11,606,928	7,684,227
In Rupees			
Basic and Diluted earnings per share	36	10.14	6.71

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

Mubashir A. Akhtar
Director

Nazrat Bashir
Director

Mohammad Naeem Mukhtar
Chairman

Consolidated Statement of Comprehensive Income

(Un-audited) for the three months period ended March 31, 2024

	March 31, 2024	March 31, 2023
	Rupees in '000	
Profit after taxation for the period	11,606,928	7,684,227
Other comprehensive income		
<i>Items that may be reclassified to profit and loss account in subsequent periods:</i>		
Effect of translation of net investment in foreign branches	(228,107)	2,997,195
Movement in deficit on revaluation of investments - net of tax	-	(10,092,621)
Movement in surplus on revaluation of debt investments through FVOCI - net of tax	2,451,511	-
	2,223,404	(7,095,426)
<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	668,170	-
	668,170	-
Total comprehensive income	14,498,502	588,801

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

Muhammad Atif Mirza
Chief Financial Officer

Azid Razzaq Gill
President and Chief Executive

Mubashir A. Akhtar
Director

Nazrat Bashir
Director

Mohammad Naeem Mukhtar
Chairman

Consolidated Statement of Changes in Equity

(Un-audited) for the three months period ended March 31, 2024

	Share capital	Capital reserve Exchange translation reserve	Statutory reserve	Revenue reserve General reserve	Surplus on revaluation of Investments	Fixed assets	Non-banking assets	Un-appropriated profit	Total
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 three months ended March 31, 2023	-	-	-	-	-	-	-	7,684,227	7,684,227
Other Comprehensive Income - net of tax	-	-	-	-	-	-	-	-	-
Deficit on revaluation of investments - net of tax	-	-	-	-	(10,092,621)	-	-	-	(10,092,621)
Effect of translation of net investment in foreign branches	-	2,997,195	-	-	-	-	-	-	2,997,195
	-	2,997,195	-	-	(10,092,621)	-	-	-	(7,095,426)
Transfer to statutory reserve	-	-	758,882	-	-	-	-	(758,882)	-
Transferred from surplus in respect of incremental depreciation of fixed assets to un-appropriated profit-net of tax	-	-	-	-	-	(19,568)	-	19,568	-
Transferred from surplus in respect of incremental depreciation of non-banking assets to un-appropriated profit-net of tax	-	-	-	-	-	-	(360)	360	-
Transactions with owners recognized directly in equity									
Final cash dividend for the year ended	-	-	-	-	-	-	-	(2,862,685)	(2,862,685)
December 31, 2022 (Rs. 2.5 per ordinary share)	-	-	-	-	-	-	-	(2,862,685)	(2,862,685)
Balance as at March 31, 2023	11,450,739	8,330,435	26,855,095	6,000	(28,226,486)	22,550,984	882,090	86,141,567	127,990,424
Profit after taxation for the nine months period ended December 31, 2023	-	-	-	-	-	-	-	33,617,137	33,617,137
Other Comprehensive Income - net of tax	-	-	-	-	-	-	-	-	-
Surplus on revaluation of investments - net of tax	-	-	-	-	21,348,738	-	-	-	21,348,738
Surplus on revaluation of fixed assets - net of tax	-	-	-	-	-	23,485,406	-	-	23,485,406
Surplus on revaluation of non-banking assets - net of tax	-	-	-	-	-	-	96,088	-	96,088
Re-measurement gain on defined benefit obligation - net of tax	-	-	-	-	-	-	-	488,147	488,147
Effect of translation of net investment in foreign branches	-	(539,311)	-	-	-	-	-	-	(539,311)
	-	(539,311)	-	-	21,348,738	23,485,406	96,088	488,147	44,879,068
Transfer to statutory reserve	-	-	3,309,417	-	-	-	-	(3,309,417)	-
Transferred from surplus in respect of incremental depreciation of fixed assets to un-appropriated profit-net of tax	-	-	-	-	-	(49,524)	-	49,524	-
Transferred from surplus in respect of incremental depreciation of non-banking assets to un-appropriated profit-net of tax	-	-	-	-	-	-	(927)	927	-
Transactions with owners recognized directly in equity									
First interim cash dividend for the year ended	-	-	-	-	-	-	-	(2,862,685)	(2,862,685)
December 31, 2023 (Rs. 2.5 per ordinary share)	-	-	-	-	-	-	-	(2,862,685)	(2,862,685)
Second interim cash dividend for the year ended	-	-	-	-	-	-	-	(2,862,685)	(2,862,685)
December 31, 2023 (Rs. 2.5 per ordinary share)	-	-	-	-	-	-	-	(2,862,685)	(2,862,685)
Third interim cash dividend for the year ended	-	-	-	-	-	-	-	(3,435,221)	(3,435,221)
December 31, 2023 (Rs. 3 per ordinary share)	-	-	-	-	-	-	-	(9,160,591)	(9,160,591)
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
Impact of adoption of IFRS 9 on opening retained earnings	-	-	-	-	7,824,133	-	-	(2,722,800)	5,101,333
Profit after taxation for the three months period ended March 31, 2024	-	-	-	-	-	-	-	11,606,928	11,606,928
Other Comprehensive Income - net of tax	-	-	-	-	-	-	-	-	-
Surplus on revaluation of debt investments - net of tax	-	-	-	-	2,451,511	-	-	-	2,451,511
Surplus on revaluation of equity investments - net of tax	-	-	-	-	668,170	-	-	-	668,170
Effect of translation of net investment in foreign branches	-	(228,107)	-	-	-	-	-	-	(228,107)
	-	(228,107)	-	-	3,119,681	-	-	-	2,891,574
Transfer to statutory reserve	-	-	1,136,357	-	-	-	-	(1,136,357)	-
Transferred from surplus in respect of incremental depreciation of fixed assets to un-appropriated profit-net of tax	-	-	-	-	-	(44,561)	-	44,561	-
Surplus realised on disposal of revalued fixed assets - net of tax	-	-	-	-	-	(2,424)	-	2,424	-
Transferred from surplus in respect of incremental depreciation of non-banking assets to un-appropriated profit-net of tax	-	-	-	-	-	-	(897)	897	-
Transactions with owners recognized directly in equity									
Final cash dividend for the year ended	-	-	-	-	-	-	-	(4,580,295)	(4,580,295)
December 31, 2023 (Rs. 4 per ordinary share)	-	-	-	-	-	-	-	(4,580,295)	(4,580,295)
Balance as at March 31, 2024	11,450,739	7,563,017	31,300,869	6,000	4,066,066	45,939,881	976,354	111,042,652	212,345,578

