

ZARAI TARAQIATI BANK LIMITED

CONSOLIDATED FINANCIAL STATEMENTS

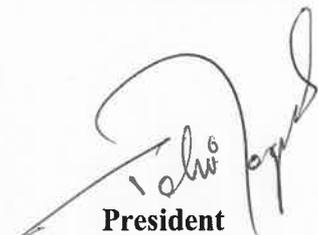
FOR THE NINE MONTHS PERIOD ENDED

SEPTEMBER 30, 2025

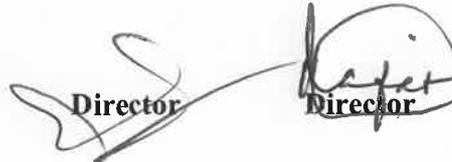
ZARAI TARAQIATI BANK LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2025

		(Un-audited) September 30, 2025	(Audited) December 31, 2024
	Note	..... Rupees in '000	
ASSETS			
Cash and balances with treasury banks	6	2,627,580	3,125,812
Balances with other banks	7	31,641,018	7,492,564
Lendings to financial institutions	8	13,120,349	30,950,072
Investments	9	286,011,810	376,174,453
Advances	10	115,840,894	109,121,210
Property and equipment	11	1,864,108	1,852,427
Right-of-use assets	12	970,977	857,055
Intangible assets	13	115,363	172,427
Deferred tax assets	14	11,698,845	13,475,947
Other assets	15	27,238,000	34,429,584
Total Assets		491,128,944	577,651,551
LIABILITIES			
Bills payable	17	363,712	451,707
Borrowings	18	323,806,669	408,066,969
Deposits and other accounts	19	46,319,875	55,088,529
Lease liabilities	20	1,093,526	997,225
Sub-ordinated loan		-	-
Deferred tax liabilities		-	-
Other liabilities	21	27,275,199	29,290,386
Total Liabilities		398,858,981	493,894,816
NET ASSETS		92,269,963	83,756,735
REPRESENTED BY			
Share capital		52,678,432	52,678,432
Reserves		13,740,577	12,113,062
Surplus on revaluation of assets	22	2,490,164	2,244,829
Unappropriated profit		23,360,790	16,720,412
		92,269,963	83,756,735
CONTINGENCIES AND COMMITMENTS	23		

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


President


Chief Financial Officer


Director


Director

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

Note	Quarter ended		Period ended		
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024	
	..... Rupees in '000				
Mark-up / return / interest earned	24	14,319,406	32,400,863	48,207,115	86,222,032
Mark-up / return / interest expensed	25	7,610,012	24,011,573	28,754,507	69,505,550
Net mark-up / interest income		6,709,394	8,389,290	19,452,608	16,716,482
NON MARK-UP / INTEREST INCOME					
Fee and commission income	26	264,245	69,324	776,053	203,277
Dividend income		96,012	47,792	108,929	55,972
Foreign exchange income		-	-	-	-
Income from derivatives		-	-	-	-
Gain on securities	27	279,215	1,025,698	973,313	1,544,056
Net gains / (loss) on derecognition of financial assets measured at amortised cost		-	-	-	-
Other income	28	599,233	677,697	1,528,490	1,408,411
Total non-mark-up / interest income		1,238,705	1,820,511	3,386,785	3,211,716
Total income		7,948,099	10,209,801	22,839,393	19,928,198
NON MARK-UP / INTEREST EXPENSES					
Operating expenses	29	3,758,977	3,607,902	10,974,499	10,533,455
Workers welfare fund		-	-	-	-
Other charges	30	11,924	-	12,469	1,469
Total non mark-up / interest expenses		3,770,901	3,607,902	10,986,968	10,534,924
Profit before credit loss allowance		4,177,198	6,601,899	11,852,425	9,393,274
Credit loss allowance and write offs - net	31	28,882	(392,482)	(5,515,481)	(3,248,916)
Extra ordinary / unusual items		-	-	-	-
PROFIT BEFORE TAXATION		4,148,316	6,994,381	17,367,906	12,642,190
Taxation	32	1,686,284	3,077,851	9,100,013	5,891,863
PROFIT AFTER TAXATION		2,462,032	3,916,530	8,267,893	6,750,327
Basic earnings per share (Rupees)	33	0.47	0.74	1.57	1.28
Diluted earnings per share (Rupees)	33	0.47	0.74	1.57	1.28

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President


Chief Financial Officer


Director

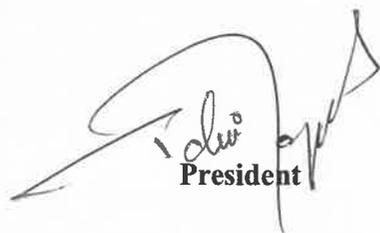

Director

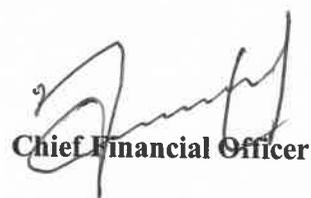

Director

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

	<u>Quarter ended</u>		<u>Period ended</u>	
	<u>September 30,</u> <u>2025</u>	<u>September 30,</u> <u>2024</u>	<u>September 30,</u> <u>2025</u>	<u>September 30,</u> <u>2024</u>
	..... Rupees in '000			
Profit after taxation for the period	2,462,032	3,916,530	8,267,893	6,750,327
Other Comprehensive Income				
Items that may be reclassified to profit and loss account in subsequent periods:				
Movement in surplus on revaluation of investments - net of tax	282,299	1,197,641	421,968	1,301,765
Items that will not be reclassified to profit and loss account in subsequent periods:				
Remeasurement gain / (loss) on defined benefit obligations - net of tax	-	-	-	-
Total Comprehensive Income	<u>2,744,331</u>	<u>5,114,171</u>	<u>8,689,861</u>	<u>8,052,092</u>

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


President


Chief Financial Officer


Director


Director


Director

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

	Share capital	Statutory reserve	Contingencies reserve	Surplus on revaluation of investments	Unappropriated profit / (loss)	Total
..... Rupees in '000						
Balance as at January 1, 2024	52,678,432	9,460,922	60,000	1,622,051	11,451,832	75,273,237
Impact of adoption of IFRS 9 - net of tax	-	-	-	-	(5,498,565)	(5,498,565)
Balance as at January 01, 2024 - as restated	52,678,432	9,460,922	60,000	1,622,051	5,953,267	69,774,672
Profit after taxation for the nine months period ended September 30, 2024	-	-	-	-	6,750,327	6,750,327
Other comprehensive income for the nine months period ended September 30, 2024	-	-	-	1,301,765	-	1,301,765
Total comprehensive income for the nine months period ended September 30, 2024	-	-	-	1,301,765	6,750,327	8,052,092
Transferred to statutory reserve	-	1,315,086	-	-	(1,315,086)	-
Balance as at September 30, 2024	52,678,432	10,776,008	60,000	2,923,816	11,388,508	77,826,764
Profit after taxation for three months period ended December 31, 2024	-	-	-	-	6,429,141	6,429,141
Other comprehensive income / (loss) for three months period ended December 31, 2024	-	-	-	(678,987)	179,817	(499,170)
Total comprehensive income for three months period ended December 31, 2024	-	-	-	(678,987)	6,608,958	5,929,971
Transferred to statutory reserve	-	1,277,054	-	-	(1,277,054)	-
Balance as at December 31, 2024	52,678,432	12,053,062	60,000	2,244,829	16,720,412	83,756,735
Profit after taxation for the nine months period ended September 30, 2025	-	-	-	-	8,267,893	8,267,893
Other comprehensive income for the nine months period ended September 30, 2025	-	-	-	421,968	-	421,968
Total comprehensive income for the nine months period ended September 30, 2025	-	-	-	421,968	8,267,893	8,689,861
Transferred to statutory reserve	-	1,627,515	-	-	(1,627,515)	-
Balance as at September 30, 2025	52,678,432	13,680,577	60,000	2,666,797	23,360,790	92,446,596

