

**ASA MICROFINANCE BANK (PAKISTAN) LTD**  
**CONDENSED INTERIM FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED**  
**30 September 2024**

**ASA MICROFINANCE BANK (PAKISTAN) LTD**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 SEPTEMBER 2024**

		(Un-audited) September 30 2024	(Audited) December 31, 2023
	Note	----- (Rupees in '000) -----	
<b>ASSETS</b>			
Cash and balances with treasury banks	6	512,239	18,837
Balances with other MFBs / Banks / NBFIs	7	2,441,012	1,180,035
Lendings to financial institutions		-	-
Investments	8	1,500,030	-
Advances	9	22,712,111	19,321,846
Property and equipment	10	411,408	427,151
Right-of-use assets	11	204,384	225,016
Intangible assets	12	399,043	126,160
Deferred tax assets	13	715,278	1,231,325
Other assets	14	872,181	707,194
		29,767,686	23,237,563
<b>LIABILITIES</b>			
Bills payable		-	-
Borrowings	15	12,855,896	8,025,344
Deposits and other accounts		-	-
Lease liabilities	16	168,320	189,752
Subordinated debt		-	-
Deferred grants		-	-
Deferred tax liabilities		-	-
Other liabilities	17	6,559,108	4,725,534
		19,583,325	12,940,630
		10,184,361	10,296,933
<b>NET ASSETS</b>			
<b>REPRESENTED BY</b>			
Share capital		1,500,000	1,500,000
Reserves		997,766	494,572
Surplus/ (Deficit) on revaluation of assets		-	-
Unappropriated / Unremitted profit		7,686,594	8,302,361
		10,184,361	10,296,933

**CONTINGENCIES AND COMMITMENTS**

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The annexed notes 1 to 30 form an integral part of these condensed interim financial statements.

**Saeed Uddin Khan**  
**President and**  
**Chief Executive Officer**

**Shoaib Shamim**  
**Chief Financial**  
**Officer**

**Karin Anne Maria Kersten**  
**Chairperson**

**M Kamran Shehzad**  
**Director**

**Mischa John Assink**  
**Director**

**ASA MICROFINANCE BANK (PAKISTAN) LTD**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE PERIOD ENDED 30 SEPTEMBER 2024**

Note	Quarter Ended		Period Ended		
	July - September 2024	July - September 2023	January - September 2024	January - September 2023	
	----- (Rupees in '000) -----				
Mark-up / Return / Interest earned	19	3,452,815	2,541,870	9,140,912	6,955,028
Mark-up / Return / Interest expensed	20	(704,157)	(537,555)	(1,780,779)	(1,706,909)
Net mark-up / interest income		2,748,658	2,004,316	7,360,133	5,248,118
<b>NON MARK-UP / INTEREST INCOME</b>					
Fee and commission income		-	-	-	-
Dividend income		-	-	-	-
Foreign exchange (loss) / Income		(11,980)	(15,465)	(15,004)	(101,551)
Income / (Loss) from derivatives		-	-	-	-
Gain / (Loss) on securities		-	-	-	-
Net gain / (loss) on derecognition of financial assets		-	-	-	-
Other income / (loss)	21	(100,370)	289,686	(93,779)	297,073
Total non-markup / interest Income		(112,350)	274,222	(108,783)	195,522
Total income		2,636,308	2,278,538	7,251,350	5,443,640
<b>NON MARK-UP / INTEREST EXPENSES</b>					
Operating expenses	22	(1,005,486)	(966,437)	(2,959,503)	(2,297,208)
Workers welfare fund		-	-	-	-
Other charges		-	-	-	-
Total non-markup / interest expenses		(1,005,486)	(966,437)	(2,959,503)	(2,297,208)
Profit before expected credit loss allowance		1,630,822	1,312,101	4,291,847	3,146,433
Credit loss allowance and write offs - net	23	(261,363)	(59,418)	(160,037)	(129,890)
Other income / expense		-	-	-	-
<b>PROFIT BEFORE TAXATION</b>		1,369,459	1,252,683	4,131,810	3,016,543
Taxation	24	(309,939)	(463,942)	(1,611,060)	(1,339,088)
<b>PROFIT AFTER TAXATION</b>		1,059,519	788,741	2,520,750	1,677,455
----- Rupees -----					
<b>Basic and diluted earnings per share</b>	25	706.35	525.83	1,680.50	1,118.30

The annexed notes 1 to 30 form an integral part of these condensed interim financial statements.