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

Mubashir A. Akhtar
Director

Nazrat Bashir
Director

Mohammad Naeem Mukhtar
Chairman

Consolidated Cash Flow Statement

(Un-audited) for the three months period ended March 31, 2024

	Note	March 31, 2024	March 31, 2023
Rupees in '000			
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before taxation		22,595,899	13,578,349
Less: Dividend income and Share of Profit of associates		(1,139,334)	(1,021,374)
		21,456,565	12,556,975
Adjustments:			
Net mark-up / interest income		(29,150,234)	(20,437,614)
Depreciation - Operating Fixed Assets		1,514,820	1,075,955
Depreciation - Non Banking Assets		6,773	2,508
Depreciation on right of use assets		456,452	431,619
Finance charges on leased assets		327,795	270,572
Amortization		150,394	139,674
Credit loss allowance and write offs	34	(162,048)	2,311,956
Unrealized loss / (gain) on revaluation of securities measured at FVTPL		8,148	(95,976)
Provision for workers welfare fund		473,200	290,265
Charge for defined benefit plans		37,009	118,418
Loss/ (Gain) on sale/disposal of property and equipment		(206,973)	(5,225)
		(26,544,664)	(15,897,848)
		(5,088,099)	(3,340,873)
(Increase) / Decrease in operating assets			
Lendings to financial institutions		(35,173,360)	(5,044,407)
Securities classified as FVTPL		9,857,439	(4,755,730)
Advances		76,814,240	62,697,841
Other assets (excluding advance taxation)		2,443,775	(9,704,512)
		53,942,094	43,193,192
Increase / (Decrease) in operating liabilities			
Bills payable		(570,171)	(4,598,940)
Borrowings from financial institutions		(41,065,017)	(3,563,235)
Deposits		22,061,319	7,336,919
Other liabilities (excluding current taxation)		(11,019,989)	12,709,099
		(30,593,858)	11,883,843
		18,260,137	51,736,162
Income tax paid		(15,321,628)	(7,648,104)
Mark-up / interest received		76,098,291	66,855,093
Mark-up / interest paid		(45,178,007)	(39,277,515)
Defined benefits paid		(188,401)	(148,277)
Net cash flow from / (used in) operating activities		33,670,392	71,517,359
CASH FLOW FROM INVESTING ACTIVITIES			
Net investments in securities classified as FVOCI		117,877,589	(22,543,569)
Net investments in amortized cost securities		(120,742,661)	(95,436)
Dividend received		815,787	650,041
Investments in property and equipment		(9,237,817)	(3,280,716)
Disposal of property and equipment		1,928,646	7,843
Effect of translation of net investment in foreign branches		(228,107)	2,997,195
Net cash flow (used in) / generated from investing activities		(9,586,563)	(22,264,642)
CASH FLOW FROM FINANCING ACTIVITIES			
Payment of lease liability against right of use assets		(767,012)	(570,761)
Dividend paid		(4,387,699)	(3,081)
Net cash flow used in financing activities		(5,154,711)	(573,842)
Increase / (Decrease) in cash and cash equivalents during the period		18,929,118	48,678,875
Cash and cash equivalents at beginning of the period		158,102,299	91,384,187
Effect of exchange rate changes on opening cash and cash equivalents		285,299	(475,127)
		158,387,598	90,909,060
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD		177,316,716	139,587,935

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

Muhammad Atif Mirza
Chief Financial Officer

Azid Razaq Gill
President and Chief Executive

Mubashir A. Akhtar
Director

Nazrat Bashir
Director

Mohammad Naeem Mukhtar
Chairman

Notes to the Consolidated Condensed Interim Financial Statements

(Un-audited) for the three months period ended March 31, 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 1,483 (December 31, 2023: 1,481) branches in Pakistan including 128 (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.

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 Finergy 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

Notes to the Consolidated Condensed Interim Financial Statements

(Un-audited) for the three months period ended March 31, 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 financial statements consists of holding company and its subsidiary companies for the period ended March 31, 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 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.

2.1.2 The SBP, vide BSD Circular Letter No. 10, dated August 26, 2002 has deferred the applicability of International Accounting Standard 39 'Financial Instruments: Recognition and Measurement' (IAS 39) and International Accounting Standard 40 'Investment Property' (IAS 40) for banking companies till further instructions. Please refer to note 3.2 for applicability of IFRS 9. Further, according to a notification of SECP dated April 28, 2008, International Financial Reporting Standard 7 'Financial Instruments Disclosure' (IFRS 7), 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. However, investments have been classified and disclosed in accordance with the requirements prescribed by SBP through various circulars.

2.1.3 The Securities and Exchange Commission of Pakistan (SECP) vide SRO 56 (1) / 2016 dated January 28, 2016, has notified that the requirements of International Financial Reporting Standard 10 'Consolidated Financial Statements' (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 three months period ended March 31, 2024

- 2.1.4 The State Bank of Pakistan through BPRD Circular No. 04 of 2015 dated February 25, 2015 has deferred applicability of Islamic Financial Accounting Standard 3 'Profit & Loss Sharing on Deposits' (IFAS-3) issued by The Institute of Chartered Accountants of Pakistan and notified by the Securities & Exchange Commission of Pakistan (SECP), vide their SRO No. 571 of 2013 dated June 12, 2013 for Institutions offering Islamic Financial Services (IFIS).
- 2.1.5 These consolidated condensed interim financial statements do not include all the information and disclosures required in the audited annual unconsolidated financial statements, and should be read in conjunction with the audited annual consolidated financial statements for the year ended December 31, 2023.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of these consolidated condensed interim financial statements are consistent with those applied in preparing the audited annual unconsolidated financial statements of the Group for the year ended December 31, 2023 except for the adoption of the IFRS 9 Financial Instruments w.e.f January 01, 2024.

3.1 New Standards, Interpretations and amendments adopted by the Group

Impact of IFRS 9 - Financial Instruments

As permitted by the transitional provisions of IFRS 9, the Group has opted for modified retrospective approach and has not restated comparative figures. Any adjustments to the carrying amounts of financial assets and liabilities at the date of transition were recognised in the opening retained earnings and other reserves at the beginning of the current year without restating the comparative.

For notes disclosures, the consequential amendments to IFRS 7 disclosures as a result of adoption of IFRS 9 have also only been applied to the current period. The comparative period notes disclosures repeat those disclosures made in the prior year.

The adoption of IFRS 9 has resulted in changes in the accounting policies for recognition, classification and measurement of financial assets and financial liabilities and impairment of financial assets. IFRS 9 also significantly amends other standards dealing with financial instruments such as IFRS 7 'Financial Instruments: Disclosures'.

3.1.1 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 FVPL	At FVOCI-with recycling	At FVOCI-without recycling	At Amortized 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

Notes to the Consolidated Condensed Interim Financial Statements

(Un-audited) for the three months period ended March 31, 2024

3.1.2 Impact on equity and regulatory capital on adoption of IFRS 9

The total estimated adjustment (net of tax) of the adoption of IFRS 9 on the opening balance of the Group's equity as at January 01, 2024 is a reduction in equity of approximately Rs. 2,722.8 million, with corresponding impacts as follows:

- 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.

'In order to mitigate the impact of ECL provisioning on capital, a transitional arrangement is allowed to the Groups to absorb the impact on regulatory capital. Accordingly, Groups which choose to apply this transitional arrangement may implement this in accordance with SBP's Guideline for absorption of ECL for CAR purposes as mentioned in Annexure-B of BPRD Circular no. 3 of 2022.

The estimated impact of initial adoption of IFRS 9 on the Bank's capital ratios, without accounting for the allowed transitional arrangement, is as follows:

- Common Equity Tier 1 Capital Adequacy Ratio - 19.74%
- Tier 1 Capital Adequacy Ratio - 19.74%
- Total Capital Adequacy Ratio - 26.18%

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

(a) Open ended mutual funds previously classified as available for sale (AFS) but which fail the SPPI test

The Group holds a portfolio of mutual funds investments which was earlier classified as available for sale 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.

(b) Debt investments previously classified as available for sale (AFS) reclassified to amortized 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 Amortized cost at Rs. 120,334.806 million, instead of FVOCI.

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

The Group 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, instead of designated FVTPL category under existing local regulations.

(d) Designation of equity instruments at FVOCI

The Group 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. The changes in fair value of such securities will no longer be reclassified to profit or loss when they are disposed of.

Notes to the Consolidated Condensed Interim Financial Statements

(Un-audited) for the three months period ended March 31, 2024

(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.

Several amendments apply for the first time in 2024, but do not have an impact on the unconsolidated condensed interim financial statements of the Group:

	Effective date (periods beginning on or after)
- IAS 1 - Classification of Liabilities as Current or Non-current and 'Non-current Liabilities with Covenants - (Amendments)	January 01, 2024
- IAS 7 and IFRS 7 - Disclosures: Supplier Finance Arrangements - Amendments	January 01, 2024
- IFRS 16 - Lease Liability in a Sale and Leaseback - Amendments	January 01, 2024

3.2 Standards, interpretations of and amendments to accounting and reporting standards that are not yet effective

The following amendments to existing accounting standards will be effective from the dates mentioned below against the respective standard or amendment:

	Effective date (periods beginning on or after)
- IAS 21 - Lack of exchangeability - Amendments	January 01, 2025
- IFRS 10 and IAS 28 - Sale or Contribution of Assets between an Investor	Not yet announced

The above mentioned amendments are not likely to have a material impact on the Group's financial statements.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The basis for accounting estimates adopted in the preparation of these consolidated condensed interim financial statements are the same as that applied in the preparation of the audited annual unconsolidated financial statements for the year ended December 31, 2023.

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; and
- Derivative financial instruments.
- Lease liability and related right of use assets.