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

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

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


President


Chief Financial Officer


Director

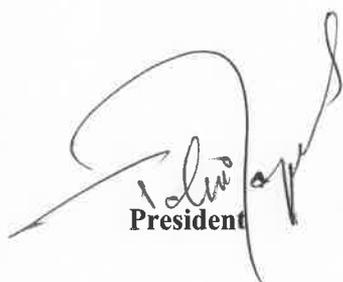

Director


Director

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

	Note	Period ended	
		September 30, 2025	September 30, 2024
..... Rupees in '000			
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating income / (loss) before working capital changes	34	540,821	(23,018)
Decrease / (increase) in operating assets:			
Lendings to financial institutions		17,832,143	(40,519,185)
Securities classified as FVPL		(1,107,500)	-
Advances		(7,896,797)	(5,448,862)
Other assets - net (excluding advance taxation)		(489,028)	(2,242,493)
		8,338,818	(48,210,540)
Increase / (decrease) in operating liabilities:			
Bills payable		(87,995)	(2,155,637)
Borrowings from financial institutions		(84,260,300)	157,539,520
Deposits and other accounts		(8,768,654)	(5,385,851)
Other liabilities		(1,308,024)	419,039
		(94,424,973)	150,417,071
Interest received		54,560,051	56,177,539
Interest paid		(30,993,415)	(68,311,049)
Employees' benefits paid		(802,576)	(717,532)
Income tax paid		(5,743,188)	(6,439,153)
Net cash (used in) / generated from operating activities		(68,524,462)	82,893,318
CASH FLOWS FROM INVESTING ACTIVITIES			
Net Investments in securities classified as FVOCI		91,681,532	(106,607,627)
Realised gain on sales of securities		973,553	1,544,056
Dividend received		108,929	55,972
Investments in property and equipment		(261,531)	(196,397)
Proceeds from sale of property and equipment		9,127	21,562
Net cash generated from / (used in) investing activities		92,511,610	(105,182,434)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of lease liability against right-of-use assets		(333,983)	(284,040)
Increase / (decrease) in cash and cash equivalents		23,653,165	(22,573,156)
Cash and cash equivalents at beginning of the period		10,619,860	35,586,790
Cash and cash equivalents at end of the period	35	34,273,025	13,013,634

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


President


Chief Financial Officer


Director


Director


Director

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

1. THE GROUP AND ITS OPERATIONS

The "Group" consists of:

Holding company

- Zarai Taraqiati Bank Limited

Subsidiary company

- Kissan Support Services (Private) Limited

1.1 STATUS AND NATURE OF BUSINESS

(a) Reorganization and conversion

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

(b) Status

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

(c) Nature of business

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

1.2 Kissan Support Services (Private) Limited ("the Company")

Kissan Support Services (Private) Limited was incorporated in Pakistan as a private limited company on September 19, 2005 under the Companies Ordinance, 1984. It is a fully owned subsidiary of Zarai Taraqiati Bank Limited (ZTBL). The registered office of the Company is situated at 1-Faisal Avenue (Zero Point), Islamabad. The Company's principal business is the provision of consultancy, advisory, agency and other support services on contractual basis or otherwise to the Bank.

2 BASIS OF PRESENTATION

2.1 Statement of compliance

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

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

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

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

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

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

3 MATERIAL ACCOUNTING POLICY INFORMATION

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

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

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

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

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

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

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

5 FINANCIAL RISK MANAGEMENT

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

	(Un-audited) September 30, 2025	(Audited) December 31, 2024
	... Rupees in '000 ...	
6 CASH AND BALANCES WITH TREASURY BANKS		
In hand		
Local currency	768,749	1,133,799
With State Bank of Pakistan in:		
Local currency current account	1,459,726	1,621,700
With National Bank of Pakistan in:		
Local currency current account	168,150	180,216
Local currency deposit account	229,138	188,231
	397,288	368,447
Prize bonds	1,817	1,866
	<u>2,627,580</u>	<u>3,125,812</u>
Less: Credit loss allowance held against cash and balances with treasury banks	-	-
	<u>2,627,580</u>	<u>3,125,812</u>
7 BALANCES WITH OTHER BANKS		
In Pakistan		
In current accounts	69,663	111,847
In deposit accounts	31,575,782	7,382,201
	<u>31,645,445</u>	<u>7,494,048</u>
Less: Credit loss allowance held against balances with other banks	(4,427)	(1,484)
Balances with other banks - net of credit loss allowance	<u>31,641,018</u>	<u>7,492,564</u>
8 LENDINGS TO FINANCIAL INSTITUTIONS		
Call money lendings	6,200,000	14,500,000
Musharakah lending	3,308,072	13,650,000
Repurchase agreement lendings (reverse repo)	3,614,485	2,804,700
	<u>13,122,557</u>	<u>30,954,700</u>
Less: Credit loss allowance held against lending to financial institutions	(2,208)	(4,628)
Lendings to financial institutions - net of credit loss allowance	<u>13,120,349</u>	<u>30,950,072</u>

8.1 Lending to financial institutions - Particulars of credit loss allowance

		September 30, 2025 (Un-audited)		December 31, 2024 (Audited)	
		Lending	Credit loss allowance held	Lending	Credit loss allowance held
..... Rupees in '000					
Domestic					
Performing	Stage 1	13,122,557	2,208	30,954,700	4,628
Under performing	Stage 2			-	-
Non-performing	Stage 3				
Substandard		-	-	-	-
Doubtful		-	-	-	-
Loss		-	-	-	-
		-	-	-	-
Total		<u>13,122,557</u>	<u>2,208</u>	<u>30,954,700</u>	<u>4,628</u>

9 INVESTMENTS

9.1 Investments by types

	September 30, 2025 (Un-audited)				December 31, 2024 (Audited)			
	Cost / Amortised cost	Credit Loss Allowance	Surplus / (deficit)	Carrying value	Cost / Amortised cost	Credit Loss Allowance	Surplus / (Deficit)	Carrying Value
..... Rupees in '000								
FVTPL								
Federal Government securities	4,527,889	-	(240)	4,527,649	3,404,062	-	16,327	3,420,389
	4,527,889	-	(240)	4,527,649	3,404,062	-	16,327	3,420,389
FVOCI								
Federal Government securities	273,925,513	-	1,676,037	275,601,550	365,532,619	-	1,661,390	367,194,009
Shares	99,819	(10,523)	3,517,955	3,607,251	99,819	(10,523)	3,118,309	3,207,605
Non Government Debt securities	2,281,845	(336)	(6,149)	2,275,360	2,356,271	(354)	(3,467)	2,352,450
	276,307,177	(10,859)	5,187,843	281,484,161	367,988,709	(10,877)	4,776,232	372,754,064
Total investments	280,835,066	(10,859)	5,187,603	286,011,810	371,392,771	(10,877)	4,792,559	376,174,453

