ASA MICROFINANCE BANK (PAKISTAN) LTD
CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED
30 SEPTEMBER 2025

ASA MICROFINANCE BANK (PAKISTAN) LTD
STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2025

	Note	(Un-audited) September 30, 2025	(Audited) December 31, 2024
		--------- (Rupees in '000) ---------	
ASSETS			
Cash and balances with treasury banks	6	**200,414**	697,326
Balances with other MFBs / Banks / NBFIs	7	**1,823,418**	1,853,501
Lendings to financial institutions		**-**	-
Investments	8	**600,045**	-
Advances	9	**29,292,972**	24,820,480
Property and equipment	10	**415,580**	416,973
Right-of-use assets	11	**307,933**	353,312
Intangible assets	12	**287,543**	290,825
Deferred tax assets	13	**1,208,740**	1,421,632
Other assets	14	**1,728,649**	972,059
		35,865,294	30,826,108
LIABILITIES			
Bills payable		**-**	-
Borrowings	15	**19,819,639**	13,394,370
Deposits and other accounts		**-**	-
Lease liabilities	16	**274,384**	318,806
Subordinated debt		**-**	-
Deferred grants	17	**345,346**	127,741
Deferred tax liabilities		**-**	-
Other liabilities	18	**5,320,269**	6,744,246
		25,759,638	20,585,162
NET ASSETS		**10,105,657**	10,240,946
REPRESENTED BY			
Share capital		**1,500,000**	1,500,000
Reserves		**1,533,987**	954,749
Surplus/ (Deficit) on revaluation of assets		**-**	-
Unappropriated profit		**7,071,670**	7,786,197
		10,105,657	10,240,946
CONTINGENCIES AND COMMITMENTS	20		

The annexed notes 1 to 34 form an integral part of these condensed interim financial statements.

Ahmed Naazer Minhaj President and Chief Executive Officer	M. Shoaib Shamim Chief Financial Officer	Rob Keijsers Chairman	M. Kamran Shehzad Director	Mischa John Assink Director

ASA MICROFINANCE BANK (PAKISTAN) LTD
PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 30 SEPTEMBER 2025

	Note	Quarter Ended		Period Ended	
		July - September 2025	July - September 2024	January - September 2025	January - September 2024
		---------------------------------- (Rupees in '000)		----------------------------------	
Mark-up / Return / Interest earned	21	**3,881,349**	3,452,815	**10,669,342**	9,140,912
Mark-up / Return / Interest expensed	22	**(707,916)**	(704,157)	**(1,922,980)**	(1,780,779)
Net mark-up / interest income		**3,173,433**	2,748,658	**8,746,362**	7,360,133
NON MARK-UP / INTEREST INCOME					
Fee and commission income		**-**	-	**-**	-
Dividend income		**-**	-	**-**	-
Foreign exchange (loss) / Income		**1,011**	(11,980)	**(16,946)**	(15,004)
Income / (Loss) from derivatives		**-**	-	**-**	-
Gain / (Loss) on securities		**-**	-	**-**	-
Net gain / (loss) on derecognition of financial assets		**-**	-	**-**	-
Other income	23	**835**	(100,370)	**5,036**	(93,779)
Total non-markup / interest Income		**1,846**	(112,350)	**(11,910)**	(108,783)
Total income		**3,175,279**	2,636,308	**8,734,452**	7,251,350
NON MARK-UP / INTEREST EXPENSES					
Operating expenses	24	**(1,299,509)**	(1,005,486)	**(3,905,236)**	**(2,959,503)**
Workers welfare fund		**-**	-	**-**	-
Other charges		**-**	-	**-**	-
Total non-markup / interest expenses		**(1,299,509)**	(1,005,486)	**(3,905,236)**	(2,959,503)
Profit before expected credit loss allowance		**1,875,770**	1,630,822	**4,829,216**	4,291,847
Expected credit loss allowance and write offs - net	25	**(60,900)**	(261,363)	**(153,030)**	(160,037)
PROFIT BEFORE TAXATION		**1,814,870**	1,369,459	**4,676,186**	4,131,810
Taxation	26	**(731,864)**	(309,939)	**(1,900,836)**	(1,611,060)
PROFIT AFTER TAXATION		**1,083,006**	1,059,519	**2,775,350**	2,520,750
		---------------------------------- Rupees		----------------------------------	
Basic and diluted earnings per share	27	**722.00**	706.35	**1,850.23**	1,680.50

The annexed notes 1 to 34 form an integral part of these condensed interim financial statements.