6 FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies adopted by the Group 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 three months period ended March 31, 2024

	(Audited)	
	March 31, 2024	December 31, 2023
	Rupees in '000	
7 CASH AND BALANCES WITH TREASURY BANKS		
In hand		
Local currency	37,789,640	34,480,540
Foreign currencies	2,972,804	3,877,058
	<u>40,762,444</u>	<u>38,357,598</u>
Remittances in transit	393,742	371,764
With State Bank of Pakistan (SBP) in		
Local currency current accounts	89,359,374	73,799,188
Foreign currency current account	79,742	149,569
Foreign currency deposit accounts (non-remunerative)	5,022,506	5,580,842
Foreign currency deposit accounts (remunerative)	10,069,815	11,695,327
	<u>104,531,437</u>	<u>91,224,926</u>
With National Bank of Pakistan in		
Local currency current accounts	18,127,929	25,519,660
Prize Bonds	655,398	650,404
	<u>164,470,950</u>	<u>156,124,352</u>
8 BALANCES WITH OTHER BANKS		
In Pakistan		
In current accounts	7,500	7,500
Outside Pakistan		
In current accounts	2,047,887	1,931,547
In deposit accounts	10,836,932	516,554
	<u>12,884,819</u>	<u>2,448,101</u>
Credit loss allowance held against balances with other banks	(1,572)	-
	<u>12,890,747</u>	<u>2,455,601</u>
		(Audited)
	Note	March 31, 2024
		December 31, 2023
		Rupees in '000
9 LENDINGS TO FINANCIAL INSTITUTIONS		
Call money lendings - local currency		4,169,208
Repurchase agreement lendings (Reverse Repo)		1,000,000
Certificates of investment		40,422,269
		70,000
		<u>44,661,477</u>
Less: Credit loss allowance held against lendings		
to financial institutions	9.1	(70,114)
Lendings to financial institutions - net of credit loss allowance		(70,000)
		<u>44,591,363</u>
		<u>9,418,003</u>

Notes to the Consolidated Condensed Interim Financial Statements

(Un-audited) for the three months period ended March 31, 2024

(Audited)

March 31, 2024

December 31, 2023

	March 31, 2024		December 31, 2023	
	Lending	Credit loss allowance held	Lending	Provision held
Rupees in '000				
9.1 Category of classification				
Domestic				
Performing - Stage 1	44,591,477	114	-	-
Under performing - Stage 2	-	-	-	-
Non-performing - Stage 3	70,000	70,000	-	-
Substandard	-	-	-	-
Doubtful	-	-	-	-
Loss	70,000	70,000	70,000	70,000
Total	44,661,477	70,114	70,000	70,000

(Audited)

	March 31, 2024				December 31, 2023			
	Cost / Amortized cost	Credit loss allowance	Surplus / (Deficit)	Carrying Value	Cost / Amortized cost	Provision for diminution	Surplus / (Deficit)	Carrying Value
Rupees in '000								
10 INVESTMENTS								
10.1 Investments by type:								
FVTPL					Held-for-trading securities			
Federal Government Securities	11,055,719	-	(8,148)	11,047,571	20,114,446	-	(64,599)	20,049,847
	11,055,719	-	(8,148)	11,047,571	20,114,446	-	(64,599)	20,049,847
FVOCI					Available for sale			
Federal Government Securities	933,501,875	(5,308,882)	1,201,326	929,394,319	1,047,943,333	(2,452,459)	(19,702,262)	1,025,788,612
Shares	12,791,849	-	6,541,043	19,332,892	13,329,302	(760,822)	6,228,739	18,797,219
Non Government Debt Securities	24,650,209	(135,903)	(3,638)	24,510,668	25,391,300	(21,071)	(21,711)	25,348,518
Foreign Securities	1,770	-	-	1,770	1,770	-	-	1,770
	970,945,703	(5,444,785)	7,738,731	973,239,649	1,086,665,705	(3,234,352)	(13,495,234)	1,069,936,119
Amortized cost					Held to maturity			
Federal Government Securities	180,684,367	-	-	180,684,367	59,797,669	-	-	59,797,669
Non Government Debt Securities	297,015	(297,015)	-	-	302,920	(302,920)	-	-
	180,981,382	(297,015)	-	180,684,367	60,100,589	(302,920)	-	59,797,669
Associates	2,787,848	-	-	2,787,848	4,813,568	-	-	4,813,568
Total Investments	1,165,770,652	(5,741,800)	7,730,583	1,167,759,435	1,171,694,308	(3,537,272)	(13,559,833)	1,154,597,203

Notes to the Consolidated Condensed Interim Financial Statements

(Un-audited) for the three months period ended March 31, 2024

	March 31, 2024	(Audited) December 31, 2023
	Rupees in '000	
10.1.1 Investments given as collateral - at market value		
Pakistan Investment Bonds	213,097,597	268,646,617
Total Investments given as collateral	213,097,597	268,646,617
10.2 Credit loss allowance for diminution in value of investments		
10.2.1 Opening balance	3,537,272	2,321,414
Impact of adoption of IFRS 9	2,317,757	-
Exchange adjustments	(23,448)	69,221
Charge / (reversals)		
Charge for the period / year	131,540	2,082,408
Reversals for the period / year	(221,321)	(17,717)
	(89,781)	2,064,691
Reversal on disposals	-	(918,054)
Closing Balance	5,741,800	3,537,272

	(Audited)			
	March 31, 2024		December 31, 2023	
	NPI	Provision	NPI	Provision
	Rupees in '000			
10.2.2 Particulars of credit loss allowance against debt securities				
Category of Classification				
Domestic				
Performing - Stage 1	1,108,089,649	8,929	-	-
Underperforming - Stage 2	10,535,406	2,854,236	-	-
Non-performing - Stage 3	318,085	318,085	-	-
Substandard	-	-	-	-
Doubtful	-	-	-	-
Loss	318,085	318,085	323,991	323,991
	1,118,943,140	3,181,250	323,991	323,991
Overseas				
Performing - Stage 1	-	-	-	-
Underperforming - Stage 2	19,390,203	2,560,550	-	-
Non-performing - Stage 3	-	-	-	-
Substandard	-	-	-	-
Doubtful	-	-	-	-
Loss	-	-	-	-
Total	1,138,333,343	5,741,800	323,991	323,991

10.3 The market value of Pakistan Investment Bonds classified as held-to-maturity as at March 31, 2024 amounted to Rs. 159,235.023 million (December 31, 2023: Rs. 51,778 million).

Notes to the Consolidated Condensed Interim Financial Statements

(Un-audited) for the three months period ended March 31, 2024

Note	Performing		Non Performing		Total			
	(Audited)		(Audited)		(Audited)			
	March 31, 2024	December 31, 2023	March 31, 2024	December 31, 2023	March 31, 2024	December 31, 2023		
Rupees in '000								
11	ADVANCES							
	Loans, cash credits, running finances, etc.	625,476,390	699,230,728	11,505,994	11,713,507	636,982,384	710,944,235	
	Islamic financing and related assets	79,517,696	79,621,981	5,729	5,729	79,523,425	79,627,710	
	Bills discounted and purchased	1,025,800	945,424	1,319,793	1,319,793	2,345,593	2,265,217	
	Advances - gross	11.1	706,019,886	779,798,133	12,831,516	13,039,029	718,851,402	792,837,162
	Credit loss allowance / Provision against advances							
	Stage 1	11.3	(1,057,854)	-	-	(1,057,854)	-	
	Stage 2	11.3	(1,879,262)	-	-	(1,879,262)	-	
	Stage 3	11.3	-	-	(12,264,902)	(12,264,902)	-	
	Specific	11.3	-	-	(12,335,688)	-	(12,335,688)	
	General	11.3	-	(205,019)	-	-	(205,019)	
			(2,937,116)	(205,019)	(12,264,902)	(12,335,688)	(15,202,018)	(12,540,707)
	Advances - net of credit loss allowance		703,082,770	779,593,114	566,614	703,341	703,649,384	780,296,455

(Audited)
March 31, 2024 December 31, 2023

Rupees in '000

11.1	Particulars of advances (Gross)	
	In local currency	682,353,036 752,227,129
	In foreign currencies	36,498,366 40,610,033
		718,851,402 792,837,162

11.2 Advances include Rs. 12,831.516 million (December 31, 2023: Rs. 13,039.029 million) which have been placed under non-performing / Stage 3 status as detailed below:

	March 31, 2024		December 31, 2023	
	Non Performing Loans	Credit loss allowance	Non Performing Loans	Provision held
Rupees in '000				
Category of Classification:				
Domestic				
Other Assets Especially Mentioned	123,127	69,001	31,765	250
Substandard - Stage 3	207,065	136,704	361,480	90,154
Doubtful - Stage 3	196,146	131,046	46,947	23,473
Loss - Stage 3	12,305,178	11,928,151	12,598,837	12,221,811
Total	12,831,516	12,264,902	13,039,029	12,335,688

Notes to the Consolidated Condensed Interim Financial Statements

(Un-audited) for the three months period ended March 31, 2024

11.3 Particulars of credit loss allowance against advances

	(Audited)						
	March 31, 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	-	(2,007)	-	(2,007)	-	9,497	9,497
Charge for the period / year	-	78,403	23,463	101,866	1,694,691	241,205	1,935,896
Reversals for the period / year	(236,202)	(32,833)	-	(269,035)	(1,097,561)	(155,286)	(1,252,847)
	(236,202)	45,570	23,463	(167,169)	597,130	85,919	683,049
Amounts written off	-	-	-	-	-	-	-
Closing balance	12,264,902	1,879,262	1,057,854	15,202,018	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.

	March 31, 2024				
	Stage 3	Stage 2	Stage 1	Total	
	Rupees in '000				
Opening balance		12,501,104	1,835,699	1,034,391	15,371,194
New Advances		159,456	69,603	136,585	365,644
Advances derecognised or repaid		(205,181)	(73,947)	(111,245)	(390,373)
Transfer to stage 1		-	(49,553)	12,603	(36,950)
Transfer to stage 2		(254,974)	123,123	(13,713)	(145,564)
Transfer to stage 3		64,497	(25,663)	(767)	38,067
		(236,202)	43,563	23,463	(169,176)
Amounts written off / charged off		-	-	-	-
Changes in risk parameters		-	-	-	-
Other changes		-	-	-	-
Closing balance		12,264,902	1,879,262	1,057,854	15,202,018

Notes to the Consolidated Condensed Interim Financial Statements

(Un-audited) for the three months period ended March 31, 2024

		March 31, 2024	
		Outstanding amount	Credit loss allowance Held
		Rupees in '000	
11.5	Advances - Category of classification		
	Domestic		
	Performing - Stage 1	662,666,487	1,057,854
	Underperforming - Stage 2	41,943,389	1,769,544
	Non-Performing - Stage 3	12,831,516	12,264,902
	Other impaired	2,030	1,567
	Other Assets Especially Mentioned	121,097	67,434
	Substandard	207,065	136,704
	Doubtful	196,146	131,046
	Loss	12,305,178	11,928,151
		<u>717,441,392</u>	<u>15,092,300</u>
	Overseas		
	Performing - Stage 1	-	-
	Underperforming - Stage 2	1,204,438	109,718
	Non-Performing - Stage 3	-	-
	Substandard	-	-
	Doubtful	-	-
	Loss	-	-
		<u>1,204,438</u>	<u>109,718</u>
	Total	<u>718,645,830</u>	<u>15,202,018</u>

		(Audited)	
		March 31, 2024	December 31, 2023
		Rupees in '000	
12	PROPERTY AND EQUIPMENT		
	Capital work-in-progress	12.1 13,533,205	9,779,743
	Property and equipment	106,316,062	104,286,036
		<u>119,849,267</u>	<u>114,065,779</u>
12.1	Capital work-in-progress		
	Civil works	7,707,858	7,759,247
	Equipment	-	89,246
	Advances to suppliers	5,825,347	1,931,250
		<u>13,533,205</u>	<u>9,779,743</u>

Notes to the Consolidated Condensed Interim Financial Statements

(Un-audited) for the three months period ended March 31, 2024

12.2 Additions to property and equipment

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

	March 31, 2024	March 31, 2023
Rupees in '000		
Capital work-in-progress	17,860,494	1,836,446
Property and equipment		
Freehold land	606,984	62,765
Leasehold land	519,198	-
Building on freehold land	520,580	26,986
Building on leasehold land	92,623	9,005
Furniture and fixture	178,593	61,755
Electrical office and computer equipment	2,128,118	1,035,238
Vehicles	597,307	77,854
Others-building improvements	470,469	162,263
	5,113,872	1,435,866
Total	22,974,366	3,272,312

12.3 Disposal of property and equipment

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

	March 31, 2024	March 31, 2023
Rupees in '000		
Furniture and fixture	590	951
Electrical office and computer equipment	715	1,667
Vehicles	82	-
Freehold land	1,670,225	-
Building on freehold land	21,923	-
Total	1,693,535	2,618

	(Restated)					
	March 31, 2024			December 31, 2023		
	Buildings	Others	Total	Buildings	Others	Total
Rupees in '000						
13 RIGHT-OF-USE ASSETS						
At January 01						
Cost	8,365,588	-	8,365,588	7,905,198	-	7,905,198
Accumulated Depreciation	(36,126)	-	(36,126)	(23,217)	-	(23,217)
Net carrying amount at January 01, 2024	8,329,462	-	8,329,462	7,881,981	-	7,881,981
Additions during the year	443,361	-	443,361	2,457,404	-	2,457,404
Deletions during the year	(1,523)	-	(1,523)	(235,706)	-	(235,706)
Depreciation charge during the year	(459,073)	-	(459,073)	(1,774,217)	-	(1,774,217)
Net carrying amount at March 31, 2024	8,312,227	-	8,312,227	8,329,462	-	8,329,462

Notes to the Consolidated Condensed Interim Financial Statements

(Un-audited) for the three months period ended March 31, 2024

	Note	March 31, 2024	(Audited) December 31, 2023
Rupees in '000			
14	INTANGIBLE ASSETS		
	Capital work-in-progress	14.1 727,285	778,871
	Intangible Assets	2,756,809	2,637,781
		3,484,094	3,416,652
14.1	Capital work-in-progress		
	Software	724,411	775,996
	Advances to suppliers	2,874	2,875
		727,285	778,871

14.2 Additions to intangible assets

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

	March 31, 2024	March 31, 2023
Rupees in '000		
Capital work-in-progress	148,583	264,316
Software	115,736	244,989
Total	264,319	509,305

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 three months period ended March 31, 2024

		(Audited)	
		March 31,	December 31,
		2024	2023
		Rupees in '000	
15	OTHER ASSETS		
	Income / Mark-up accrued in local currency	87,844,724	69,598,428
	Income / Mark-up accrued in foreign currency	1,099,887	953,413
	Advances, deposits, advance rent and other prepayments	5,794,196	3,554,991
	Non-banking assets acquired in satisfaction of claims	1,037,000	1,038,270
	Branches adjustment account	-	1,701,578
	Mark to market gain on forward foreign exchange contracts	-	80,674
	Acceptances	6,592,183	8,444,550
	Due from the employees' retirement benefit schemes		
	Pension fund	6,402,444	6,185,041
	Fraud and forgeries	575,105	544,824
	Stationery and stamps in hand	1,034,762	863,475
	Overdue Foreign Bills Negotiated / Discounted	294,772	302,470
	Home Remittance Cell agent receivable	2,292	1,749
	Receivable from State Bank of Pakistan	14,562	4,375
	Charges receivable	29,868	29,873
	ATM / Point of Sale settlement account	5,333,318	7,075,342
	Suspense Account	1,106	295
	Others	164,493	137,755
		<u>116,220,712</u>	<u>100,517,103</u>
	Less: Credit loss allowance held against other assets	15.1 (1,149,926)	(996,020)
	Other assets (net of credit loss allowance)	115,070,786	99,521,083
	Surplus on revaluation of non-banking assets acquired in satisfaction of claims	1,041,744	1,043,502
	Other Assets - Total	<u>116,112,530</u>	<u>100,564,585</u>