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

9.1.1 Investments given as collateral

Market Treasury bills	30,109,368	65,012,242
Pakistan Investment Bonds	200,147,500	199,571,000
	<u>230,256,868</u>	<u>264,583,242</u>

9.2 Credit loss allowance for diminution in value of investments

Opening balance	10,877	10,523
Exchange adjustments	-	-
Charge / reversals		
Charge for the period / year	-	354
Reversals for the period / year	-	-
Reversal on disposals	(18)	-
	(18)	354
Transfers - net	-	-
Amounts written off	-	-
Closing Balance	<u>10,859</u>	<u>10,877</u>

9.3 Particulars of credit loss allowance against debt securities

	(Un-audited) September 30, 2025		(Audited) December 31, 2024	
	Outstanding amount	Credit loss allowance held	Outstanding amount	Credit loss allowance held
..... Rupees in '000				
Domestic				
Performing	282,404,895	336	372,967,202	354
Under performing	-	-	-	-
Non-performing				
Substandard	-	-	-	-
Doubtful	-	-	-	-
Loss	-	-	-	-
	<u>282,404,895</u>	<u>336</u>	<u>372,967,202</u>	<u>354</u>

10 ADVANCES

	Performing		Non Performing		Total	
	(Un-audited) September 30, 2025	(Audited) December 31, 2024	(Un-audited) September 30, 2025	(Audited) December 31, 2024	(Un-audited) September 30, 2025	(Audited) December 31, 2024
	..... Rupees in '000					
Loans, cash credits, running finance, etc.	112,158,760	101,613,315	24,297,247	26,981,173	136,456,007	128,594,488
Islamic financing and related assets	43,311	8,032	-	-	43,311	8,032
Advances - gross	112,202,071	101,621,347	24,297,247	26,981,173	136,499,318	128,602,520
Credit loss allowance against advances:						
-Stage 1	271,358	581,916	-	-	271,358	581,916
-Stage 2	2,327,419	2,588,742	-	-	2,327,419	2,588,742
-Stage 3	-	-	15,016,354	13,270,932	15,016,354	13,270,932
- against staff advances	382	387	42,911	39,333	43,293	39,720
- general	3,000,000	3,000,000	-	-	3,000,000	3,000,000
	5,599,159	6,171,045	15,059,265	13,310,265	20,658,424	19,481,310
Advances - net of credit loss allowance	106,602,912	95,450,302	9,237,982	13,670,908	115,840,894	109,121,210

10.1 Particulars of advances (gross)

In local currency

136,499,318 128,602,520

10.2 Advances include Rs. 24,237.585 million (December 31, 2024: Rs. 26,938.645 million) relating to agricultural financing which have been placed under non-performing status as detailed below:

Category of classification	September 30, 2025 (Un-audited)		December 31, 2024 (Audited)	
	Non performing loans	Credit loss allowance / provision	Non performing loans	Credit loss allowance / provision
	..... Rupees in '000			
Domestic				
Other assets especially mentioned	4,270,716	-	7,653,464	-
Substandard	7,505,546	5,073,447	12,265,726	7,958,480
Doubtful	6,839,671	4,329,164	4,419,491	2,717,418
Loss	5,621,652	5,613,743	2,599,964	2,595,034
	24,237,585	15,016,354	26,938,645	13,270,932

10.3 Particulars of credit loss allowance against advances

	September 30, 2025 (Un-audited)					December 31, 2024 (Audited)					
	Stage 3	Stage 2	Stage 1	General	Total	Stage 3	Stage 2	Stage 1	Specific	General	Total
	..... Rupees in '000										
Opening balance	13,270,932	2,588,742	581,916	3,000,000	19,441,590	-	-	-	11,434,334	3,000,000	14,434,334
Impact on adoption of IFRS 9	-	-	-	-	-	14,387,176	5,171,698	1,335,082	(11,434,334)	-	9,459,622
Charge for the period	5,132,933	2,290,743	202,745	-	7,626,421	6,179,931	2,509,747	506,641	-	-	9,196,319
Reversals	(3,387,511)	(2,552,066)	(513,303)	-	(6,452,880)	(5,403,697)	(5,092,703)	(1,259,807)	-	-	(11,756,207)
	1,745,422	(261,323)	(310,558)	-	1,173,541	776,234	(2,582,956)	(753,166)	-	-	(2,559,888)
Amounts charged off	-	-	-	-	-	(1,892,478)	-	-	-	-	(1,892,478)
Closing balance	15,016,354	2,327,419	271,358	3,000,000	20,615,131	13,270,932	2,588,742	581,916	-	3,000,000	19,441,590

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

10.3.2 In addition to the time based criteria, the Bank has further classified loans and advances amounting to Rs. 1,362.188 million (December 31, 2024: 1,899.185 million) and further de-graded the category of classified loans and advances amounting to Rs. 2,387.151 million (December 31, 2024: Rs. 4,088.474 million) on the basis of credit worthiness of the borrowers in accordance with the subjective criteria of the Prudential Regulations for Agriculture Financing.

10.4 Advances - Particulars of credit loss allowance

10.4.1 Opening Balances

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

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

Closing balance

	September 30, 2025 (Un-audited)			December 31, 2024 (Audited)		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
	..... Rupees in '000 .....			..... Rupees in '000		
	581,916	2,588,742	13,270,932	1,335,082	5,171,698	14,387,176
	(179,322)	2,106,490	2,883,267	402,982	2,672,162	4,510,399
	(542,381)	(567,711)	(3,052,936)	(1,325,822)	(1,758,826)	(4,601,396)
	530,152	(233,966)	(296,186)	1,057,090	(617,645)	(439,445)
	(90,612)	176,308	(85,696)	(86,326)	131,154	(44,828)
	(4,835)	(1,753,267)	1,758,101	(131,376)	(2,717,198)	2,848,574
	(286,998)	(272,146)	1,206,550	(83,452)	(2,290,353)	2,273,304
				-	-	(1,892,478)
	(23,560)	10,823	538,872	(669,714)	(292,603)	(1,497,070)
	-	-	-	-	-	-
	271,358	2,327,419	15,016,354	581,916	2,588,742	13,270,932

10.4.2 Advances - Category of classification

Domestic

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

Total

	September 30, 2025 (Un-audited)		December 31, 2024 (Audited)	
	Outstanding amount	Credit loss allowance held	Outstanding amount	Credit loss allowance held
	..... Rupees in '000			
	100,986,718	271,358	100,590,077	581,916
	14,594,874	2,327,419	7,853,106	2,588,742
	7,505,546	5,073,447	12,265,726	7,958,480
	6,839,671	4,329,164	4,419,491	2,717,418
	5,621,652	5,613,743	2,599,964	2,595,034
	19,966,869	15,016,354	19,285,181	13,270,932
	135,548,461	17,615,131	127,728,364	16,441,590

	Note	(Un-audited) September 30, 2025	(Audited) December 31, 2024
... Rupees in '000 ...			
11 PROPERTY AND EQUIPMENT			
Capital work-in-progress	11.1	239,976	181,928
Property and equipment	11.2	1,624,132	1,670,499
		<u>1,864,108</u>	<u>1,852,427</u>
11.1 Capital work-in-progress			
Civil works		41,785	55,146
Equipment		186,912	116,566
Consultancy charges		10,864	9,801
Others	11.1.1	415	415
		<u>239,976</u>	<u>181,928</u>