Ahmed Naazer Minhaj President and Chief Executive Officer	M. Shoaib Shamim Chief Financial Officer	Rob Keijsers Chairman	M. Kamran Shehzad Director	Mischa John Assink Director

ASA MICROFINANCE BANK (PAKISTAN) LTD
STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 SEPTEMBER 2025

	Note	Quarter Ended		Period Ended	
		July - September 2025	July - September 2024	January - September 2025	January - September 2024
		(Rupees in '000)			
Profit after taxation for the period		**1,083,006**	1,059,519	**2,775,350**	2,520,750
Other comprehensive income					
Items that may be reclassified to profit and loss account in subsequent periods:					
Movement in hedge accounting reserve	28	**29,963**	(132,119)	**146,494**	(215,284)
Related tax impact		**(11,686)**	51,526	**(57,133)**	83,961
Net movement in hedge accounting reserve		**18,278**	(80,592)	**89,361**	(131,323)
Total comprehensive income		**1,101,284**	**978,927**	**2,864,711**	**2,389,427**

The annexed notes 1 to 34 form an integral part of these condensed interim financial statements.

Ahmed Naazer Minhaj
President and
Chief Executive Officer

M. Shoaib Shamim
Chief Financial
Officer

Rob Keijsers
Chairman

M. Kamran Shehzad
Director

Mischa John Assink
Director

ASA MICROFINANCE BANK (PAKISTAN) LTD
STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2025

	Share capital	Reserves: Share premium	Reserves: Statutory reserve	Reserves: Hedge accounting reserve	Depositors' protection fund	Unappropriated profit	Total
	(Rupees in '000)						
Opening Balance as at January 1, 2024	**1,500,000**	**1**	**494,572**	**(77,182)**	**-**	**8,379,543**	**10,296,933**
Profit after taxation (June 30, 2024)	-	-	-	-	-	2,520,750	**2,520,750**
Other comprehensive income - net of tax	-	-	-	(215,284)	-	-	**(215,284)**
Transfer to statutory reserve			287,277			(287,277)	**-**
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)**
Opening Balance as at July 01, 2024	**1,500,000**	**1**	**781,849**	**(292,465)**	**-**	**8,612,016**	**10,601,400**
Profit after taxation (December 31, 2024)	-	-	-	-	-	692,886	**692,886**
Other comprehensive income - net of tax	-	-	-	109,913	-	(161,253)	**(51,340)**
Transfer to statutory reserve	-	-	355,450	-	-	(355,450)	**-**
Transfer to depositors' protection fund	-	-	-	-	-	-	**-**
Interim dividend @ 33.40% for the quarter ended June 30, 2024						(501,000)	**(501,000)** **-**
Interim dividend @ 33.40% for the quarter ended Sep 30, 2024						(501,000)	**(501,000)**
Opening Balance as at January 1, 2025	**1,500,000**	**1**	**1,137,299**	**(182,551)**	**-**	**7,786,197**	**10,240,946**
Profit after taxation (September 30, 2025)	-	-	-	-	-	2,775,350	**2,775,350**
Other comprehensive income - net of tax	-	-	-	89,361	-	-	**89,361**
Transfer to statutory reserve	-	-	489,877	-	-	(489,877)	**-**
Transfer to depositors' protection fund	-	-	-	-	-	-	**-**
Transactions with owners, recorded directly in equity							
Final dividend @ 100% for the year ended December 31, 2024	-	-	-	-	-	(1,500,000)	**(1,500,000)**
Interim dividend @ 33.40% for the quarter ended March 31, 2025	-	-	-	-	-	(750,000)	**(750,000)**
Interim dividend @ 33.40% for the quarter ended June 30, 2025	-	-	-	-	-	(750,000)	**(750,000)**
Closing balance as at September 30, 2025	**1,500,000**	**1**	**1,627,175**	**(93,190)**	**-**	**7,071,670**	**10,105,657**

The annexed notes 1 to 34 form an integral part of these condensed interim financial statements.