		(Audited)	
		March 31,	December 31,
		2024	2023
		Rupees in '000	
15.1	Credit loss allowance held against other assets		
	Advances, deposits, advance rent and other prepayments	217,757	213,329
	Provision against fraud and forgeries	474,563	444,282
	Overdue Foreign Bills Negotiated / Discounted	302,470	302,470
	Charges receivable	29,834	29,840
	Others	125,302	6,099
		<u>1,149,926</u>	<u>996,020</u>
15.1.1	Movement in credit loss allowance held against other assets		
	Opening balance	996,020	755,808
	Opening balance	48,085	-
	Impact of adoption of IFRS 9	107,620	505,416
	Charge for the period / year	(24)	(259,078)
	Reversals	107,596	246,338
	Net charge	(1,775)	(6,126)
	Amounts written off	1,149,926	996,020
	Closing balance		

16 CONTINGENT ASSETS

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

Notes to the Consolidated Condensed Interim Financial Statements

(Un-audited) for the three months period ended March 31, 2024

	Note	March 31, 2024	(Audited) December 31, 2023
Rupees in '000			
17	BILLS PAYABLE		
	In Pakistan	8,726,504	9,296,223
	Outside Pakistan	25,730	26,182
		8,752,234	9,322,405
18	BORROWINGS		
	Secured		
	Borrowings from State Bank of Pakistan		
	Repurchase agreement borrowings	185,000,000	270,000,000
	Under export refinance scheme	27,220,342	28,652,901
	Under long term financing facility	33,490,072	34,880,671
	Under financing scheme for renewable energy	641,135	639,066
	Under temporary economic refinance scheme	12,372,599	12,741,909
	Under refinance scheme for modernization of SMEs	6,136	8,182
	Refinance and credit guarantee scheme for women entrepreneurs	22,852	13,517
	Under refinance scheme for combating COVID-19	120,247	133,325
		258,873,383	347,069,571
	Repurchase agreement borrowings from Financial Institutions	24,597,778	1,843,392
	Trading liability	28,924,908	7,541,047
		312,396,069	356,454,010
	Unsecured		
	Call borrowings	7,965,601	2,677,677
	Overdrawn nostro accounts	44,981	192,355
	Musharaka borrowing	12,050,000	14,350,000
	Other borrowings	5,000	-
		20,065,582	17,220,032
		332,461,651	373,674,042

Notes to the Consolidated Condensed Interim Financial Statements

(Un-audited) for the three months period ended March 31, 2024

	March 31, 2024			(Audited) December 31, 2023		
	In Local Currency	In Foreign Currencies	Total	In Local Currency	In Foreign Currencies	Total
Rupees in '000						
19 DEPOSITS AND OTHER ACCOUNTS						
Customers						
Current deposits	601,977,037	36,095,612	638,072,649	616,041,518	44,460,629	660,502,147
Savings deposits	676,609,941	22,850,507	699,460,448	652,681,830	19,697,405	672,379,235
Term deposits	194,772,202	44,022,929	238,795,131	201,318,101	51,084,504	252,402,605
Others	36,513,362	60,089	36,573,451	30,467,120	61,278	30,528,398
	1,509,872,542	103,029,137	1,612,901,679	1,500,508,569	115,303,816	1,615,812,385
Financial Institutions						
Current deposits	17,162,185	1,707,055	18,869,240	14,062,494	853,715	14,916,209
Savings deposits	65,961,778	-	65,961,778	44,978,314	-	44,978,314
Term deposits	819,350	98,949	918,299	819,350	63,419	882,769
Others	-	-	-	-	-	-
	83,943,313	1,806,004	85,749,317	59,860,158	917,134	60,777,292
	1,593,815,855	104,835,141	1,698,650,996	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. 1,123,910 million for March 31, 2024 (December 31, 2023: Rs. 1,138,708 million).

	Note	(Restated)	
		March 31, 2024	December 31, 2023
Rupees in '000			
20 LEASE LIABILITIES			
Outstanding amount at the start of the year		10,686,438	9,841,027
Additions during the year		437,812	2,224,497
Lease payments including interest		(693,131)	(2,580,364)
Interest expense		327,044	1,189,825
Exchange difference		(396)	11,453
Outstanding amount at the end of the period		10,757,767	10,686,438
20.1 Liabilities outstanding			
Not later than one year		250,660	368,816
Later than one year and upto five years		5,131,238	5,201,611
Over five years		5,326,544	5,116,011
		10,708,442	10,686,438

Notes to the Consolidated Condensed Interim Financial Statements

(Un-audited) for the three months period ended March 31, 2024

	Note	March 31, 2024	(Audited) December 31, 2023
Rupees in '000			
21	DEFERRED TAX LIABILITIES		
Deductible Temporary Differences on			
Credit loss allowance against advances, off balance sheet etc.		3,201,227	507,293
Workers welfare fund		2,885,958	2,657,448
Others		118,851	110,222
		6,206,036	3,274,963
Taxable Temporary Differences on			
Surplus on revaluation of property and equipment		(4,157,387)	(4,212,352)
Surplus on revaluation of non-banking assets		(65,390)	(66,251)
Investments in associated undertaking		(25,590)	(59,763)
Surplus on revaluation of investments		(3,907,971)	6,608,032
Accelerated tax depreciation or amortization		(1,531,262)	(1,689,137)
Actuarial gains		(84,717)	(73,611)
		(9,772,317)	506,918
		(3,566,281)	3,781,881
	Note	March 31, 2024	(Audited) December 31, 2023
Rupees in '000			
22	OTHER LIABILITIES		
Mark-up / return / interest payable in local currency		33,944,227	14,143,930
Mark-up / return / interest payable in foreign currencies		1,960,429	1,762,006
Accrued expenses		3,609,804	4,127,256
Provision for taxation (provisions less payments)		3,920,276	7,915,956
Retention money payable		861,402	679,647
Deferred income		982,032	855,132
Unearned commission and income on bills discounted		435,106	759,785
Acceptances		6,592,183	8,444,550
Unclaimed dividends		452,864	442,049
Dividend payable		208,124	26,343
Branch adjustment account		1,757,027	-
Unrealized loss on forward foreign exchange contracts		294,279	-
Unrealized loss on forward government securities transactions		37,041	13,812
Provision for:			
Gratuity		806,365	806,365
Employees' medical benefits		1,519,221	1,500,971
Employees' compensated absences		1,220,604	1,200,318
Payable to defined contribution plan		62,096	117,158
Credit loss allowance against off-balance sheet obligations	22.1	436,472	298,904
Security deposits against lease		1,047,328	941,987
Charity fund balance		1,325	1,000
Home Remittance Cell overdraft		574,734	794,027
With-holding tax payable		1,315,638	8,610,249
Sundry deposits		4,236,259	4,162,588
Workers welfare fund payable		5,951,533	5,478,333
Others		2,359,121	2,369,007
		74,585,490	65,451,373

Notes to the Consolidated Condensed Interim Financial Statements

(Un-audited) for the three months period ended March 31, 2024

	March 31, 2024	(Audited) December 31, 2023
	Rupees in '000	
22.1 Credit loss allowance against off-balance sheet obligations		
Opening balance	298,904	298,904
Impact of adoption of IFRS 9	151,241	-
Charge for the period / year	-	-
Reversals for the period / year	(13,673)	-
	(13,673)	-
Closing balance	436,472	298,904

23 SHARE CAPITAL

23.1 Authorized capital

	(Audited) March 31, 2024	(Audited) December 31, 2023		(Audited) March 31, 2024	(Audited) 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	15,000,000

23.2 Issued, subscribed and paid-up capital

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.			
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 three months period ended March 31, 2024