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

	(Un-audited) September 30, 2025	(Audited) September 30, 2024
... Rupees in '000 ...		
11.2 Additions to property and equipment		
The following additions have been made during the period:		
Capital work-in-progress	71,778	8,279
Property and equipment:		
Building on freehold land	1,484	7,826
Building on leasehold land	34,468	9,556
Furniture and fixture	6,546	8,504
Electrical, office and computer equipment	143,431	124,232
Vehicles	-	26,805
Total	<u>257,707</u>	<u>185,202</u>

11.3 Disposal of property and equipment

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

Furniture and fixture	26	47
Electrical, office and computer equipment	4	8
Vehicles	3,202	12,059
Total	<u>3,232</u>	<u>12,114</u>

12 RIGHT-OF-USE ASSETS

	(Un-audited) September 30, 2025			(Audited) December 31, 2024		
	Buildings	Others	Total	Buildings	Others	Total
..... Rupees in '000						
At January 1						
Cost	1,546,930	-	1,546,930	1,450,311	-	1,450,311
Accumulated Depreciation	689,875	-	689,875	593,372	-	593,372
Net opening carrying amount	<u>857,055</u>	<u>-</u>	<u>857,055</u>	<u>856,939</u>	<u>-</u>	<u>856,939</u>
Additions during the period / year	394,555	-	394,555	324,882	-	324,882
Deletions during the period / year	64,372	-	64,372	49,311	-	49,311
Depreciation charge for the period / year	216,261	-	216,261	275,455	-	275,455
Net closing carrying amount	<u>970,977</u>	<u>-</u>	<u>970,977</u>	<u>857,055</u>	<u>-</u>	<u>857,055</u>

	(Un-audited) September 30, 2025	(Audited) December 31, 2024
... Rupees in '000 ...		
13 INTANGIBLE ASSETS		
Computer Software	<u>115,363</u>	<u>172,427</u>

		(Un-audited)	
		September 30, 2025	September 30, 2024
		... Rupees in '000 ...	
13.1	Additions to intangible assets		
	Additions made during the period:		
	Directly purchased	18,666	8,860
		<u>18,666</u>	<u>8,860</u>
		(Un-audited)	(Audited)
		September 30, 2025	December 31, 2024
		... Rupees in '000 ...	
14	DEFERRED TAX ASSETS		
	Deductible temporary differences on:		
	Credit loss allowance against non-performing loans and advances	16,537,478	18,742,145
		<u>16,537,478</u>	<u>18,742,145</u>
	Taxable temporary differences on:		
	Accelerated tax depreciation	348,948	(274,388)
	Defined benefit plans	(2,489,902)	(2,460,407)
	Surplus on revaluation of investments	(2,697,679)	(2,531,403)
		<u>(4,838,633)</u>	<u>(5,266,198)</u>
		<u>11,698,845</u>	<u>13,475,947</u>
15	OTHER ASSETS		
	Income / mark-up accrued in local currency on :		
	- advances - net of provision	9,611,054	13,421,515
	- securities	9,657,340	12,218,003
	- deposits	52,504	34,316
	Amount recoverable from Federal Government	2,939,671	2,887,888
	Tax recoverable	422,652	422,652
	Branch adjustment account	1,871,834	1,625,809
	Taxation (payments less provision)	-	1,453,221
	Receivable from gratuity scheme - SR 2005	1,328,456	1,184,271
	Non banking assets acquired in satisfaction of claims	398,906	407,301
	Due from Islamic Banking	-	3,655
	Stationery and stamps in hand	158,507	163,445
	Stock of farm machinery	11,237	11,237
	Advances against salary and expenses	76,483	60,882
	Security deposits	8,135	7,899
	Advances and other prepayments	1,978,184	1,658,376
	Clearing and settlement	-	160,566
	Others	222,356	173,621
		<u>28,737,319</u>	<u>35,894,657</u>
	Credit loss allowance held against other assets	(1,499,319)	(1,465,073)
	Other assets - net of credit allowance	<u>27,238,000</u>	<u>34,429,584</u>
15.1	Credit loss allowance held against other assets		
	Tax recoverable	422,652	422,652
	Non banking assets acquired in satisfaction of claims	398,906	407,301
	Amount recoverable from Federal Government	551,140	551,140
	Stock of farm machinery	11,237	11,237
	Accrued interest on advances of ex-employees	23,346	16,070
	Amount deposited with courts / legal charges recoverable	92,038	56,673
		<u>1,499,319</u>	<u>1,465,073</u>
15.1.1	Movement in credit loss allowance held against other assets		
	Opening balance	1,465,073	988,669
	Charge for the period / year	42,641	521,703
	Reversals	(8,395)	(45,299)
		<u>34,246</u>	<u>476,404</u>
	Closing balance	<u>1,499,319</u>	<u>1,465,073</u>

16 CONTINGENT ASSETS

- 16.1 There is a contingency of an amount of Rs. 297.149 million and Rs. 54.828 million on account of minimum income tax levied by the Income Tax authorities under section 80-D of the Income Tax Ordinance, 1979, and various tax refunds pertaining to assessment years 1991-92 to 1998-99 and assessment year 1999-2000 respectively despite the income of the Bank being exempt from tax up to income year ended 30 June 1999. The Bank paid, under protest, these disputed tax demands and also filed writ petition in this respect in the Honorable Lahore High Court, Rawalpindi Bench, Rawalpindi. Later on, the Bank withdrew the said petition on the directions of the Federal Government and the case was referred to the Law and Justice Division of the Government of Pakistan (GoP) which decided the reference in the Bank's favor. The Federal Board of Revenue (FBR), disagreed with the aforesaid decision, further took up the matter with Federal Cabinet for its review. Federal Cabinet referred the case to the Attorney General of Pakistan (AGP) for final decision which was received on March 12, 2011 whereby the AGP decided that Section 27-A of the ADBP Ordinance should prevail over the said section 80-D of the Income Tax Ordinance, 1979.
- 16.2 Assistant Commissioner, Sindh Revenue Board (SRB) passed the order on 11.05.2019 for the period January 2012 to December 2012 creating a demand of Rs 6.42 million (Principle + Penalty). On 03.06.2019, payment of impugned tax Amounting Rs.6.6 million (Principle + 10% Surcharge) has been made, under protest, to avail the SRB Amnesty Scheme. Bank has filed appeal before Commissioner (Appeals), SRB. Main Appeal heard and further adjourned to 12.08.2022 but remained undecided and appeal/case has been transferred to Appellate Tribunal by the Commissioner (Appeals-I) on 30.06.2022, being time barred at the Commissioner Appeals. The Bank is expecting a favorable decision.
- 16.3 Assistant Commissioner, Sindh Revenue Board (SRB) passed the order on 11.07.2019 for the period January 2013 to December 2013 creating a demand of Rs 2.75 million. On 03.06.2019, payment of impugned tax amounting to Rs. 2.75 million was made, under protest, to avail the SRB Amnesty Scheme. Bank filed appeal before Commissioner (Appeals), SRB. Main Appeal heard and further adjourned to 12.08.2022 but remained undecided and appeal/case has been transferred to Appellate Tribunal by the Commissioner (Appeals-I) on 30.06.2022, being time barred at the Commissioner Appeals. The Bank is expecting a favorable decision.
- 16.4 Assistant Commissioner, Sindh Revenue Board (SRB) passed the order on 24.01.2020 for the period of January 2014 to December 2014 which created a demand of Rs.54.6 million. On 03.06.2019 payment of impugned tax was made for Rs. 2.86 million, under protest, to avail the SRB Amnesty Scheme. Bank filed appeal before Commissioner (Appeals), SRB. Main Appeal heard and further adjourned to 12.08.2022 but remained undecided and appeal/case has been transferred to Appellate Tribunal by the Commissioner (Appeals-I) on 30.06.2022, being time barred at the Commissioner Appeals. The Bank is expecting a favorable decision.