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**ASA MICROFINANCE BANK (PAKISTAN) LTD**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE PERIOD ENDED 30 SEPTEMBER 2024**

	<b>Quarter Ended</b>		<b>Period Ended</b>	
	<b>July - September 2024</b>	<b>July - September 2023</b>	<b>January - September 2024</b>	<b>January - September 2023</b>
	<b>----- (Rupees in '000) -----</b>			
Profit after taxation for the period	<b>1,059,519</b>	788,741	<b>2,520,750</b>	1,677,455
<b>Other comprehensive income</b>				
<b>Items that may be reclassified to profit and loss account in subsequent periods:</b>				
Movement in hedge accounting reserve - net of tax	<b>(80,592)</b>	405,345	<b>(131,323)</b>	6,087
<b>Total comprehensive income</b>	<b>978,927</b>	1,194,086	<b>2,389,427</b>	1,683,541

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**ASA MICROFINANCE BANK (PAKISTAN) LTD**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED 30 SEPTEMBER 2024**

	Share capital	Share premium	Statutory reserve	Hedge accounting reserve	Depositors' protection fund	Unappropriated profit	Total
	(Rupees in '000)						
<b>Opening Balance as at January 1, 2023</b>	<b>1,500,000</b>	<b>1</b>	<b>-</b>	<b>373,639</b>	<b>-</b>	<b>7,395,913</b>	<b>9,269,552</b>
Profit after taxation (June 30, 2023)	-	-	-	-	-	923,476	923,476
Other comprehensive income - net of tax	-	-	-	(399,260)	-	-	(399,260)
<b>Transactions with owners, recorded directly in equity</b>							
Final dividend @ 66.7% for the year ended 31 December 2022	-	-	-	-	-	(1,000,500)	(1,000,500)
<b>Opening Balance as at July 01, 2023</b>	<b>1,500,000</b>	<b>1</b>	<b>-</b>	<b>(25,621)</b>	<b>-</b>	<b>7,318,888</b>	<b>8,793,268</b>
Profit after taxation (December 31, 2023)	-	-	-	-	-	1,549,387	1,549,387
Other comprehensive income - net of tax	-	-	-	(51,561)	-	5,839	(45,721)
Transfer to statutory reserve	-	-	494,572	-	-	(494,572)	-
Transfer to depositors' protection fund	-	-	-	-	-	-	-
<b>Opening Balance as at January 1, 2024</b>	<b>1,500,000</b>	<b>1</b>	<b>494,572</b>	<b>(77,182)</b>	<b>-</b>	<b>8,379,543</b>	<b>10,296,933</b>
Profit after taxation for the quarter September 2024	-	-	-	-	-	2,520,750	2,520,750
Other comprehensive income - net of tax	-	-	-	(131,323)	-	-	(131,323)
Transfer to statutory reserve	-	-	503,194	-	-	(503,194)	-
Transfer to depositors' protection fund	-	-	-	-	-	-	-
<b>Transactions with owners, recorded directly in equity</b>							
Final dividend @ 100% for the year ended December 31, 2023	-	-	-	-	-	(1,500,000)	(1,500,000)
Interim dividend @ 33.40% for the quarter ended March 31, 2024	-	-	-	-	-	(501,000)	(501,000)
Interim dividend @ 33.40% for the half year ended 30 June 2024	-	-	-	-	-	(501,000)	(501,000)
<b>Closing balance as at September 30, 2024</b>	<b>1,500,000</b>	<b>1</b>	<b>997,766</b>	<b>(208,504)</b>	<b>-</b>	<b>7,895,098</b>	<b>10,184,361</b>