Ahmed Naazer Minhaj
President and Chief Executive Officer

M. Shoaib Shamim
Chief Financial Officer

Rob Keijsers
Chairman

M. Kamran Shehzad
Director

Mischa John Assink
Director

ASA MICROFINANCE BANK (PAKISTAN) LTD
CASH FLOW STATEMENT
FOR THE PERIOD ENDED 30 SEPTEMBER 2025

	Note	(Un-audited) September 30, 2025	(Un-audited) September 30, 2024
		--------------Rupees in '000--------------	
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before taxation		**4,676,186**	4,131,810
Adjustments:			
Depreciation		**287,750**	118,737
Depreciation on right-of-use assets	11	**118,805**	89,090
Amortization	24	**47,305**	20,837
Mark-up / Return / Interest expense on lease liability against right-of-use assets	16	**46,328**	27,097
Amortization of hedge points	22	**285,410**	394,587
Provision against non-performing loans and advances - net	25	**125,266**	143,716
Other provisions / write-offs	14.1	**-**	23,457
Bad debts written off directly	25	**(45,367)**	(7,136)
Charge for defined benefit plan	24	**210,372**	142,936
		1,075,870	953,321
(Increase) / Decrease in operating assets			
Advances (excluding expected credit loss allowance)	9	**(3,130,714)**	(3,550,303)
Other assets	14	**(756,590)**	(164,987)
		(3,887,304)	(3,715,290)
Increase / (Decrease) in operating liabilities			
Borrowings	15	**6,425,269**	4,435,965
Other liabilities (excluding dividend payable, payable to defined benefit plan, current tax provision and unrealized loss on foreign exchange forward contracts)	18	**(1,423,977)**	691,062
		5,001,292	5,127,027
Income tax paid		**(3,375,699)**	(2,206,068)
Benefits paid		**(69,172)**	(37,004)
Net cash flows generated from / (used in) operating activities		**3,421,174**	4,253,795
CASH FLOW FROM INVESTING ACTIVITIES			
Investments in operating fixed assets		**(180,949)**	(396,714)
Sale proceeds from disposal of operating fixed assets		**-**	-
Investment in treasury bills		**(600,045)**	(1,500,030)
Net cash flows used in investing activities		**(780,994)**	(1,896,744)
CASH FLOW FROM FINANCING ACTIVITIES			
Payment of lease liability against right-of-use assets	16	**(164,175)**	(116,987)
Dividend paid		**(3,003,000)**	(485,687)
Net cash flows used in financing activities		**(3,167,175)**	(602,674)
Net increase in cash and cash equivalents		**(526,995)**	1,754,377
Cash and cash equivalents at beginning of the period		**2,550,827**	1,198,872
Cash and cash equivalents at end of the period	29	**2,023,832**	2,953,249

The annexed notes 1 to 34 form an integral part of these condensed interim financial statements.

Ahmed Naazer Minhaj **President and** **Chief Executive Officer**	**M. Shoaib Shamim** **Chief Financial** **Officer**	**Rob Keijsers** **Chairman**	**M. Kamran Shehzad** **Director**	**Mischa John Assink** **Director**

ASA MICROFINANCE BANK (PAKISTAN) LTD
NOTES TO THE ACCOUNTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2025

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, 2025, ASA MFB has 405 (2024: 380) business locations comprising of 100 (2024: 82) Hub Branches and 305 (2024: 298) 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% (2024: 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)

Wherever the provisions of and directives issued under the Companies Act, 2017, Microfinance Institutions Ordinance, 2001, the Prudential Regulations for Microfinance Banks and directives issued by SBP and the SECP differ with the requirements of the IFRS, the provisions of and directives issued under the Companies Act, 2017, Microfinance Institutions Ordinance, 2001, the Prudential Regulations for Microfinance Banks and directives issued by SBP and SECP

The SBP has deferred the applicability of IAS 40, 'Investment Property' for Banking Companies in Pakistan through BSD Circular Letter 10 dated 26 August 2002 till further instructions. Accordingly, the requirements of this standard has 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 a format prescribed by the SBP vide BPRD Circular No. 3 dated February 9, 2023 and IAS 34, Interim Financial Reporting. They do not include all the information and disclosures required in the preparation of audited financial statements, and should be read in conjunction with the audited financial statements of the Bank for the year ended December 31, 2024.

2.3 Standards, interpretations of and amendments to published approved accounting standards that are effective in the current year

There are certain amendments to existing accounting and reporting standards that have become applicable to the Bank for accounting periods beginning on or after January 1, 2025. These are either considered to not be relevant or do not have any significant impact and accordingly have not been detailed in these financial statements.

2.4 Standards, interpretations of and amendments to published approved accounting standards that are not yet effective.

There are various amendments to accounting and reporting standards as applicable in Pakistan that are not yet effective.

Standard, Interpretation or Amendment	Effective date (annual periods beginning on or after)
Classification and Measurement of Financial Instruments - Amendments to IFRS 9	January 01, 2026
Annual Improvements to IFRS Accounting Standards - Volume 11	January 01, 2026
Contracts Referencing Nature-dependent Electricity - Amendments to IFRS 9 and IFRS 7	January 01, 2026
IFRS 7 – Financial Instruments: Disclosures	January 01, 2026
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendments to IFRS 10 and IAS 28	Not yet finalized

Further, following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

Standard	IASB Effective date (annual periods
IFRS 1 - First time adoption of International Financial Reporting Standards	January 01, 2004
IFRS 18 - Presentation and Disclosure in Financial Statements	January 01, 2027
IFRS 19 - Subsidiaries without Public Accountability: Disclosures	January 01, 2027

The above standards and amendments are not expected to have any significant impact on Bank's financial statements for future periods, except for IFRS 18.

IFRS 18 - Presentation and Disclosure in Financial

In April 2024, the IASB issued IFRS 18, which replaces IAS 1. IFRS 18 introduces new requirements for presentation of various items within the statement of profit or loss, including specified totals and subtotals. Narrow-scope amendments have been made to IAS 7, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards. Earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively. The Bank is currently working to identify all impacts the amendments will have on the financial statements of future period and notes thereto.

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, 2024.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The basis for accounting estimates adopted in the preparation of the condensed interim financial statements is the same as that applied in the preparation of the audited financial statements for the year ended December 31, 2024, except for a change in the criteria for classification of non-performing loans pursuant to the revised Prudential Regulations for Microfinance Banks issued by the State Bank of Pakistan on May 16. 2025 effective immediately. The table below summarizes the changes in the criteria:

Category	Critieria (Overdue days)			
	General Loans		Microenterprise Loans	
	September 30, 2025	December 31, 2024	September 30, 2025	December 31, 2024
OAEM	**-**	-	**-**	90-179
Substandard	**90-179**	60 - 89	**180-365**	180-365
Doubtful	**-**	90-179	**366-547**	366-547
Loss	**>180**	>180	**>547**	>547

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, 2024.