	Note	(Un-audited) September 30, 2025	(Audited) December 31, 2024
... Rupees in '000 ...			
17	BILLS PAYABLE		
	In Pakistan	363,712	451,707
18	BORROWINGS		
	Secured		
	Borrowing from State Bank of Pakistan (SBP):		
	Redeemable preference shares	18.1 -	54,461,536
	Repurchase agreement borrowings	207,825,296	251,568,896
	Repurchase agreement borrowings - others	22,431,572	13,014,346
	Borrowings from other banks	-	19,385,015
	Total secured	<u>230,256,868</u>	<u>338,429,793</u>
	Unsecured		
	Borrowing from Federal Government:		
	Preference shares	18.1 54,461,536	-
	Call borrowings	39,088,265	69,637,176
		<u>323,806,669</u>	<u>408,066,969</u>

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

	(Un-audited) September 30, 2025	(Audited) December 31, 2024
... Rupees in '000 ...		
19	DEPOSITS AND OTHER ACCOUNTS	
	Customers - local currency	
	Current deposits	7,900,973 | 10,175,082
	Saving deposits	11,766,478 | 11,935,409
	Term deposits	25,684,681 | 31,712,703
	Others	335,913 | 187,903
		<u>45,688,045</u> | <u>54,011,097</u>
	Financial Institutions - local currency	
	Current deposits	180,545 | 126,063
	Saving deposits	451,285 | 951,369
		<u>631,830</u> | <u>1,077,432</u>
		<u>46,319,875</u> | <u>55,088,529</u>

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

20 LEASE LIABILITIES

Outstanding amount at the start of the period / year	997,225	983,391
Additions during the period / year	330,906	270,098
Lease payments including interest	(262,506)	(336,217)
Interest expense	100,101	126,658
Remeasurement	(72,200)	(46,705)
Outstanding amount at the end of the period / year	1,093,526	997,225

20.1 Liabilities Outstanding

Short-term lease liabilities - within one year	31,389	82,572
Long-term lease liabilities		
- 1 to 5 years	489,344	425,336
- 5 to 10 years	491,671	429,234
- More than 10 years	81,122	60,083
	1,062,137	914,653
Total lease liabilities	1,093,526	997,225

21 OTHER LIABILITIES

Mark-up / return / interest payable in local currency on:		
- borrowings	1,030,318	3,407,005
- deposits and other accounts	2,653,281	2,515,502
Accrued expenses	696,517	1,746,765
Taxation (provisions less payments)	292,777	-
Net liabilities relating to Bangladesh	189	189
Payable to Ministry of Food Agriculture & Livestock	168,000	168,000
Provision for:		
- pension scheme	6,948,064	6,344,733
- employees' post retirement medical benefits	11,067,985	10,439,311
- employees' compensated absences	2,161,230	2,153,930
- gratuity scheme of the company	456,853	420,541
Due to Islamic Banking	7,609	-
Security deposits	32,391	23,010
Deferred income	8,725	9,058
Clearing and settlement	440,392	-
Others	1,310,868	2,062,342
	27,275,199	29,290,386

	(Un-audited) September 30, 2025	(Audited) December 31, 2024
	... Rupees in '000 ...	
22 SURPLUS ON REVALUATION OF ASSETS - NET OF TAX		
Surplus on revaluation of:		
- securities measured at FVOCI - Equity	3,517,955	3,118,309
- securities measured at FVOCI - Debt	1,669,888	1,657,923
	<u>5,187,843</u>	<u>4,776,232</u>
Deferred tax on surplus on revaluation of:		
- securities measured at FVOCI - Equity	(1,829,337)	(1,652,704)
- securities measured at FVOCI - Debt	(868,342)	(878,699)
	<u>2,490,164</u>	<u>2,244,829</u>

23 CONTINGENCIES AND COMMITMENTS

23.1 Contingent liabilities

In respect of cases filed against the Bank:

23.1.1	by borrowers; 497 (December 31, 2024: 402) cases	676,636	338,547
23.1.2	by employees; 386 (December 31, 2024: 417) cases	274,599	276,281
23.1.3	This include employees pension related litigations for addition of certain allowances in pensionable pay. These cases are under adjudication in the Honorable Supreme Court of Pakistan. The financial impact of these cases are not quantifiable at this point of time. In the opinion of the legal advisor favorable outcomes of these contingencies is expected, hence, no provision is incorporated in these financial statements.		

23.2 Tax related contingencies

- Zarai Taraqiati Bank Limited

23.2.1 Income tax

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

23.2.2 Federal excise duties / Sales tax

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

- Kissan Support Services (Private) Limited

- 23.2.3** Sales Tax Department (STD) served show cause notice dated March 16, 2023 for the tax period Jan to Dec 2018 vide which the Company was required to charge and pay sales tax on sales and services declared in income tax return / audited financial statements at Rs. 1,289.021 (this is inclusive of reimbursable expenses) for the tax period 2018, whereas, declared sales in sales tax return for the corresponding tax period stand at Rs. 138.652 million (service charges value only) therefore sales tax amounting to Rs. 184.059 million is recoverable from the Company u/s 11(2) of STA, 1990 read with ICT (Tax on Services) Ordinance, 2001. Moreover, STD claims sales tax recoverable Rs. 0.732 million due to disposal of vehicles and purchase of fixed assets thus, total claim of the STD is Rs.184.791 million. Management submitted reply on dated April 10, 2023 through tax consultant and an hearing was conducted on May 2, 2023 but decision is still pending, this unjustified tax demand is likely to be deleted. No provision has been made as the management is confident that the case will be decided in favor of the Company.
- 23.2.4** An order was passed by STD u/s 11(2) dated January 23, 2023 vide which the Company was required to charge and pay sales tax on sales and services declared in income tax return / audited financial statements at Rs. 1,137.504 million (this is inclusive of reimbursable expenses) for the tax year 2021, whereas, declared sales in sales tax return for the corresponding tax year stand at Rs. 121.633 million (this is only service charges) therefore sales tax amounting to Rs. 162.539 million is recoverable from the Company along with default surcharges and penalty amounting to Rs. 39.610 million and Rs. 8.252 million respectively. An appeal was filed before Commissioner Inland Revenue (Appeal-IV) on February 2, 2023 and an hearing was conducted on Jul 6, 2023. The CIR (Appeal-IV) has remanded the case back to the STD for reconsideration. However, the case has not yet been taken up by the FBR. No provision has been made as the management is confident that this unjustified tax demand will likely be deleted and the case will be decided in favor of the Company.
- 23.2.5** An order was passed by tax department u/s 122(5A) dated June 11, 2022 vide which Department raised tax demand amounting to Rs. 8.683 million against erroneous refund adjustment made by the Company for the tax year 2016. An appeal was filed before CIR (Appeal-IV) who has annulled this unjustified demand vide order dated December 2, 2022. However, the department has filed second appeal with ATIR, Islamabad which is pending for adjudication. No provision has been made as the management is confident that the decision will be decided in the favor of the Company.
- 23.2.6** The Officer Inland Revenue LTU, Islamabad has initiated proceedings against the Company u/s 161/205 of the Income Tax Ordinance, 2001 for the tax year 2009 and 2011 and created a demand of Rs.32 million. The Company submitted detailed reply in June 2015 against the show cause with complete documentary evidences, the case is pending for adjudication. No provision has been made in these accounts as the management is confident that the decision of the case will be decided in the favor of Company.
- 23.2.7** The Company is facing claims launched in various courts filed by the employees, pertaining to service status, dismissal from service and entry into company's premises and others. The matters are still pending before the courts. As no amount is involved in most of the cases, therefore, the liability is not accurately quantifiable (December 31, 2024: same as mentioned).