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**ASA MICROFINANCE BANK (PAKISTAN) LTD**  
**CASH FLOW STATEMENT**  
**FOR THE PERIOD ENDED 30 SEPTEMBER 2024**

	(Un-audited) September 30 2024	(Un-audited) September 30 2023
Note	2024	2023
	-----Rupees in '000-----	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	4,131,810	3,016,543
Adjustments:		
Depreciation	118,737	52,867
Depreciation on right-of-use assets	89,090	98,238
Amortization	20,837	-
Mark-up / Return / Interest expense on lease liability against right-of-use assets	27,097	17,617
Amortization of hedge points	394,587	466,271
Loss/ (gain) on sale / disposal of property and equipment	-	-
Provision against non-performing loans and advances - net	143,716	77,796
Other provisions / write-offs	23,457	71,711
Bad debts written off directly	(7,136)	(19,953)
Charge for defined benefit plan	142,936	58,926
	953,321	823,473
(Increase) / Decrease in operating assets		
Advances	(3,550,303)	(2,021,606)
Other assets (excluding unrealized gain on foreign exchange forward contracts)	(164,987)	498,096
	(3,715,290)	(1,523,511)
Increase / (Decrease) in operating liabilities		
Borrowings	4,435,965	(3,404,475)
Other liabilities (excluding dividend payable, payable to defined benefit plan, current tax provision and unrealized loss on foreign exchange forward contracts)	691,062	302,577
	5,127,027	(3,101,898)
Income tax paid	(2,206,068)	(561,614)
Benefits paid	(37,004)	(6,923)
<i>Net cash flows generated from / (used in) operating activities</i>	<b>4,253,795</b>	<b>(1,353,930)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Investments in operating fixed assets	(396,714)	(269,625)
Sale proceeds from disposal of operating fixed assets	-	-
Investment in treasury bills	(1,500,030)	-
<i>Net cash flows used in investing activities</i>	<b>(1,896,744)</b>	<b>(269,625)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Payment of lease liability against right-of-use assets	(116,987)	(150,486)
Dividend paid	(485,687)	-
<i>Net cash flows used in financing activities</i>	<b>(602,674)</b>	<b>(150,486)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>1,754,377</b>	<b>(1,774,041)</b>
Cash and cash equivalents at beginning of the year	<b>1,198,872</b>	<b>2,207,987</b>
<b>Cash and cash equivalents at end of the year</b>	<b>2,953,249</b>	<b>433,946</b>

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**ASA MICROFINANCE BANK (PAKISTAN) LTD**  
**NOTES TO THE ACCOUNTS**  
**FOR THE PERIOD ENDED 30 SEPTEMBER 2024**

**1. STATUS AND NATURE OF BUSINESS**

- 1.1** ASA Microfinance Bank (Pakistan) Limited [ASA MFB or the Bank] was incorporated in the Islamic Republic of Pakistan on 19 March 2008, as an unlisted public limited company under the Companies Ordinance, 1984 (repealed by the Companies Act 2017). The registered office of ASA MFB is situated at 7th Floor, NICL Building, Abbasi Shaheed Road, Off Shahrah-e-Faisal, Karachi, Pakistan.
- 1.2** On January 03, 2020, the State Bank of Pakistan (SBP) issued NOC for transformation of the company into a Microfinance Bank, and in February 2021, the Securities & Exchange Commission of Pakistan (SECP), issued a Certificate of Incorporation on change of name. Subsequently on May 24, 2022, SBP issued Microfinance banking license to ASA MFB, as stipulated in the Microfinance Institution Ordinance 2001. On November 13, 2023, SBP allowed 'Commencement of Microfinance Banking Business' to ASA MFB, for performing non deposit taking lending operations nationwide, after ASA MFB met all conditions and requirements related to commencement of business.
- 1.3** As at September 30, 2024, ASA MFB has 369 (2023: 345) business locations comprising of 72 (2023: 72) Hub Branches and 297 (2023: 273) Service Centers in operation in all provinces of Pakistan, including the Federal Capital Islamabad, except Azad Jammu & Kashmir and Gilgit Baltistan, serving the low income and underserved segments, particularly women, as envisaged under the MFI Ordinance 2001.
- 1.4** ASA International Holding situated in Mauritius, is the parent/holding company of ASA MFB which holds 99.99% (2023: 99.99%) shares of The Bank.