	Note	(Un-audited) September 30, 2025	(Audited) December 31, 2024
		---------Rupees in '000---------	
6 CASH AND BALANCES WITH TREASURY BANKS			
In hand - Local currency		**1,443**	685
With State Bank of Pakistan in			
Local currency current account		**182,608**	690,235
With National Bank of Pakistan in			
Local currency current account		**10,051**	1,739
Local currency deposit account	6.1	**6,312**	4,666
		16,363	6,405
Less: Expected credit loss allowance		**-**	-
Total		**200,414**	697,326

6.1 This carries markup at 8.85% per annum (2024: 5%).

	Note	(Un-audited) September 30, 2025	(Audited) December 31, 2024
7 BALANCES WITH OTHER MFBs / BANKs / NBFIs			
In Pakistan			
- In current accounts		**22,311.66**	5,781
- In deposit accounts	7.1	**1,533,107**	1,721,719
- In term deposits	7.2	**268,000**	126,000
Less: Expected credit loss allowance		**-**	-
		1,823,418	1,853,501

7.1 This carry mark-up ranginig from 9.50% to 11.50% per annum (2024: 13.50% to 19%)

7.2 These carry mark-up ranging from 8.75% to 13.5%% per annum (2024: 13.25% to 13.50% per annum) and are given as collateral against borrowings from Pak Oman Investment, Allied Bank Limited and JS Bank Limited have maturity period of 3 months.

8 INVESTMENTS

8.1 Investments by type:

	(Un-audited) September 30,2025				(Audited) December 31, 2024			
	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	**600,045**	**-**	**-**	**600,045**	-	-	-	-

The aggregate amount of relaxation in any classification / credit loss allowance granted by SBP should be disclosed in a sub note along with financial impact.

8.2 This carry mark-up at rate 10.7% per annum, having maturity up to 3 Months. This security has a face value of Rs. 600/- million.

8.3 The market value of securities classified as amortized cost as at September 30, 2025 amounted to Rs. 600.045/- million (December 31, 2024: Rs. 0/- million).

8.4 Expect credit loss on Government Securities have 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

	Note	Performing				Non Performing		Total	
		Stage 1		Stage 2		Stage 3			
		(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	(Un-audited) September 30, 2025	(Audited) December 31, 2024
		Rupees in '000							
Loan Type									
Micro Credits									
Unsecured		29,394,777	24,945,450	65,338	25,508	72,929	103,660	29,533,045	25,074,618
Advances - gross		29,394,777	24,945,450	65,338	25,508	72,929	103,660	29,533,045	25,074,618
Credit loss allowance against advances									
- Stage 1		178,193	167,816	-	-	-	-	178,193	167,816
- Stage 2		-	-	279	98	-	-	279	98
- Stage 3	9.1.2.1	-	-	-	-	61,601	86,224	61,601	86,224
		178,193	167,816	279	98	61,601	86,224	240,073	254,138
Advances - net of		29,216,584	24,777,634	65,059	25,410	11,328	17,436	29,292,972	24,820,480

9.1 Advances - Particlurs of expected credit loss allowance

9.1.1 Advances - Exposure

	Note	(Un-audited) September 30, 2025				(Audited) December 31, 2024			
		Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
		Rupees in '000				Rupees in '000			
Gross carrying amount		24,945,450	25,508	103,660	25,074,619	19,413,583	12,370	46,738	19,472,691
New advances		35,174,619	22,963	2,929	35,200,512	24,996,066	24,820	145,227	25,166,112
Advances derecognised or repaid		(30,545,206)	(8,566)	(4,152)	(30,557,924)	(19,349,112)	(4,768)	(9,247)	(19,363,127)
Transfer to stage 1		1,546	(306)	(1,241)	-	-	-	-	-
Transfer to stage 2		(42,489)	42,506	(17)	(0)	(13)	13	-	-
Transfer to stage 3		(57,157)	(14,651)	71,808	-	(37,110)	(6,573)	43,683	-
		4,531,314	41,946	69,329	4,642,588	5,609,831	13,492	179,662	5,802,985
Amounts written off / charged off	9.1.4	(43,769)	(1,598)	(138,795)	(184,162)	(77,964)	(354)	(122,739)	(201,058)
Closing balance		29,432,995	65,856	34,194	29,533,045	24,945,450	25,508	103,660	25,074,619