	Note	March 31, 2024	(Audited) December 31, 2023
Rupees in '000			
24	SURPLUS ON REVALUATION OF ASSETS - NET OF TAX		
Surplus / (deficit) arising on revaluation of:			
Property and equipment		50,097,268	50,187,068
Non-banking assets acquired in satisfaction of claims		1,041,744	1,043,502
Available-for-sale securities		-	(13,485,780)
Securities measured at FVOCI - Debt		1,195,983	-
Securities measured at FVOCI - Equity	10.1	6,778,054	-
		<u>59,113,049</u>	<u>37,744,790</u>
Deferred tax on (surplus) / deficit on revaluation of:			
Property and equipment		(4,157,387)	(4,200,202)
Non-banking assets acquired in satisfaction of claims		(65,390)	(66,251)
Available-for-sale securities		-	6,608,032
Securities measured at FVOCI - Debt		(586,725)	-
Securities measured at FVOCI - Equity		(3,321,246)	-
		<u>(8,130,748)</u>	<u>2,341,579</u>
Surplus on revaluation of assets - net of tax		<u>50,982,301</u>	<u>40,086,369</u>
25	CONTINGENCIES AND COMMITMENTS		
Guarantees	25.1	63,211,883	66,315,450
Commitments	25.2	521,662,209	495,953,754
Other contingent liabilities	25.3	7,372,356	6,987,410
		<u>592,246,448</u>	<u>569,256,614</u>
25.1	Guarantees		
Financial guarantees		5,784,824	5,603,283
Performance guarantees		13,563,873	13,503,642
Other guarantees		43,863,186	47,208,525
		<u>63,211,883</u>	<u>66,315,450</u>
25.2	Commitments		
Documentary credits and short term trade related transactions:			
letters of credit		157,676,379	153,136,140
Commitments in respect of:			
forward foreign exchange contracts	25.2.1	326,921,779	322,127,301
forward government securities transactions	25.2.2	29,637,533	11,439,221
operating leases	25.2.3	270,748	298,754
Commitments for acquisition of:			
fixed assets		6,429,746	8,054,382
intangible assets		726,024	897,956
		<u>521,662,209</u>	<u>495,953,754</u>
25.2.1	Commitments in respect of forward foreign exchange contracts		
Purchase		176,239,089	180,292,360
Sale		150,682,690	141,834,941
		<u>326,921,779</u>	<u>322,127,301</u>

Notes to the Consolidated Condensed Interim Financial Statements

(Un-audited) for the three months period ended March 31, 2024

	Note	March 31, 2024	(Audited) December 31, 2023
Rupees in '000			
25.2.2	Commitments in respect of forward government securities transactions		
	Purchase	28,682,727	10,053,843
	Sale	954,806	1,385,378
		<u>29,637,533</u>	<u>11,439,221</u>
25.2.3	Commitments in respect of operating leases		
	Not later than one year	111,716	112,416
	Later than one year and not later than five years	137,110	162,545
	Later than five years	21,922	23,793
		<u>270,748</u>	<u>298,754</u>

25.3 Other contingent liabilities

25.3.1	Claims against the Bank not acknowledged as debt	7,372,356	6,987,410
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25.3.2 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 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).

Tax authorities have also issued orders under Federal Excise Act, 2005 / Sales Tax Act, 1990, Punjab Sales Tax on Services Act, 2012 and Sindh Sales Tax on Services Act, 2011 for the year 2008 to 2017 and 2021 thereby creating arbitrary aggregate demand of Rs.1,149 million (2023: Rs.1,144 million). The Group'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.1,149 million (2023: Rs.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.

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:

Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) for the three months period ended March 31, 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 unconsolidated financial statements as at December 31, 2023.

	Note	March 31, 2024	March 31, 2023
Rupees in '000			
27	MARK-UP / RETURN / INTEREST EARNED		
	On:		
	Loans and advances	35,942,325	27,925,955
	Investments	57,204,212	45,216,990
	Lendings to financial institutions	921,395	593,069
	Balances with banks	258,959	235,210
		<u>94,326,891</u>	<u>73,971,224</u>
27.1	Interest income (calculated using effective interest rate method)		
	Financial assets measured at amortized cost	40,055,717	-
	Financial assets measured at fair value through OCI	53,988,069	-
	Financial assets measured at fair value through PL	283,105	-
		<u>94,326,891</u>	<u>-</u>
28	MARK-UP / RETURN / INTEREST EXPENSED		
	On:		
	Deposits	46,776,935	32,424,035
	Borrowings	16,877,550	20,129,357
	Cost of foreign currency swaps against foreign currency deposits	1,175,997	709,646
	Interest expense on lease liability	346,175	270,572
		<u>65,176,657</u>	<u>53,533,610</u>
29	FEE AND COMMISSION INCOME		
	Branch banking customer fees	1,059,994	774,029
	Consumer finance related fees	5,225	11,085
	Card related fees (debit and credit cards)	1,849,819	1,195,802
	Credit related fees	6,849	7,825
	Investment banking fees	357,291	243,660
	Commission on trade	169,178	129,667
	Commission on guarantees	56,657	45,533
	Commission on cash management	96,166	97,512
	Commission on remittances including home remittances	381,758	245,701
	Commission on bancassurance	5,789	4,730
	Card acquiring business	3,819	-
		<u>3,992,545</u>	<u>2,755,544</u>
30	GAIN / (LOSS) ON SECURITIES		
	Realised - net	30.1	331,730
	Unrealised - held for trading	10.1	-
	Unrealised - measured at FVPL	30.2	(5,699)
	Unrealised - forward government securities		(23,229)
			<u>302,802</u>
			<u>177,832</u>
30.1	Realised gain / (loss) on:		
	Federal government securities	331,730	135,520
	Shares	-	48,235
		<u>331,730</u>	<u>183,755</u>
30.2	Net gain / loss on financial assets / liabilities measured at FVPL		
	Designated upon initial recognition	35,320	-
	Mandatorily measured at FVPL	2,449	-
		<u>37,769</u>	<u>-</u>
	Net gain / (loss) on financial assets measured at FVOCI	288,262	-
		<u>326,031</u>	<u>-</u>

Notes to the Consolidated Condensed Interim Financial Statements

(Un-audited) for the three months period ended March 31, 2024

	Note	March 31, 2024	March 31, 2023
Rupees in '000			
31	OTHER INCOME		
	Recovery of written off mark-up and charges	1,009	1,792
	Gain on sale of fixed assets - net	206,973	5,225
	Other assets disposal	13,723	6,021
	Rent on property	2	36
	Fee for attending Board meetings	256	672
	Gain on sale of islamic financing and related assets	2,765	4,058
		<u>224,728</u>	<u>17,804</u>
32	OPERATING EXPENSES		
	Total compensation expense	5,357,675	4,740,859
	Property expense:		
	Rent & taxes	81,281	83,834
	Insurance	33,097	26,097
	Utilities cost	578,341	428,141
	Security (including guards)	510,948	392,525
	Repair & maintenance (including janitorial charges)	442,796	336,299
	Depreciation	1,517,752	1,200,225
		<u>3,164,215</u>	<u>2,467,121</u>
	Information technology expenses:		
	Software maintenance	575,862	545,240
	Hardware maintenance	170,549	134,932
	Depreciation	348,557	232,024
	Amortisation	150,394	139,674
	Network charges	233,749	194,283
	Others	1,023	604
		<u>1,480,134</u>	<u>1,246,757</u>
	Other operating expenses:		
	Directors' fees and allowances	17,000	17,844
	Fees and allowances to Shariah Board	2,598	2,461
	Legal & professional charges	64,723	49,726
	Outsourced service cost	378,670	304,226
	Travelling & conveyance	95,454	89,141
	NIFT clearing charges	57,060	47,528
	Depreciation	104,963	75,324
	Training and development	27,097	35,669
	Postage & courier charges	42,428	52,203
	Communication	200,226	42,639
	Stationery & printing	185,813	110,339
	Marketing, advertisement & publicity	525,349	515,834
	Donations	19,522	5,667
	Auditors Remuneration	7,164	5,436
	Brokerage expenses	19,716	21,195
	Card related expenses	479,727	641,794
	CNIC verification	45,394	35,392
	Entertainment	100,752	88,660
	Clearing and settlement	62,554	45,239
	Insurance	434,059	435,884
	Cash In Transit Service Charge	125,839	134,346
	Others	67,172	185,082
		<u>3,063,280</u>	<u>2,941,629</u>
		<u>13,065,304</u>	<u>11,396,366</u>
33	OTHER CHARGES		
	Penalties imposed by State Bank of Pakistan	3,100	503
	Education cess	12,500	12,501
	Depreciation - non-banking assets	6,772	2,508
	Others	87,501	62,499
	Other assets written off	-	-
		<u>109,873</u>	<u>78,011</u>

Notes to the Consolidated Condensed Interim Financial Statements

(Un-audited) for the three months period ended March 31, 2024

		March 31, 2024	March 31, 2023
Rupees in '000			
34	CREDIT LOSS ALLOWANCE AND WRITE OFFS - NET		
	Credit loss allowance against lendings to financial institutions	111	-
	Credit loss allowance against nostro accounts	868	-
	Credit loss allowance / Provision for diminution		
	in value of investments	10.2.1 (89,781)	855,476
	Credit loss allowance / Provision against loans & advances	11.3 (167,169)	1,440,055
	Credit loss allowance / Provision against other assets	15.1.1 107,596	16,425
	Credit loss allowance against off-balance sheet obligations	22.1 (13,673)	-
	Bad debts written off directly	-	-
		(162,048)	2,311,956
	Recovery of written off bad debts	(707)	(2,179)
		(162,755)	2,309,777

35 TAXATION

	Current - for the period	33.1 11,511,878	6,240,913
	- for prior year	-	-
		11,511,878	6,240,913
	Deferred - current	(522,907)	(346,791)
		10,988,971	5,894,122

35.1 This also includes proportionate super tax on high earning persons of Rs. 2,331.741 million (March 31, 2023: Rs. 575.234 million).