	(Un-audited) September 30, 2025	(Audited) December 31, 2024
	... Rupees in '000 ...	
23.3 Commitments against		
Capital expenditures	1,283,689	1,253,127
Consultancy expenditures	6,274	7,770

		(Un-audited)	
		September 30, 2025	September 30, 2024
		... Rupees in '000 ...	
24	MARK-UP / RETURN / INTEREST EARNED	Note	
	Loans and advances		17,966,802
	Investments		28,229,650
	Securities purchased under resale agreement		291,373
	Call money lendings		395,374
	Balances with banks		1,323,916
			<u>48,207,115</u>
			<u>20,975,118</u>
24.1	Interest income recognised on:		
	Financial assets measured at amortised cost		19,977,465
	Financial assets measured at FVOCI		26,185,205
			<u>46,162,670</u>
			<u>24,357,104</u>
			<u>58,816,624</u>
			<u>83,173,728</u>
25	MARK-UP / RETURN / INTEREST EXPENSED		
	Deposits		4,077,195
	Redeemable preference shares - SBP		1,689,800
	Securities sold under repurchased agreement		19,829,319
	Call borrowings		3,027,633
	Bank commission and other charges		30,459
	On lease liability against right-of-use assets		100,101
			<u>28,754,507</u>
			<u>7,057,506</u>
			<u>3,063,461</u>
			<u>54,311,930</u>
			<u>4,965,314</u>
			<u>19,053</u>
			<u>88,286</u>
			<u>69,505,550</u>
26	FEE & COMMISSION INCOME		
	Branch banking customer fees		32,270
	Credit related fees		741,349
	Commission on remittances including home remittances		2,434
			<u>776,053</u>
			<u>46,779</u>
			<u>154,495</u>
			<u>2,003</u>
			<u>203,277</u>
27	GAIN ON SECURITIES		
	Realised	27.1	973,553
	Unrealised - Measured at FVPL	9.1	(240)
			<u>973,313</u>
			<u>1,544,056</u>
			<u>-</u>
			<u>1,544,056</u>
27.1	Realised gain on: Federal Government Securities		<u>973,553</u>
			<u>1,544,056</u>
28	OTHER INCOME		
	Rent on property		27,917
	Gain on sale of fixed assets - net		5,895
	Gain on sale of non banking assets - net		15,606
	Deferred income amortization		340
	Discount income		1,452,549
	Others	28.1	26,183
			<u>1,528,490</u>
			<u>25,013</u>
			<u>9,429</u>
			<u>26,395</u>
			<u>358</u>
			<u>1,297,418</u>
			<u>49,798</u>
			<u>1,408,411</u>
28.1	Other includes sale of scrap, sale of tender forms, recoveries against penalties imposed by SBP and private use of vehicle etc.		

		(Un-audited)	
		September 30, 2025	September 30, 2024
		... Rupees in '000 ...	
29	OPERATING EXPENSES	Note	
	Total compensation expense		8,108,949 7,994,665
	Property expense		
	Rent & taxes		17,676 17,350
	Insurance		54,191 46,293
	Utilities cost		320,708 361,472
	Repair and maintenance (including janitorial charges)		200,642 246,407
	Depreciation		28,095 27,347
	Depreciation - right of use assets		216,261 196,577
			837,573 895,446
	Information technology expenses		
	Software maintenance		273,887 184,624
	Hardware maintenance		156,141 66,708
	Depreciation		104,997 48,592
	Amortisation		75,728 89,246
	Network charges		115,417 76,338
			726,170 465,508
	Other operating expenses		
	Directors' fees and allowances		16,838 9,250
	Legal & professional charges		130,792 159,025
	Travelling & conveyance		92,775 73,381
	NIFT clearing charges		27,647 13,840
	Depreciation		93,999 82,674
	Training & development		39,258 31,140
	Postage & courier charges		23,437 27,436
	Communication		17,660 20,048
	Stationery & printing		70,671 62,121
	Marketing, advertisement & publicity		46,426 2,509
	Auditors Remuneration		2,573 663
	Motor vehicle expenses		525,339 529,503
	Others		214,392 166,246
			<u>10,974,499</u> <u>10,533,455</u>
30	OTHER CHARGES		
	Penalties imposed by SBP		<u>12,469</u> <u>1,469</u>
31	CREDIT LOSS ALLOWANCE AND WRITE-OFFS - NET		
	Reversal of credit loss allowance against balances with other banks		2,943 -
	Reversal of credit loss allowance against lending to financial institutions		(2,419) -
	Reversal of credit loss allowance for diminution in value of investments		(17) -
	Credit loss allowance against loans & advances	10.3	1,177,113 2,894,800
	Fixed assets charged-off		863 2,524
	Reversal of credit loss allowance against other assets	15.1.1	34,246 (2,651)
	Recovery of written off / charged off bad debts		(6,728,210) (6,143,589)
			<u>(5,515,481)</u> <u>(3,248,916)</u>

		(Un-audited)	
		September 30, 2025	September 30, 2024
		... Rupees in '000 ...	
32	TAXATION		
	Current	7,306,124	5,524,977
	Prior year	183,062	-
	Deferred	1,610,827	366,886
		<u>9,100,013</u>	<u>5,891,863</u>
		(Un-audited)	
		September 30, 2025	September 30, 2024
33	EARNINGS PER SHARE - BASIC AND DILUTED		
	Profit after tax for the period	8,267,893	6,750,327
	Weighted average number of ordinary shares outstanding	<u>5,267,843,241</u>	<u>5,267,843,241</u>
	Earnings per share - basic and diluted (Rupees)	<u>1.57</u>	<u>1.28</u>
33.1	There is no dilutive effect on the basic earnings per share of the Group.		
		(Un-audited)	
		September 30, 2025	September 30, 2024
		... Rupees in '000 ...	
34	OPERATING LOSS BEFORE WORKING CAPITAL CHANGES		
	Profit before taxation	17,367,906	12,642,190
	Less: Dividend income	(108,929)	(55,972)
		<u>17,258,977</u>	<u>12,586,218</u>
	Adjustments:		
	Net mark-up / interest income	(19,452,608)	(16,716,482)
	Depreciation	227,091	158,613
	Depreciation on right-of-use assets	216,261	196,577
	Amortization	75,728	89,246
	Amortization of deferred income	(340)	(358)
	Markup on lease liability on right-of-use assets	100,101	88,286
	Credit loss allowance and write-offs	1,212,729	2,894,673
	Provision for employees post retirement medical benefits	996,081	1,212,087
	Charge for defined benefit plans - net	901,615	1,048,002
	Gain on sale of non banking assets acquired in satisfaction of claims - net	(15,606)	(26,395)
	Gain on securities	(973,313)	(1,544,056)
	Gain on sale of operating fixed assets	(5,895)	(9,429)
		<u>(16,718,156)</u>	<u>(12,609,236)</u>
		<u>540,821</u>	<u>(23,018)</u>
35	CASH AND CASH EQUIVALENTS		
	Cash and balances with treasury banks	2,627,580	3,077,291
	Balances with other banks	31,645,445	9,936,343
		<u>34,273,025</u>	<u>13,013,634</u>