9.1.2 Advances - Expected credit loss allowance

	Note	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
		Rupees in '000				Rupees in '000			
Opening balance		167,816	98	86,224	254,138	193,914	46	32,562	226,521
New advances		83,963	87	2,344	86,393	168,010	95	131,073	299,178
Advances derecognised or repaid		(84,750)	(14)	(142)	(84,907)	(95,556)	(18)	1,346	(94,228)
Transfer to Stage 1		1,154	(1)	(1,153)	-	-	-	-	-
Transfer to Stage 2		(163)	176	(14)	-	-	-	-	-
Transfer to Stage 3		(219)	(56)	275	-	(142)	(25)	167	-
		(15)	191	1,310	1,486	72,312	52	132,586	204,950
Reversal of General Provision		-	-	-	-	(98,403)	-	-	(98,403)
Impact of Transfers on ECL		(1,147)	6	124,386	123,244	-	-	43,447	43,447
		(1,163)	197	125,696	124,730	(26,091)	52	176,033	149,994
Amounts written off/charged Off	9.1.4	(86)	(7)	(138,701)	(138,795)	(6)		(122,371)	(122,377)
		166,567	288	73,218	240,073	167,816	98	86,224	254,138

9.1.2.1 This includes higher of expected credit loss allowance under IFRS 9 and specific provision for non performing loans required under Prudential Regulations for Microfinance Banks.

9.1.3 Advances - Expected credit loss allowance details

Internal / Extrernal rating / stage classification	(Un-audited) September 30, 2025				(Audited) December 31, 2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	Rupees in '000				Rupees in '000			
Outstanding gross exposure								
Performing - Stage 1								
<30 Days	**29,395,721**	**-**	**-**	**29,395,721**	24,945,450	-	-	24,945,450
Under Performing								
General Loans								
Other assets especially mentioned 30-89 (2024: 30-59)	**-**	**62,101**	**-**	**62,101**	-	24,898	-	24,898
SME Loans								
Other assets especially mentioned 30-179 (2024: 30-59)	**-**	**3,238**	**-**	**3,238**	-	610	-	610
Non- Perfroming								
Substandard	**-**	**-**	**50,836**	**50,836**	-	-	20,593	20,593
Doubtful	**-**	**-**	**3,095**	**3,095**	-	-	66,589	66,589
Loss	**-**	**-**	**18,054**	**18,054**	-	-	16,478	16,478
	-	**-**	**71,985**	**71,985**	-	-	103,660	103,660
Total	**29,395,721**	**65,338**	**71,985**	**29,533,044**	24,945,450	25,508	103,660	25,074,619
Corresponding expected credit loss allowance								
Stage 1	**166,567**	**-**	**-**	**166,567**	167,816	-	-	167,816
Stage 2	**-**	**288**	**-**	**288**	-	98	-	98
Stage 3	**-**	**-**	**73,218**	**73,218**	-	-	86,224	86,224
	166,567	**288**	**73,218**	**240,073**	167,816	98	86,224	254,138

9.1.4 Particulars of write offs / charge offs:

	Note	(Un-audited) September 30, 2025	(Audited) December 31, 2024
		Rupees in '000	
Against expected credit loss allowance	9.1.2	**138,795**	122,377
Directly charged to profit and loss account	25	**45,367**	78,680
		184,162	201,058

		Note	(Un-audited) September 30, 2025	(Audited) December 31, 2024
			-------------Rupees in '000-------------	
10	**PROPERTY AND EQUIPMENT**			
	Property and equipment		**415,580**	416,973
10.1	**Additions to property and equipment**			
	The following additions have been made to property and equipment during the period:			
	Property and equipment			
	Leasehold land		**54,786**	19,343
	Furniture and fixture		**3,838.29**	8,580
	Electrical office and computer equipment		**33,788.45**	41,076
	Vehicles		**16,000**	-
	Office equipment		**61,570.15**	114,896
	Total		**169,983**	183,896
10.2	**Disposal of property and equipment**			
	No property and equipment were disposed off during the period.			
11	**RIGHT-OF-USE ASSETS**			
	- Bulidings			
	At January 01			
	Cost		**477,381**	353,581
	Accumulated Depreciation		**(124,069)**	(128,565)
	Net carrying amount at January 01		**353,312**	225,016
	Additions during the year		**73,426**	252,365
	Depreciation Charge for the year		**(118,805)**	(124,070)
	Net Carrying amount		**307,933**	353,312
12	**INTANGIBLE ASSETS**			
	Computer software		**266,833**	277,056
	Capital work-in-progress		**20,711**	13,769
			287,543	290,825
12.1	**Additions to intangible assets**			
	The following additions have been made to intangible assets during the period:			
	Directly purchased		**4,025**	196,082
	Capital work-in-progress		**6,941**	13,769
	Total		**10,966**	209,851
13	**DEFERRED TAX ASSETS**			
	Deductible temporary differences on			
	- Expected credit loss allowance against loans and advances		**90,166**	99,881
	- Exchange difference on foreign currency borrowings		**22,966**	287,562
	- Disallowed markup expense on foreign currency borrowings		**582,718**	338,871
	- Unrealised loss on foreign exchange forward contracts		**25,759**	239,617
	- Lease liabilities		**129,251**	141,836
	- Remeasurement gain on defined benefit obligation		**454,250**	414,920
			1,305,109	1,522,685
	Taxable temporary differences on			
	- Property and equipment		**(96,369)**	(101,052)
			(96,369)	(101,053)
			1,208,740	1,421,632
14	**OTHER ASSETS**			
	Income / Mark-up accrued		**663,231**	604,844
	Advances, deposits, and other prepayments		**377,071**	245,875
	Advance taxation		**441,693**	-
	Loan to employees		**182,320**	93,108
	Security deposits		**5,037**	5,037
	Others		**61,799**	25,161
	Less: Expected credit loss allowance held against other assets		**(2,502)**	(1,966)
			1,728,649	972,059
14.1	**Expected credit loss allowance held against mark-up / return / interest accrued**			
	Opening balance		**1,966**	3,484
	Charge for the period / year		**536**	3,356
	Amount written off		**-**	(4,873)
	Closing balance		**2,502**	1,966
14.2	**Particulars of write offs / charge offs held against mark-up / return / interest accrued:**			
	Against expected credit loss allowance	14.1	**-**	4,873
	Directly charged to profit and loss account	25	**1,367**	6,454
			1,367	11,327