36 EARNINGS PER SHARE - BASIC AND DILUTED

	Profit after taxation	11,606,928	7,684,227
			Number of Shares
	Weighted average number of ordinary shares		
	outstanding during the year	1,145,073,830	1,145,073,830
			Rupees
	Earnings per share - basic and diluted	10.14	6.71

There is no dilution effect on basic earnings per share.

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.

Notes to the Consolidated Condensed Interim Financial Statements

(Un-audited) for the three months period ended March 31, 2024

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.

	March 31, 2024				Total
	Carrying Value	Level 1	Level 2	Level 3	
Rupees in '000					
On balance sheet financial instruments					
Financial assets - measured at fair value					
Investments					
Federal Government Securities	938,809,655	-	938,809,655	-	938,809,655
Shares	22,579,470	18,992,911	3,586,559	-	22,579,470
Non-Government Debt Securities	13,314,134	-	13,314,134	-	13,314,134
Financial assets - disclosed but not measured at fair value					
Investments					
Cash and balances with treasury banks	164,470,950	-	-	-	-
Balances with other banks	12,890,747	-	-	-	-
Lendings	44,591,363	-	-	-	-
Advances	703,649,384	-	-	-	-
Other assets	101,020,141	-	-	-	-
Non - Financial Assets measured at fair value					
Property and equipment	59,791,981	-	59,791,981	-	59,791,981
Non-banking assets	2,078,744	-	2,078,744	-	2,078,744
Off-balance sheet financial instruments					
- measured at fair value					
Forward purchase of foreign exchange	176,239,089	-	176,239,089	-	176,239,089
Forward sale of foreign exchange	150,682,690	-	150,682,690	-	150,682,690
Forward purchase of government securities transactions	28,682,727	-	28,682,727	-	28,682,727
Forward sale of government securities transactions	954,806	-	954,806	-	954,806

Notes to the Consolidated Condensed Interim Financial Statements

(Un-audited) for the three months period ended March 31, 2024

	(Audited)				
	December 31, 2023				
	Carrying Value	Level 1	Level 2	Level 3	Total
Rupees in '000					
On balance sheet financial instruments					
Financial assets - measured at fair value					
Investments					
Federal Government Securities	1,044,283,263		- 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
Financial assets - disclosed but not measured at fair value					
Investments					
Cash and balances with treasury banks	73,769,085				
Balances with other banks	156,124,352				
Lendings	2,455,601				
Advances	9,418,003				
Other assets	780,296,455				
	88,092,635				
Non - Financial Assets measured at fair value					
Property and equipment	90,617,404		- 90,617,404		- 90,617,404
Non-banking assets	2,081,772		- 2,081,772		- 2,081,772
Off-balance sheet financial instruments					
- 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 three months period ended March 31, 2024

		March 31, 2024							
		Corporate & Investment Banking	Commercial & Retail Banking	Trading & Sale (Treasury)	Islamic Banking	Asset Management Company	ABL Exchange	Others	Total
		Rupees in '000							
38	SEGMENT INFORMATION								
38.1	Segment Details with respect to Business Activities								
Profit & Loss									
	Net mark-up/return/profit	29,894,132	(43,195,650)	39,524,246	2,792,889	(15,456)	4,153	145,920	29,150,234
	Inter segment revenue - net	(28,540,592)	72,473,958	(42,284,087)	-	-	-	(1,649,279)	-
	Non mark-up / return / interest income	1,806,916	2,402,254	1,548,713	154,643	773,784	14,911	230,066	6,931,287
	Total Income	3,160,456	31,680,562	(1,211,128)	2,947,532	758,328	19,064	(1,273,293)	36,081,521
	Segment direct expenses	207,692	5,954,254	78,535	502,352	259,802	25,129	6,620,613	13,648,377
	Total expenses	207,692	5,954,254	78,535	502,352	259,802	25,129	6,620,613	13,648,377
	Credit loss allowance	106,134	(27,538)	111	(21,803)	-	-	(219,659)	(162,755)
	Profit before tax	2,846,630	25,753,846	(1,289,774)	2,466,983	498,526	(6,065)	(7,674,247)	22,595,899
Balance Sheet									
	Cash & Bank balances	38,514	48,683,103	107,031,680	10,903,442	23,627	202,838	10,478,493	177,361,697
	Investments	60,745,624	-	1,063,871,828	39,544,246	2,750,945	798,711	48,081	1,167,759,435
	Net inter segment lending	(573,581,071)	1,461,731,898	(1,028,948,378)	-	-	-	140,797,551	-
	Lendings to financial institutions	-	-	46,870,530	-	-	-	(2,279,167)	44,591,363
	Advances - performing	590,748,900	24,455,948	-	79,507,414	205,571	-	11,102,053	706,019,886
	Advances - non-performing	323,297	258,075	-	5,729	-	-	12,244,415	12,831,516
	Credit loss allowance against advances	(2,538,490)	(765,626)	-	(127,966)	-	-	(11,769,936)	(15,202,018)
	Advances - net	588,533,707	23,948,397	-	79,385,177	205,571	-	11,576,532	703,649,384
	Operating fixed assets	154,751	81,066,693	60,410	1,408,628	1,060,514	9,278	47,885,314	131,645,588
	Others	8,606,195	20,166,661	50,085,611	7,416,822	601,628	19,000	29,216,613	116,112,530
	Total Assets	84,497,720	1,635,596,752	238,971,681	138,658,315	4,642,285	1,029,827	237,723,417	2,341,119,997
	Borrowings	77,928,840	2,663,413	239,172,667	14,975,899	-	-	(2,279,168)	332,461,651
	Deposits & other accounts	3,288,785	1,594,587,666	-	95,505,201	-	-	5,269,344	1,698,650,996
	Net inter segment borrowing	-	-	-	-	-	-	-	-
	Others	3,280,095	38,345,673	(200,986)	10,897,973	747,786	35,669	44,555,562	97,661,772
	Total liabilities	84,497,720	1,635,596,752	238,971,681	121,379,073	747,786	35,669	47,545,738	2,128,774,419
	Equity / Reserves	-	-	-	17,279,242	3,894,499	994,158	190,177,679	212,345,578
	Total Equity and liabilities	84,497,720	1,635,596,752	238,971,681	138,658,315	4,642,285	1,029,827	237,723,417	2,341,119,997
	Contingencies and commitments	191,899,240	18,985,357	356,559,312	9,953,964	-	-	14,848,555	592,246,448

Notes to the Consolidated Condensed Interim Financial Statements

(Un-audited) for the three months period ended March 31, 2024

	March 31, 2023						
	Corporate & Investment Banking	Commercial & Retail Banking	Trading & Sale (Treasury)	Islamic Banking	Asset Management Company	Others	Total
Rupees in '000							
Profit & Loss							
Net mark-up/return/profit	23,784,580	(29,798,172)	24,927,613	1,386,448	(75,437)	212,582	20,437,614
Inter segment revenue - net	(28,694,732)	58,458,489	(28,437,289)	-	-	(1,326,468)	-
Non mark-up / return / interest income	1,548,163	1,710,192	3,381,783	88,120	382,441	115,222	7,225,921
Total Income	(3,361,989)	30,370,509	(127,893)	1,474,568	307,004	(998,664)	27,663,535
Segment direct expenses	208,884	5,298,670	68,465	429,489	154,447	5,615,454	11,775,409
Total expenses	208,884	5,298,670	68,465	429,489	154,447	5,615,454	11,775,409
Provisions	(2,033,254)	(424,709)	-	(1,812)	-	149,998	(2,309,777)
Profit before tax	(5,604,127)	24,647,130	(196,358)	1,043,267	152,557	(6,464,120)	13,578,349
December 31, 2023 (Audited)							
	Corporate & Investment Banking	Commercial & Retail Banking	Trading & Sale (Treasury)	Islamic Banking	Asset Management Company	Others	Total
Rupees in '000							
Balance Sheet							
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	658,655,391	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
Total Assets	86,288,240	1,606,615,960	279,049,375	131,548,037	5,942,030	223,606,331	2,333,049,973
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
Total liabilities	86,288,240	1,606,615,960	279,049,375	116,514,157	2,295,319	44,960,884	2,135,723,935
Equity / Reserves	-	-	-	15,033,880	3,646,711	178,645,447	197,326,038
Total Equity and liabilities	86,288,240	1,606,615,960	279,049,375	131,548,037	5,942,030	223,606,331	2,333,049,973
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 three months period ended March 31, 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.