36 FAIR VALUE MEASUREMENT

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

36.1 Fair value of financial assets

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

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

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

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

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

	<u>September 30, 2025 (Un-audited)</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
	..... Rupees in '000			
On balance sheet financial instruments				
Financial assets measured at fair value				
Investments				
- Federal Government Securities	-	280,129,199	-	280,129,199
- Shares	3,607,251	-	-	3,607,251
- Debt securities (TFCs, Sukuk)	2,275,360	-	-	2,275,360
	<u>5,882,611</u>	<u>280,129,199</u>	<u>-</u>	<u>286,011,810</u>
	<u>5,882,611</u>	<u>280,129,199</u>	<u>-</u>	<u>286,011,810</u>

December 31, 2024 (Audited)

	Level 1	Level 2	Level 3	Total
	..... Rupees in '000			
On balance sheet financial instruments				
Financial assets measured at fair value				
Investments				
- Federal Government Securities	-	370,614,398	-	370,614,398
- Shares	3,207,605	-	-	3,207,605
- Debt securities (TFCs, Sukuk)	2,352,450	-	-	2,352,450
	5,560,055	370,614,398	-	376,174,453
	5,560,055	370,614,398	-	376,174,453

36.2 Valuation technique used & key inputs

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

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

36.3 Fair value of non-financial assets

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

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

37 SEGMENT INFORMATION

37.1 Segment Details with respect to Business Activities:

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

	September 30, 2025 (Un-audited)				
	Branch banking & agri financing	Treasury	Islamic banking	Kissan Support Services Limited	Total
	..... Rupees in '000				
Profit & Loss					
Net mark-up / return / profit	11,057,840	8,272,338	122,430	-	19,452,608
Inter segment revenue - net	2,322,462	(2,497,231)	-	174,769	-
Non mark-up / return / interest income	2,114,845	1,082,242	5,921	183,777	3,386,785
Total Income	15,495,147	6,857,349	128,351	358,546	22,839,393
Segment direct expenses	10,639,649	62,208	229,216	55,895	10,986,968
Inter segment expense allocation	(53,533)	-	-	53,533	-
Total expenses	10,586,116	62,208	229,216	109,428	10,986,968
Credit loss allowance	(5,515,481)	-	-	-	(5,515,481)
Profit / (loss) before tax	10,424,512	6,795,141	(100,865)	249,118	17,367,906
Balance Sheet					
Cash & Bank balances	2,620,840	31,390,132	222,504	35,122	34,268,598
Investments	-	284,682,932	1,328,878	-	286,011,810
Net inter segment lendings	14,193,645	-	-	1,950,719	16,144,364
Lendings to financial institutions	-	9,812,277	3,308,072	-	13,120,349
Advances - performing	112,158,760	-	43,311	-	112,202,071
- non-performing (net of credit loss allowance)	3,638,823	-	-	-	3,638,823
Others	28,113,835	11,507,631	2,052,598	213,228	41,887,293
Total Assets	160,725,903	337,392,972	6,955,362	2,199,068	507,273,305
Borrowings	-	320,369,669	3,437,000	-	323,806,669
Subordinated debt	-	-	-	-	-
Deposits & other accounts	45,023,301	-	1,296,574	-	46,319,875
Net inter segment borrowing	1,950,719	13,593,645	500,000	100,000	16,144,364
Others	25,381,324	1,023,723	1,737,559	589,831	28,732,437
Total Liabilities	72,355,344	334,987,037	6,971,133	689,831	415,003,345
Equity	88,270,562	2,505,935	(15,771)	1,509,237	92,269,963
Total Equity & Liabilities	160,625,906	337,492,972	6,955,362	2,199,068	507,273,308
Contingencies & Commitments	95,930,018	-	-	435,876	96,365,894

September 30, 2024 (Un-audited)

	Branch banking & agri financing	Treasury	Islamic banking	Kissan Support Services Limited	Total
	..... Rupees in '000				
Profit & Loss					
Net mark-up / return / profit	10,013,092	6,499,663	203,530	197	16,716,482
Inter segment revenue - net	3,367,042	(3,579,569)	-	212,527	-
Non mark-up / return / interest income	1,442,736	1,600,028	3,035	165,917	3,211,716
Total Income	14,822,870	4,520,122	206,565	378,641	19,928,198
Segment direct expenses	10,252,635	51,373	169,182	61,734	10,534,924
Inter segment expense allocation	(51,788)	-	-	51,788	-
Total expenses	10,200,847	51,373	169,182	113,522	10,534,924
Credit loss allowance	(3,248,916)	-	-	-	(3,248,916)
Profit before tax	7,870,939	4,468,749	37,383	265,119	12,642,190

December 31, 2024 (Audited)

	Branch banking & agri financing	Treasury	Islamic banking	Kissan Support Services Limited	Total
	..... Rupees in '000				
Balance Sheet					
Cash & Bank balances	3,785,190	6,550,505	267,541	15,140	10,618,376
Investments	-	374,517,656	1,656,797	-	376,174,453
Net inter segment lending	68,661,115	-	-	1,812,431	70,473,546
Lendings to financial institutions	-	17,300,072	13,650,000	-	30,950,072
Advances - performing	101,613,315	-	8,032	-	101,613,315
- non-performing (net of credit loss allowance)	7,499,863	-	-	-	7,499,863
Others	35,496,078	13,737,680	1,340,506	213,176	50,787,440
Total Assets	217,055,561	412,105,913	16,922,876	2,040,747	648,125,097
Borrowings	54,461,536	339,805,433	13,800,000	-	408,066,969
Subordinated debt	-	-	-	-	-
Deposits & other accounts	53,733,563	-	1,354,966	-	55,088,529
Net inter segment borrowing	1,812,431	68,061,115	500,000	100,000	70,473,546
Others	26,893,629	2,094,536	1,189,325	561,828	30,739,318
Total Liabilities	136,901,159	409,961,084	16,844,291	661,828	564,368,362
Equity	80,054,402	2,244,829	78,585	1,378,919	83,756,735
Total Equity & Liabilities	216,955,561	412,205,913	16,922,876	2,040,747	648,125,097
Contingencies & Commitments	96,622,040	-	-	435,876	97,057,916

39 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

	(Un-audited) September 30, 2025	(Audited) December 31, 2024
	... Rupees in '000 ...	
Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	52,678,432	52,678,432
Capital Adequacy Ratio:		
Eligible Common Equity Tier 1 (CET 1) Capital	85,445,718	74,684,118
Eligible Additional Tier 1 (ADT 1) Capital	-	-
Total Eligible Tier 1 Capital	85,445,718	74,684,118
Eligible Tier 2 Capital	4,413,256	4,174,704
Total Eligible Capital (Tier 1 + Tier 2)	89,858,974	78,858,822
Risk Weighted Assets (RWAs):		
Credit Risk	153,847,388	154,389,975
Market Risk	19,253,438	20,718,775
Operational Risk	43,898,575	43,898,575
Total	216,999,401	219,007,325
Common Equity Tier 1 Capital Adequacy Ratio	39.38%	34.10%
Tier 1 Capital Adequacy Ratio	39.38%	34.10%
Total Capital Adequacy Ratio	41.41%	36.01%
Leverage Ratio (LR):		
Eligible Tier-1 Capital	85,445,718	74,684,118
Total exposures	491,247,327	577,770,414
Leverage ratio	17.39%	12.93%
Liquidity Coverage Ratio (LCR):		
Total High Quality Liquid Assets	71,604,938	75,177,791
Total Net Cash Outflow	24,553,996	32,376,518
Liquidity Coverage Ratio	292%	232%
Net Stable Funding		
Total Available Stable Funding	185,290,073	200,257,341
Total Required Stable Funding	157,005,413	162,878,163
Net Stable Funding Ratio	118%	123%

40 ISLAMIC BANKING BUSINESS

The Group is operating 35 (December 31, 2024: 25) Islamic banking branches and 1 (December 31, 2024: 0) Islamic Banking Windows as at September 30, 2025.