		(Un-audited) September 30, 2025	(Audited) December 31, 2024
15	**BORROWINGS**	--------------Rupees in '000---------------	
	Secured		
	Borrowings from State Bank of Pakistan		
	Women Inclusive Finance Program (WIFP)	**2,386,890**	2,376,380
	Women Inclusive Finance Sector Development Project (WIF SDP)	**1,838,967**	-
	Financial Inclusion and Infrastructure Project through ACFID	**1,390,294**	99,879
		5,616,151	2,476,259
	Borrowings from Other Banks / Financial Institutions	**14,203,488**	10,918,111
	Total secured	**19,819,639**	13,394,370
15.1	**Particular of borrowings with respect to domestic/foreign**		
	In Pakistan	**15,963,025**	7,271,333
	Outside Pakistan	**3,856,614**	6,123,037
	Total	**19,819,639**	13,394,370

15.2 Details of Borrowings in Pakistan

Details of Borrowings in Pakistan	Loan Amount (Rupees in '000)	Agreement Date	Maturity	Repayment frequency	Coupon rate
Women Inclusive Finance Program (WIFP)	2,500,000	25-Jun-24	30-Jun-29	Bullet	6M K-1%
Financial Inclusion and Infrastructure Project through ACFID	53,000	01-Mar-24	25-Mar-27	Bullet	6M K-1%
Financial Inclusion and Infrastructure Project through ACFID	51,000	01-Mar-24	25-Mar-27	Bullet	6M K-1%
Financial Inclusion and Infrastructure Project through ACFID	157,000	06-May-25	14-May-28	Bullet	6M K-1%
Financial Inclusion and Infrastructure Project through ACFID	110,757	25-Apr-25	20-May-28	Bullet	6M K-1%
Financial Inclusion and Infrastructure Project through ACFID	809,739	12-May-25	14-May-28	Bullet	6M K-1%
Financial Inclusion and Infrastructure Project through ACFID	280,000	26-Feb-25	27-Mar-28	Bullet	6M K-1%
Women Inclusive Finance Sector Development Project (WIF SDP	2,000,000	22-May-25	30-Jun-30	Bullet	6M K-1%
Pak Oman Investment Company Limited	240,000	09-Jan-25	19-Jan-28	Quarterly	3M K+1.75%
Allied Bank Limited	37,500	09-May-22	18-Nov-25	Quarterly	3M K+2.25%
Allied Bank Limited	500,000	27-Mar-25	06-Apr-28	Quarterly	3M K+1.75%
Pakistan Microfinance Investment Company Limited	187,500	16-Mar-22	01-Oct-25	Quarterly	6M K+3.05%
Pakistan Microfinance Investment Company Limited	3,187,000	21-Mar-23	30-Sep-28	Semi-Annual	6M K+2.95%
Pakistan Microfinance Investment Company Limited	2,100,000	24-Apr-23	30-Sep-28	Quarterly	6M K+2.95%
Habib Metropolitan Bank Limited	1,000,000	13-Dec-24	27-Dec-27	Quarterly	3M K+2.5%
Pak Kuwait Investment Company (Pvt.) Limited	1,000,000	23-Apr-25	18-May-28	Quarterly	3M K+2.5%
JS Bank Limited	400,000	28-Nov-24	20-Mar-28	Quarterly	3M K+2%

15.3 Details of Borrowings outside Pakistan

Details of Borrowings outside Pakistan	Loan Amount (FCY)	Agreement Date	Maturity	Repayment frequency	Coupon rate
Japan Asian Women Empowerment	5,000,000	04-Mar-24	07-Jun-27	Semi-Annual	6M SOFR+5.0%
Microfinance Initiative for Asia Debt Fund SA	5,000,000	04-Mar-24	07-Jun-27	Semi-Annual	6M SOFR+5.0%
EMF Microfinance Fund, AGmvK	2,500,000	29-Nov-23	14-May-27	Semi-Annual	6M SOFR+5.0%