**2 BASIS OF PRESENTATION**

These condensed interim financial statements have been prepared in compliance with the format for preparation of the Interim financial statements of Microfinance Banks issued by the SBP, vide its BPRD Circular No. 3 dated February 9, 2023.

**2.1 STATEMENT OF COMPLIANCE**

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Microfinance Institutions Ordinance, 2001 (the MFI Ordinance) and the Companies Act, 2017; and
- directives issued by the SBP and the Securities and Exchange Commission of Pakistan (SECP)

Whenever the requirements of the Microfinance Institution Ordinance, 2001, Companies Act, 2017 or the directives issued by the SBP and the SECP differ with the requirements of IFRS or IFAS, the requirements of the Microfinance Institution Ordinance, 2001, the Companies Act, 2017 and the said directives shall prevail.

The SBP through its BPRD Circular No. 3 of 2022 had extended the effective date of IFRS 9 implementation for MFBs to accounting periods beginning on or after January 1, 2024. The Bank, however, had already adopted IFRS 9 under the previous regime on the effective date set out for companies by the SECP.

The SBP has deferred the applicability of International Accounting Standard (IAS) 40, 'Investment Property' for Banking Companies in Pakistan through BSD Circular Letter 10 dated 26 August 2002 till further instructions. SECP has deferred the applicability of IFRS 7 'Financial Instruments: Disclosures' through its notification S.R.O 411 (I) / 2008 dated 28 April 2008. Accordingly, the requirements of these standards have not been considered in the preparation of these financial statements.

- 2.2** The disclosures made in these condensed interim financial statements have been limited based on International Accounting Standard 34 - "Interim Financial Reporting". Accordingly, these condensed interim financial statements do not include all the information and disclosures required for annual financial statements and should be read in conjunction with the financial statements for the year ended December 31, 2023. Comparative Statement of financial position is stated from the audited annual financial statements as of 31 December 2023, whereas comparative condensed interim profit and loss account, condensed interim other comprehensive income, condensed interim cash flow statement and condensed interim statement of changes in equity are stated from unaudited condensed interim financial statements for the three months period ended 30 September 2023 and nine months ended 30 September 2023.

### 3 MATERIAL ACCOUNTING POLICIES

The material accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those applied in the preparation of the audited annual financial statements of the MFB for the year ended December 31, 2023.

### 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

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

### 5 FINANCIAL RISK MANAGEMENT

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

		(Un-audited) September 30, 2024	(Audited) December 31, 2023
	Note	-----Rupees in '000-----	
<b>6 CASH AND BALANCES WITH TREASURY BANKS</b>			
In hand - Local currency		14,562	16,657
With State Bank of Pakistan in Local currency current account		490,165	-
With National Bank of Pakistan in Local currency current account		1,703	852
Local currency deposit account	6.1	5,809	1,327
		7,512	2,180
Less: Expected credit loss allowance		-	-
Total		512,239	18,837

6.1 This represents deposits carrying markup ranging between 5% to 5.5% per annum (31 Decemeber 2023: 4% to 4.5%).

		(Un-audited) September 30, 2024	(Audited) December 31, 2023
		-----Rupees in '000-----	
<b>7 BALANCES WITH OTHER MFBs / BANKs / NBFIs</b>			
In Pakistan			
- In deposit account	7.1	2,309,012	980,035
- In term deposits	7.2	132,000	200,000
Less: Expected credit loss allowance		-	-
		2,441,012	1,180,035