	Note	(Un-audited) September 30, 2025	(Audited) December 31, 2024
Rupees in '000			
ASSETS			
Cash and balances with treasury banks		128,039	141,150
Balances with other banks		94,465	126,391
Due from financial institutions	40.1	3,308,072	13,650,000
Investments	40.2	1,328,878	1,656,797
Islamic financing and related assets - net	40.3	43,311	8,032
Property and equipment		123,929	120,687
Intangible assets		-	-
Due from Head Office		-	-
Other assets		1,928,669	1,219,819
Total Assets		6,955,363	16,922,876
LIABILITIES			
Bills payable		24,446	4,435
Due to financial institutions		3,437,000	13,800,000
Deposits and other accounts	40.4	1,296,574	1,354,966
Due to Head Office		1,626,656	963,273
Subordinated debt		-	-
Other liabilities		86,457	221,617
Total Liabilities		6,471,133	16,344,291
NET ASSETS		484,230	578,585
REPRESENTED BY			
Islamic Banking Fund		500,000	500,000
Reserves		-	-
Surplus on revaluation of assets		18,468	11,953
Unappropriated (loss) / profit	40.5	(34,238)	66,632
		484,230	578,585
CONTINGENCIES AND COMMITMENTS	40.6		

The profit and loss account of the Bank's Islamic banking branches is as follows:

	Note	(Un-audited)	
		September 30, 2025	September 30, 2024
Rupees in '000			
Profit / return earned	40.7	1,007,771	1,578,837
Profit / return expensed	40.8	885,341	1,375,307
Net Profit / return		<u>122,430</u>	<u>203,530</u>
Other income			
Fee and Commission Income		2,240	3,035
Dividend Income		-	-
Foreign Exchange Income		-	-
Income / (loss) from derivatives		-	-
Gain / (loss) on securities		3,681	-
Other Income		-	-
Total other income		<u>5,921</u>	<u>3,035</u>
Total Income		<u>128,351</u>	<u>206,565</u>
Other expenses			
Operating expenses		229,216	169,182
Workers Welfare Fund		-	-
Other charges		-	-
Total other expenses		<u>229,216</u>	<u>169,182</u>
Profit before credit loss allowance		<u>(100,865)</u>	<u>37,383</u>
Credit loss allowance and write offs - net		-	-
Profit before taxation		<u>(100,865)</u>	<u>37,383</u>
Taxation		-	16,854
(Loss) / profit after taxation		<u>(100,865)</u>	<u>20,529</u>

40.1 Due from financial institutions

	September 30, 2025 (Un-audited)			December 31, 2024 (Audited)		
	In local currency	In foreign currency	Total	In local currency	In foreign currency	Total
	..... Rupees in '000					
Secured :						
Bai Muajjal Receivable from State Bank of Pakistan	208,072	-	208,072	-	-	-
Musharakah / Mudarabah	3,100,000		3,100,000	600,000	-	600,000
	<u>3,308,072</u>	<u>-</u>	<u>3,308,072</u>	<u>600,000</u>	<u>-</u>	<u>600,000</u>

40.2 Investments by segments

	September 30, 2025 (Un-audited)				December 31, 2024 (Audited)			
	Cost / amortised cost	Credit loss allowance for diminution	Surplus / (deficit)	Carrying value	Cost / amortised cost	Credit loss allowance for diminution	Surplus / (deficit)	Carrying value
	..... Rupees in '000							
Federal Government securities								
Ijarah sukuk	1,027,180	-	17,479	1,044,659	1,317,277	-	2,624	1,319,901
Non Government Debt Securities								
Listed securities	283,230	-	989	284,219	382,345	-	1,715	384,060
Total investments	<u>1,310,410</u>	<u>-</u>	<u>18,468</u>	<u>1,328,878</u>	<u>1,699,622</u>	<u>-</u>	<u>4,339</u>	<u>1,703,961</u>

	(Un-audited) September 30, 2025	(Audited) December 31, 2024
	... Rupees in '000 ...	
40.3 Islamic financing and related assets		
Ijarah	2,649	-
Diminishing Musharaka	40,662	8,032
Gross Islamic financing and related assets	<u>43,311</u>	<u>8,032</u>
Less: Credit loss allowance against Islamic financings		
- Specific	-	-
- General	-	-
	<u>43,311</u>	<u>8,032</u>
40.4 Deposits		
Customers - local currency		
Current deposits	310,962	392,796
Savings deposits	868,597	719,767
Term deposits	20,745	242,165
Others	96,270	238
	<u>1,296,574</u>	<u>1,354,966</u>
Financial Institutions		
Current deposits	-	-
Savings deposits	-	-
Term deposits	-	-
	<u>1,296,574</u>	<u>1,354,966</u>
40.5 Islamic Banking Business Unappropriated Profit / (Loss)		
Opening Balance	66,632	48,202
Add: Islamic Banking (loss) / profit for the period	(100,865)	41,002
Less: Taxation	-	22,572
Closing Balance	<u>(34,233)</u>	<u>66,632</u>
40.6 Contingencies and Commitments		
40.6.1 There are no contingencies outstanding against Islamic banking as the reporting date (December 31, 2024: nil)		
40.6.2 There are no commitments made by the Islamic banking as the reporting date (December 31, 2024: nil)		

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

40.7 Profit / return earned of financing, investments and placement

Profit earned on:

Financing	2,717	226
Investments	203,495	273,151
Placements	801,559	1,305,460
	1,007,771	1,578,837

40.8 Profit on deposits and other dues expensed

Deposits and other accounts	205,562	193,636
Commission and other charges	1,238	-
Call borrowings	678,541	1,181,671
	885,341	1,375,307

41 CORRESPONDING FIGURES

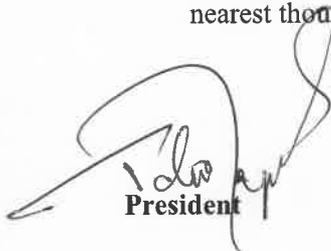
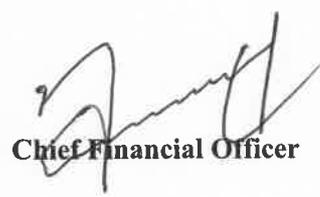
Corresponding figures have been rearranged, reclassified or additionally incorporated in these consolidated condensed interim financial statements (un-audited) wherever necessary to facilitate comparison and better presentation.

42 DATE OF AUTHORIZATION FOR ISSUE

These consolidated condensed interim financial statements (un-audited) were authorized for issue on 29 OCT 2025 by the Board of Directors of the Bank.

43 GENERAL

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

 President	 Chief Financial Officer	 Director	 Director	 Director
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