		Note	(Un-audited) September 30, 2025	(Audited) December 31, 2024
16	**LEASE LIABILITIES**		--------------Rupees in '000---------------	
	At beginning of period / year		**318,805**	189,752
	Additions during the period / year		**73,426**	252,365
	Interest expense		**46,328**	49,557
	Payment		**(164,175)**	(172,868)
	Closing balance		**274,384**	318,806
17	**DEFERRED GRANT**			
	Opening balance		**127,741**	-
	Grant Received during the year	17.1	**231,492**	136,169
	Grant recognised as income during the year		**(13,887)**	(8,428)
	Closing balance	17.1.1	**345,346**	127,741
17.1	**Details of the grant recognized during the year is as follows:**			
	State Bank of Pakistan			
	Women Inclusive Finance Sector Developing Project (WIF SDP)	17.1.2	**161,208**	131,791
	Financial Inclusion and Infrastructure Project (ACFID)	17.1.3	**70,284**	4,378
			231,492	136,169

17.1.1 The grants represent the difference between the consideration received and the initial fair value of below market rate borrowings received from the State Bank of Pakistan (the SBP).

17.1.2 Under this scheme, the Bank must disburse loans exclusively to women borrowers within three months from the date of receiving funds from the SBP. The borrowing will be payable to the SBP on its original maturity if the terms of the scheme are fulfilled, otherwise the un-disbursed amount must be repaid to the SBP immediately.

17.1.3 Under this scheme, the Bank must disburse loans exclusively to borrowers located in Rain/Flood impacted areas within three months from the date of receiving funds from the SBP. The borrowing will be payable to the SBP on its original maturity if the terms of the scheme are fulfilled, otherwise the un-disbursed amount must be repaid to the SBP immediately.

		(Un-audited) September 30, 2025	(Audited) December 31, 2024
18	**OTHER LIABILITIES**	------------Rupees in '000------------	
	Dividends payable	**3,000,000**	3,003,000
	Payable to defined benefit plan	**1,209,803**	1,063,897
	Accrued expenses	**358,899**	268,558
	Mark-up / Return / Interest payable	**606,084**	561,677
	Current taxation	**-**	1,222,027
	Unrealized loss on foreign exchange forward contracts	**140,621**	614,399
	Others	**4,862**	10,688
		5,320,269	6,744,246

19 DEPOSITORS' PROTECTION FUND

In accordance with the requirements of the Microfinance Institutions Ordinance, 2001 and the Prudential Regulations, the Bank is required to transfer an amount equivalent to 5% of profit after tax to the Depositors' Protection Fund, plus the return earned on such funds. Such fund shall be invested in government securities or deposited with State Bank in a remuneration account. However, no amount has been allocated to this reserve since the Bank does not have the license to take on deposits.

		(Un-audited) September 30, 2025	(Audited) December 31, 2024
20	**CONTINGENCIES AND COMMITMENTS**	------------Rupees in '000------------	
	Commitments in respect of:		
	- Foreign exchange forward contracts - purchase	**10,808,190**	6,827,290

		(Un-audited)	
		September 30, 2025	September 30, 2024
21	**MARK-UP / RETURN / INTEREST EARNED**	---------Rupees in '000---------	
	Loans and advances	**10,547,376**	8,632,492
	Balances with other MFBs / banks / NBFIs	**112,110**	171,802
	Investments	**9,856**	336,617
		10,669,342	9,140,912
22	**MARK-UP / RETURN / INTEREST EXPENSED**		
	Borrowings	**1,517,727**	1,351,277
	Amortization of hedge points	**356,278**	394,587
	Lease liabilities	**46,328**	27,097
	Bank charges	**2,647**	7,817
		1,922,980	1,780,779
23	**OTHER INCOME**		
	Passbook sale	**185**	50
	Notice pay from outgoing staff	**1,281**	259
	Grant income	**-**	76
	Other income from Cash in transit & Fidelity insurance	**3,281**	-
	Others	**289**	5,418
		5,036	5,803

			(Un-audited)	
			September 30, 2025	September 30, 2024
24	**OPERATING EXPENSES**	Note	---------Rupees in '000---------	
	Total compensation expense		**2,843,767**	1,905,916
	Directors' fees and allowances		**5,300**	1,300
	Rent, taxes, insurance, electricity, etc.		**84,088**	86,314
	Legal and professional charges		**42,065**	189,784
	IT Consultancy Charges		**220,369**	8
	Communications		**74,767**	54,088
	Repairs and maintenance		**41,180**	27,904
	Stationery and printing		**32,714**	41,332
	Training & development		**11,758**	15,876
	Travelling & conveyance		**54,819**	43,637
	Advertisement and publicity		**7,260**	5,197
	Donations		**11,832**	1,337
	Subscription, license and renewals fees		**44,943**	57,029
	Auditors' remuneration		**15,570**	15,819
	Depreciation		**287,750**	207,827
	Amortization		**47,305**	20,837
	Insurance		**44,346**	35,596
	Others		**35,404**	99,646
			3,905,236	2,959,503
25	**EXPECTED CREDIT LOSS ALLOWANCE & WRITE OFFS - NET**			
	Charge/(Reversal) of expected credit loss allowance against loans & advances	9.1.2	**124,730**	142,062
	Expected credit loss allowance against other assets	14.1	**536**	1,653
	Bad debts written off directly	9.1.4 & 14.2	**45,367**	23,457
	Recovery of written off / charged off bad debts		**(17,604)**	(7,136)
			153,030	160,038
26	**TAXATION**			
	Current		**1,944,475**	1,270,410
	Prior periods		**27,933**	855
	Deferred		**(71,572)**	339,795
			1,900,836	1,611,060