7.1 This represents deposits with various financial institutions carrying markup ranging between 17.25% to 20.75% per annum (31 Decemeber 2023: 14.5% to 20.5%)

7.2 These carry mark-up ranging from 19% to 20.6% per annum (2023: 16% to 21% per annum) and are given as collateral against borrowings from Pak Oman Investment and Allied Bank Limited, and have maturities within 3 to 12 months.

### 8 INVESTMENTS

#### 8.1 Investments by type:

	(Un-audited) September 30, 2024				(Audited) December 31, 2023			
	Fair Value / Amortised cost	Credit Loss Allowance	Surplus / (Deficit)	Carrying Value	Fair Value / Amortised cost	Credit Loss Allowance	Surplus / (Deficit)	Carrying Value
(Rupees in '000)								
Classified as Amortised Cost								
Market Treasury Bills	1,500,030	-	-	1,500,030	-	-	-	-



- 8.2 This carries mark-up at 21.57% per annum, having maturity up to 3 months.
- 8.3 The market value of securities classified as amortized cost as at September 30, amounted to Rs. 1,500.030/- million (December 31, 2023: Rs. 0/- million).
- 8.4 Expected credit loss on Government Securities has not been estimated due to exemption available under IFRS 9 instructions issued by SBP through Circular No. 3 of 2022 dated July 05, 2022.

9 **ADVANCES**

(Un-audited) September 30, 2024			
Performing		Non Performing	Total
Stage 1	Stage 2	Stage 3	

Note ----- (Rupees in '000) -----

Loan Type

Unsecured

Micro Credits

Others

Advances - gross

22,656,116	192,473	97,729	22,946,318
81,539	-	-	81,539
22,737,656	192,473	97,729	23,027,857

Expected Credit loss allowance against advances

- Stage 1

- Stage 2

- Stage 3

84,598	-	-	84,598
-	134,402	-	134,402
-	-	96,747	96,747
84,598	134,402	96,747	315,748
22,653,057	58,071	982	22,712,111

Advances - net of provisions

Note	(Audited) December 31, 2023	
	Number of loans	(Rupees in '000)
Loan Type		
Unsecured		
Micro credit	615,536	19,472,691
Others	1,191	75,677
Advances - gross	616,727	19,548,368
Less: Provision held		
- Specific	2,252	(23,684)
- General		(202,838)
		(226,522)
Advances - net of provisions		19,321,846

10 **PROPERTY AND EQUIPMENT**

Property and equipment

411,408 427,151

10.1 **Additions to property and equipment**

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

	(Un-audited) September 30, 2024	(Audited) December 31, 2023
	-----Rupees in '000-----	
<b>Property and equipment</b>		
Leasehold land	4,572	140,061
Furniture and fixture	10,591	162,546
Electrical office and computer equipment	19,229	17,006
Office equipment	63,094	167,759
Total	97,486	487,372

**10.2 Disposal of property and equipment**

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

Leasehold land	-	10,835
Furniture and fixture		47
Electrical office and computer equipment	-	701
Office equipment	-	1
Total	-	11,584

**11 RIGHT-OF-USE ASSETS**

- Buildings		
At January 01		
Cost	390,747	196,374
Accumulated Depreciation	(165,731)	(37,167)
Net carrying amount at January 01	225,016	159,207
Additions during the year	68,458	194,373
Depreciation Charge for the year	(89,090)	(128,565)
Net Carrying amount	204,384	225,016

**12 INTANGIBLE ASSETS**

Computer software	399,043	2,773
Capital work-in-progress	-	123,387
	399,043	126,160

**12.1 Additions to intangible assets**

The following additions have been made to intangible assets during the period:

Directly purchased	46,755	-
Capital work-in-progress	-	123,387
Total	46,755	123,387