	March 31, 2024				December 31, 2023 (Audited)			
	Parent	Directors	Key management personnel	Associates* Other related parties	Parent	Directors	Key management personnel	Associates* Other related parties
	Rupees in '000							
Balances with other banks	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-
Opening balance	-	-	-	4,779,114	-	-	-	4,099,423
Investment made during the period/year	-	-	-	577,447	-	-	-	36,608,802
Investment redeemed/disposed off during the period/year	-	-	-	(2,765,189)	-	-	-	(36,688,574)
Share of profit/(loss) from associate	-	-	-	162,933	-	-	-	965,906
Dividend income	-	-	-	(3,420)	-	-	-	(206,443)
Closing balance	-	-	-	2,750,945	-	-	-	4,779,114
Credit loss allowance for diminution in value of investments	-	-	-	-	-	-	-	-
Advances	-	-	-	-	-	-	-	-
Opening balance	-	116,784	394,496	1	-	66,875	416,615	961,477
Addition during the period/year	-	29,960	17,851	4,080	-	90,791	202,400	81,408,541
Repaid during the period/year	-	(33,659)	(40,994)	(3,957)	-	(40,882)	(224,519)	(82,370,017)
Closing balance	-	113,085	371,353	1,274,285	-	116,784	394,496	1
Credit loss allowance held against advances	-	-	-	-	-	-	-	-

Notes to the Consolidated Condensed Interim Financial Statements

(Un-audited) for the three months period ended March 31, 2024

	March 31, 2024			December 31, 2023 (Audited)						
	Parent	Directors	Key management personnel	Associates*	Other related parties	Parent	Directors	Key management personnel	Associates*	Other related parties
	Rupees in '000									
Other Assets										
Interest / mark-up accrued	-	16,678	99,805	186,137	-	-	13,464	94,681	8,660	-
Receivable from staff retirement fund	-	-	-	-	5,430,494	-	-	-	-	5,238,086
Other receivable	-	-	-	-	-	-	-	-	-	222,164
Credit loss allowance against other assets	-	-	-	-	-	-	-	-	-	-
Borrowings	-	-	-	-	-	-	-	-	-	-
Subordinated debt	-	-	-	-	-	-	-	-	-	-
Deposits and other accounts										
Opening balance	12,963	46,894	35,100	37,125	7,839,463	1,716	53,731	51,333	111,965	2,128,234
Received during the period/year	3,728,096	167,471	591,065	3,989,260	150,062,494	21,562,782	510,062	1,116,106	9,933,361	292,662,647
Withdrawn during the period/year	(3,734,981)	(165,590)	(424,007)	(4,024,631)	(131,339,385)	(21,577,535)	(516,899)	(1,132,339)	(10,008,221)	(286,951,418)
Closing balance	6,078	48,785	112,158	1,554	26,571,572	12,963	46,894	35,100	37,125	7,839,463
Other Liabilities										
Interest / mark-up payable	-	-	-	-	-	-	2,165	1,069	50	209,873
Contingencies and Commitments										
Other contingencies	-	-	-	889,606	-	-	-	-	1,842,309	-

Notes to the Consolidated Condensed Interim Financial Statements

(Un-audited) for the three months period ended March 31, 2024

39.1 RELATED PARTY TRANSACTIONS

	March 31, 2024			March 31, 2023					
	Parent	Directors management personnel	Key management personnel	Parent	Directors management personnel	Key management personnel	Other related parties	Associates*	Other related parties
	Rupees in '000								
Income									
Mark-up/return/interest earned		3,214	5,526	186,137	79	1,822	4,448	14,983	13
Sales Commission				25,888					
Fee and commission income		29	104	327	300,776	18	66	1,327	191
Share of Profit from Associate				162,983					
Dividend income									
Net (loss) / gain on sale of securities			1	160			3		
Rental Income									
Other income							368		
Expense									
Mark-up/return/interest paid		2,320	1,397	18	392,869	546	478	389	225,776
Directors meeting fee		16,200				16,800			
Remuneration		91,761	30,638			47,270	245,682		
Charge for defined benefit plans		1,331	8,176			180	4,059		
Contribution to defined contribution plan		1,250	3,487			625	2,578		
Other expenses						239	595	6,590	78,066
Rent expense**									4,982
Change in respect of staff retirement benefit funds									
Insurance premium paid		107	341		32,978				
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 IAS 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.

During the period ended March 31, 2024, certain moveable assets having cumulative net book value of Rs. 0 were disposed off for Rs. 396,000 to the Key Management Personnel of the Bank.

Notes to the Consolidated Condensed Interim Financial Statements

(Un-audited) for the three months period ended March 31, 2024

		(Audited)	
		March 31, 2024	December 31, 2023
		Rupees in '000	
40	CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS		
	Minimum Capital Requirement (MCR):		
	Paid-up capital (net of losses)	11,450,739	11,450,739
	Capital Adequacy Ratio (CAR):		
	Eligible Common Equity Tier 1 (CET 1) Capital	141,962,186	137,272,038
	Eligible Additional Tier 1 (ADT 1) Capital	-	-
	Total Eligible Tier 1 Capital	141,962,186	137,272,038
	Eligible Tier 2 Capital	54,727,316	44,070,701
	Total Eligible Capital (Tier 1 + Tier 2)	196,689,502	181,342,739
	Risk Weighted Assets (RWAs):		
	Credit Risk	478,603,121	472,828,682
	Market Risk	51,812,529	41,288,208
	Operational Risk	177,359,474	177,359,474
	Total	707,775,124	691,476,364
	Common Equity Tier 1 Capital Adequacy ratio	20.06%	19.85%
	Tier 1 Capital Adequacy Ratio	20.06%	19.85%
	Total Capital Adequacy Ratio	27.79%	26.23%
	Leverage Ratio (LR):		
	Eligible Tier-1 Capital	141,962,186	137,272,038
	Total Exposures	2,560,867,810	2,473,204,725
	Leverage Ratio	5.54%	5.55%
	Liquidity Coverage Ratio (LCR):		
	Total High Quality Liquid Assets	844,455,308	729,610,915
	Total Net Cash Outflow	438,160,715	395,703,808
	Liquidity Coverage Ratio	192.73%	184.38%
	Net Stable Funding Ratio (NSFR):		
	Total Available Stable Funding	1,726,162,465	1,682,223,313
	Total Required Stable Funding	979,776,503	1,046,798,062
	Net Stable Funding Ratio	176.18%	160.70%

Notes to the Consolidated Condensed Interim Financial Statements

(Un-audited) for the three months period ended March 31, 2024

41 NON ADJUSTING EVENT AFTER THE REPORTING DATE

- 41.1 The Board of Directors of the Bank in its meeting held on April 24, 2024 has proposed an interim cash dividend for the quarter ended March 31, 2024 of Rs. 4.00 per share (March 31, 2023: cash dividend of Rs. 2.50 per share). The consolidated condensed interim financial statements of the Bank for the three months ended March 31, 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 April 24, 2024 by the Board of Directors of the Bank.

Muhammad Atif Mirza
Chief Financial Officer

Aizid Razzaq Gill
President and Chief Executive

Mubashir A. Akhtar
Director

Nazrat Bashir
Director

Mohammad Naeem Mukhtar
Chairman



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