26.1 During the period, the Bank received a notice from the Federal Board of Revenue demanding additional payment of Super Tax for Tax Year 2023 amounting to Rs. 271,080,626, at 10% instead of the 4% which the Bank has already discharged in prior years. The matter is pending adjudication before the Islamabad High Court. The Bank has not made any provision in this respect as the management is of the view that matter will be settled in Bank's favour based on the opinion of the tax advisor .

27	**BASIC EARNINGS PER SHARE**			
	Profit for the period		**2,775,350**	2,520,750
	Weighted average number of ordinary shares		**1,500,000**	1,500,000
	Basic earnings per share		**1,850.23**	1,680.50
28	**MOVEMENT IN HEDGE ACCOUNTING RESERVE**			
	Amortization of forward points of forward contracts		**285,410**	281,421
	Changes in fair value of forward contracts		**(64,513)**	(432,026)
	Recycling of exchange (losses) / gains on foreign currency borrowings		**(104,367)**	67,437
	Total amounts recognised in OCI during the period		**116,531**	(83,169)
29	**CASH AND CASH EQUIVALENTS**			
	Cash and balances with treasury banks		**200,414**	697,326
	Balances with other MFBs / Banks / NBFIs		**1,823,418**	1,853,501
			2,023,832	2,550,827

30 RELATED PARTY TRANSACTIONS

Details of transacitons 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, 2025			(Audited) December 31, 2024		
	Parent	Directors	Key management personnel	Parent	Directors	Key management personnel
	---- (Rupees in '000) ----					
Other liabilities						
Dividend payable						
Opening balance	**3,003,000**	**-**	**-**	1,486,187	-	-
Dividend declared	**3,000,000**	**-**	**-**	3,003,000	-	-
Paid during the year	**(3,003,000)**	**-**	**-**	(1,486,187)	-	-
Closing balance	**3,000,000**	**-**	**-**	3,003,000	-	-

	(Un-audited) September 30, 2025			(Un-audited) September 30, 2024		
	Parent	Directors	Key management personnel	Parent	Directors	Key management personnel
	---- (Rupees in '000) ----					
Expense						
Salaries and other allowances	**-**	**-**	**140,923**	-	-	92,175
Management fee expense	**-**	**-**	**-**	17,068	-	-
Directors' meeting fees	**-**	**5,300**	**-**	-	2,300	-

	(Un-audited) September 30, 2025	(Audited) December 31, 2024
	----Rupees in '000----	
31 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS		
Minimum Capital Requirement (MCR):		
Paid-up capital	**10,104,637**	10,240,947
Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier 1 (CET 1) Capital	**8,631,666**	8,532,934
Eligible Additional Tier 1 (ADT 1) Capital	**-**	-
Total Eligible Tier 1 Capital	**8,631,666**	8,532,934
Eligible Tier 2 Capital	**178,472**	167,914
Total Eligible Capital (Tier 1 + Tier 2)	**8,810,138**	8,700,848
Risk Weighted Assets (RWAs):		
Credit risk	**33,931,319**	28,385,897
Operational risk	**1,515,825**	1,517,376
Total	**35,447,144**	29,903,273
Common Equity Tier 1 Capital Adequacy Ratio	**24.35%**	28.54%
Tier 1 Capital Adequacy Ratio	**24.85%**	29.10%
Total Capital Adequacy Ratio	**24.85%**	29.10%

32 NON - ADJUSTING EVENTS AFTER BALANCE SHEET DATE

The Board of Directors has proposed an interim dividend for the period ended 30 September, 2025 of Rs. 500 per share (30 September, 2024: Rs. 334 per share), amounting to Rs. 750,000,000 (30 September 2024: Rs. 501,000,000) at their meeting held on 28 October, 2025. This is in addition to Rs. 500 per share already declared during the period bringing the total dividend for the nine months to Rs.1,500 per share (30 September 2024: Rs. 334 per share). These condensed interim financial statements for the nine months ended 30 September, 2025 do not include the effect of these appropriations which will be accounted for subsequent to the period end.

33 GENERAL

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

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

34 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 28 October 2025.

Ahmed Naazer Minhaj **President and** **Chief Executive Officer**	**M. Shoaib Shamim** **Chief Financial** **Officer**	**Rob Keijsers** **Chairman**	**M. Kamran Shehzad** **Director**	**Mischa John Assink** **Director**