**13 DEFERRED TAX ASSETS**

Deductible temporary differences on		
- Expected credit loss allowance against loans and advances	34,979	89,702
- Exchange difference on foreign currency borrowings	303,491	734,080
- Disallowed markup expense on foreign currency borrowings	-	17,902
- Unrealised loss on foreign exchange forward contracts	91,140	128,789
- Lease liabilities	78,719	85,627
- Remeasurement gain on defined benefit obligation	280,520	248,231
	788,849	1,304,331
Taxable temporary differences on		
- Property and equipment	(67,237)	(69,031)
- Unamortized processing fee	(6,333)	(3,975)
	(73,570)	(73,006)
	715,279	1,231,325

		(Un-audited) September 30, 2024	(Audited) December 31, 2023			
		-----Rupees in '000-----				
14	OTHER ASSETS					
	Mark-up / return / interest accrued	513,875	355,560			
	Security deposits	5,362	5,187			
	Prepayments	219,320	213,990			
	Advance tax - net	-	28			
	Others.	133,888	135,913			
	Less: Expected credit loss allowance held against other assets	(264)	(3,484)			
		872,181	707,194			
14.1	Expected credit loss allowance held against mark-up / return / interest accrued					
	Opening balance	3,484	1,321			
	Charge for the period / year	1,653	11,686			
	Amount written off	(4,873)	(9,523)			
	Closing balance	264	3,484			
15	BORROWINGS					
	Secured					
	Borrowings from State Bank of Pakistan	2,500,000	-			
	Women Inclusive Finance Program (WIFP)	53,000	-			
	Financial Inclusion and Infrastructure Project through ACFID	2,553,000	-			
	Borrowings from Other Banks / Financial Institutions	10,302,896	8,025,344			
	Total secured	12,855,896	8,025,344			
15.1	Particular of borrowings with respect to domestic/foreign					
	In Pakistan	6,618,648	3,090,369			
	Outside Pakistan	6,237,249	4,934,975			
	Total	12,855,896	8,025,344			
15.2	Details of Borrowings in Pakistan					
		Loan Amount (Rupees in '000)	Agreement Date	Maturity	Repayment frequency	Coupon rate
	State Bank of Pakistan (WIFP)	2,500,000,000	25-Jun-2024	30-Jun-2029	Bullet	6M KIBOR-1%
	State Bank of Pakistan (FIIP)	104,000,000	01-Mar-2024	25-Mar-2027	Bullet	6M KIBOR-1.0%
	Pak Oman Investment Company Limited	300,000,000	21-Oct-2021	27-Jan-2025	Quarterly	6M KIBOR+2%
	United Bank Limited	11,885,450	23-Feb-2022	18-Mar-2025	Quarterly	6M KIBOR+2%
	United Bank Limited	400,000,000	02-Mar-2022	18-Mar-2025	Quarterly	6M KIBOR+2%
	Pakistan Microfinance Investment Company Limited	1,500,000,000	16-Mar-2022	01-Oct-2025	Quarterly	6M KIBOR+3.05%
	Pakistan Microfinance Investment Company Limited	3,187,000,000	21-Mar-2023	30-Sep-2028	Semi-Annually	3M KIBOR+2.95%
	Allied Bank Limited	150,000,000	09-May-2022	18-Nov-2025	Quarterly	6M KIBOR+2.25%
15.3	Details of Borrowings outside Pakistan					
		Loan Amount (USD / EUR)	Agreement Date	Maturity	Repayment frequency	Coupon rate
	Microfinance Enhancement Facility SA, SICAV-SIF	5,000,000	01-Nov-2021	26-Apr-2025	Bullet	6M LIBOR+5.85%
	Dual Return Fund	2,500,000	01-Nov-2021	26-Apr-2025	Bullet	6M LIBOR+5.85%
	GLS Alternative Investments	2,500,000	01-Mar-2022	25-Mar-2025	Semi-Annually	5%
	GLS Alternative Investments	2,000,000	01-Dec-2021	17-Dec-2024	Semi-Annually	6M LIBOR+5%
	Japan Asian Women Empowerment	5,000,000	04-Mar-2024	07-Jun-2027	Semi-Annually	6M SOFR + 5.0%
	Microfinance Initiative for Asia (MIFA) Debt Fund SA, SICAV-SII	5,000,000	04-Mar-2024	07-Jun-2027	Semi-Annually	6M SOFR + 5.0%
	EMF Microfinance Fund, AGmvK	4,000,000	29-Nov-2023	14-May-2027	Semi-Annually	6M SOFR + 5.0%
16	LEASE LIABILITIES					
	At beginning of period / year				189,752	142,309
	Additions during the period / year				68,458	194,373
	Interest expense				27,097	31,673
	Payment				(116,987)	(178,603)
	Closing balance				168,320	189,752
17	OTHER LIABILITIES					
	Mark-up / return / interest payable				650,191	250,150
	Accrued expenses				266,525	330,320
	Management fee payable				-	17,900
	Dividend payable				3,502,500	1,486,187
	Current taxation (provisions less payments)				739,457	1,674,260
	Unrealized loss on foreign exchange forward contracts				437,872	330,227
	Defined benefit obligation				742,422	636,490
	Others				220,143	-
					6,559,108	4,725,534
18	CONTINGENCIES AND COMMITMENTS					
	Commitments in respect of:					
	- Foreign exchange forward contracts - purchase				6,948,798	5,460,854

Note	(Un-audited)	
	September 30, 2024	September 30, 2023
	-----Rupees in '000-----	
<b>19 MARK-UP / RETURN / INTEREST EARNED</b>		
Loans and advances	8,632,492	6,693,011
Investments	171,802	-
Balances with other MFBs / banks / NBFIs	336,617	262,017
	<u>9,140,912</u>	<u>6,955,028</u>
<b>20 MARK-UP / RETURN / INTEREST EXPENSED</b>		
Borrowings	1,351,277	1,211,551
Amortization of hedge points	394,587	466,271
Lease liabilities	27,097	17,617
Processing fee	7,817	11,471
	<u>1,780,779</u>	<u>1,706,909</u>
<b>21 Other Income / (Loss)</b>	<u>(93,779)</u>	<u>297,073</u>
<b>22 OPERATING EXPENSES</b>		
Total compensation expense	1,905,916	1,353,490
Charge for defined benefit plan	142,936	58,926
Contribution to Superannuation fund/ EOBI	5,925	32,192
Directors' fees and allowances	1,300	1,600
Rent, taxes, insurance, electricity, etc.	86,314	47,884
Legal and professional charges	189,784	22,734
IT Consultancy Charges	8	-
Communications	54,088	53,562
Repairs and maintenance	27,904	15,664
Stationery and printing	41,332	25,438
Training & development	15,876	5,576
Bank Charges	1,196	-
Travelling & conveyance	43,637	48,225
Advertisement and publicity	5,197	106
Donations	1,337	4,576
Subscription, license and renewals fees	57,029	15,565
Auditors' remuneration	15,819	8,620
Depreciation	207,827	148,252
Amortization	20,837	2,853
Insurance	35,596	24,023
Others	99,646	427,888
	<u>2,959,502</u>	<u>2,297,208</u>
<b>23 EXPECTED CREDIT LOSS ALLOWANCE &amp; WRITE OFFS - NET</b>		
Charge/(Reversal) of expected credit loss allowance against loans & advances	142,062	52,401
Expected credit loss allowance against other assets	1,653	25,369
Bad debts written off directly	23,457	52,406
Recovery of written off / charged off bad debts	(7,136)	(287)
	<u>160,038</u>	<u>129,890</u>
<b>24 TAXATION</b>		
Current	1,270,410	1,338,493
Prior periods	855	-
Deferred	339,795	595
	<u>1,611,060</u>	<u>1,339,088</u>
<b>25 BASIC EARNINGS PER SHARE</b>		
Profit for the period	<u>2,520,750</u>	<u>1,677,455</u>
Weighted average number of ordinary shares	<u>1,500,000</u>	<u>1,500,000</u>
Basic earnings per share	<u>1,680.50</u>	<u>1,118.30</u>

**26 RELATED PARTY TRANSACTIONS**

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

Un-audited September 30, 2024			Audited December 31, 2023		
Parent	Directors	Key management personnel	Parent	Directors	Key management personnel
----- (Rupees in '000) -----					

**Other liabilities****Management fee payable**

Opening balance	17,900	-	-	15,065	-	-
Expense during the year	17,068	-	-	80,912	-	-
Paid during the year	(34,995)	-	-	(98,069)	-	-
FCY (Gain)/Loss	27	-	-	19,993	-	-
Closing balance	-	-	-	17,900	-	-

**Dividend payable**

Opening balance	1,486,187	-	-	500,752	-	-
Dividend declared	2,502,000	-	-	1,000,500	-	-
Paid during the year	(500,752)	-	-	-	-	-
Adjustment	15,065	-	-	(15,065)	-	-
Closing balance	3,502,500	-	-	1,486,187	-	-

Un-audited September 30 2024			Un-audited September 30 2023		
Parent	Directors	Key management personnel	Parent	Directors	Key management personnel
----- (Rupees in '000) -----					

**Expense**

Salaries and other allowances	-	-	92,175	-	-	48,243
Management fee expense	17,068	-	-	67,699	-	-
Directors' meeting fees	-	2,300	-	1,000	-	-

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

**27 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS****Minimum Capital Requirement (MCR):**

Paid-up capital	9,464,327	10,296,935
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**Capital Adequacy Ratio (CAR):**

Eligible Common Equity Tier 1 (CET 1) Capital	9,464,327	8,939,450
Eligible Additional Tier 1 (ADT 1) Capital	-	-
Total Eligible Tier 1 Capital	9,464,327	8,939,450
Eligible Tier 2 Capital	-	122,165
Total Eligible Capital (Tier 1 + Tier 2)	9,464,327	9,061,615

**Risk Weighted Assets (RWAs):**

Credit risk	25,869,271	22,136,982
Operational risk	1,125,502	1,125,502
<b>Total</b>	<b>26,994,773</b>	<b>23,262,484</b>

**Common Equity Tier 1 Capital Adequacy Ratio**

Tier 1 Capital Adequacy Ratio	35.06%	38.95%
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**Total Capital Adequacy Ratio**

	35.06%	38.95%
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**28 NON - ADJUSTING EVENTS AFTER BALANCE SHEET DATE**

The Board of Directors have proposed a dividend for the 3rd quarter ended 30 September 2024 of Rs. \_\_\_\_\_ (30 September 2023: Rs. 0) per share, amounting to Rs. \_\_\_\_\_ (2023: Rs. 0) at their meeting held on \_\_\_\_\_.

**29 GENERAL**

**29.1** Comparative information has been reclassified or re arranged in these condensed interim financial statements for the purpose of better presentation.

**29.2** The figures in the financial statements rounded off to the nearest thousand.

**30 DATE OF AUTHORISATION FOR ISSUE**

These financial statements were authorised for issue by the Board of Directors of the Bank in their meeting held on \_\_\_\_\_.

\_\_\_\_\_  
**Saeed Uddin Khan**  
**President and**  
**Chief Executive Officer**

\_\_\_\_\_  
**Shoaib Shamim**  
**Chief Financial**  
**Officer**

\_\_\_\_\_  
**Karin Anne Maria Kersten**  
**Chairperson**

\_\_\_\_\_  
**M Kamran Shehzad**  
**Director**

\_\_\_\_\_  
**Mischa John Assink**  
**Director**