

From Stability to Sustainable Growth

Annual Report 2025



ASA Microfinance Bank Pakistan Ltd



From Stability to Sustainable Growth

ANNUAL REPORT 2025



ASA Microfinance Bank Pakistan Ltd

TABLE OF CONTENTS

The Landscape of Progress

- 02 Pakistan's Economic & Social Landscape
- 03 The Next Phase of Inclusion
- 06 Where We Operate
- 10 2025 Highlights
- 20 Meet the Team
- 21 Who We Are



10 2025 Highlights

Strategic Direction & Performance

- 23 Group CEO's Message
- 24 Message from the CEO
- 25 Feature Story- Our Clients
- 27 Key Differentiators
- 29 Operating Environment & Business Model
- 32 Our Strategic Priorities
- 33 Digital Transformation & Innovation
- 35 Feature Story- Our Colleagues
- 37 Key Performance Indicators
- 39 Risk Management



24 Message from the CEO

Our Governance Compass

- 42 Board of Directors
- 44 Management & Executive Committee
- 50 Audit Committee Report (Summary)
- 51 Risk Committee Report (Summary)
- 52 Director's Report (English)
- 58 Director's Report (Urdu)



52 Director's Report

Driving Social & Environmental Change

- 67 Sustainability Overview
- 72 Sustainability at a Glance



67 Sustainability Overview

Financial Foundations

- 74 Independent Auditor's Reports
- 82 Financial Statements & Notes



20 Meet the Team

Shareholder & Statutory

- 111 Pattern of Shareholding
- 112 AGM Notice & Forms



25 Our Clients



THE LANDSCAPE OF PROGRESS

Safia Bibi runs her tailoring centre, creating opportunities for herself and others, now in her 12th loan cycle with ASA

• **The Landscape of Progress**

- 02 Pakistan's Economic & Social Landscape
- 03 The Next Phase of Inclusion
- 06 Where We Operate
- 10 2025 Highlights
- 20 Meet the Team
- 21 Who We Are

Turning strategy into impact

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

Shareholder overview



PAKISTAN'S ECONOMIC & SOCIAL LANDSCAPE

In 2025, Pakistan's economy demonstrated signs of stabilization after a period of acute macroeconomic stress, driven largely by structural policy adjustments and sustained engagement with multilateral partners. Real gross domestic product (GDP) growth was modest but positive, reflecting cautious recovery in output across sectors. According to the World Bank's Pakistan Development Update, real GDP expanded by approximately 2.7 percent in the fiscal year ending June 2025, supported by recovering private consumption and some investment activity amid easing inflationary pressures.

Headline inflation, which had peaked at multi-decade highs in prior years, broadly declined during 2024 and 2025 as monetary policy tightened and pricing pressures eased. The International Monetary Fund (IMF) projected inflation to stabilize at around 6 percent in FY26, reflecting both base effects and prudent macroeconomic management.

Structural reforms under the IMF Extended Fund Facility and ongoing fiscal consolidation have contributed to improved external stability

and rebuilding of foreign exchange reserves. The IMF reported progress in key fiscal targets, including achieving primary surpluses and rebuilding reserve buffers, laying the foundation for enhanced confidence among international investors.

Despite these improvements, challenges remain significant. Growth rates remain below levels needed to generate rapid employment gains in a young and expanding labor force. Public debt levels continue to weigh on fiscal space, and limited foreign direct investment underscores the need to enhance competitiveness and business climate reforms.

Pakistan's 2025 economic story is thus one of cautious stabilization, not transformation. Supporting resilience, inclusion, and sustainable growth; the focus must be on deepening structural reforms, scaling export competitiveness, and channeling investment into human capital, climate adaptation, and private-sector-led growth, translating macro gains into tangible improvements in people's lives.

The Landscape of Progress

- 02 Pakistan's Economic & Social Landscape
- 03 The Next Phase of Inclusion
- 06 Where We Operate
- 10 2025 Highlights
- 20 Meet the Team
- 21 Who We Are

Turning strategy into impact

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

Shareholder overview

THE NEXT PHASE OF INCLUSION

The national case for financial inclusion has been established. The opportunity now lies in execution. Inclusion at scale demands more than expanded account ownership or transactional reach. It requires institutions capable of translating structural progress into lived economic advancement.

For many households and micro-entrepreneurs, formal finance is not a single event but a gradual shift in confidence. The first loan formalises a livelihood. The second stabilises it. The third allows reinvestment. Over time, informal activity evolves into enterprise. What begins as subsistence becomes sustainability. The progression is rarely dramatic, but it is transformative.

It is within this progression that the Bank defines its role.

Access, in its truest sense, is not merely entry into the financial system. It is the removal of structural hesitation. It is the presence of a trusted institution where previously there was distance. It is the extension of responsible credit, secure savings, and advisory engagement to customers who have historically operated at the margins of formal finance. Access, when delivered with discipline and proximity, becomes an enabler of economic agency.

Yet access without continuity is insufficient. Scale, for the Bank, is not measured by velocity alone. It is reflected in portfolio quality, in

customer retention, and in the strength of relationships that extend across borrowing cycles. It is visible in the growth of women-led enterprises that reinvest earnings into households, education, and community stability. Sustainable scale is achieved not through abstraction, but through repetition of trust at community level. It is built carefully, through disciplined underwriting, operational consistency, and governance that prioritises resilience over rapid expansion.

“ Access, when delivered with discipline and proximity, becomes an enabler of economic agency.

The ultimate measure, however, lies beyond distribution and growth metrics. Achievement is realised when customers move from financial fragility to resilience. It is reflected in businesses that outgrow informal constraints, in households that accumulate savings buffers, and in women who transition from borrowers to economic anchors within their communities. Achievement is also institutional. It is evident in maintaining asset quality during volatility, strengthening systems to support expansion, and ensuring that growth remains aligned with prudence.

The Bank's performance during the year reinforces this integrated model. Strong portfolio quality, disciplined customer acquisition, and

sustained community engagement demonstrate that responsible expansion and impact are not competing priorities. They are mutually reinforcing outcomes when strategy is anchored in long term value creation.

Microfinance in its next phase will not be defined solely by penetration rates or digital reach. It will be defined by credibility, by customer progression, and by the ability to convert financial participation into economic mobility. Institutions that succeed will be those that understand that scale without trust erodes value, and inclusion without sustainability weakens outcomes.

The Bank enters its next phase of growth with clarity of purpose and strength of fundamentals. It will continue to widen financial participation responsibly, deepen market presence with discipline, and convert opportunity into measurable progress for customers and communities alike.

In doing so, it remains committed to advancing opportunity through access, strengthening resilience through scale, and enabling customers and communities to achieve sustainable economic progress.

The Landscape of Progress

- 02 Pakistan's Economic & Social Landscape
- 03 The Next Phase of Inclusion
- 06 Where We Operate
- 10 2025 Highlights
- 20 Meet the Team
- 21 Who We Are

Turning strategy into impact

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

Shareholder overview



Zikra Bibi from Karachi crafts quality bags, supporting her local mithai shop business

The Landscape of Progress

- 02 Pakistan's Economic & Social Landscape
- 03 The Next Phase of Inclusion
- 06 Where We Operate
- 10 2025 Highlights
- 20 Meet the Team
- 21 Who We Are

Turning strategy into impact

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

Shareholder overview

ASA International is one of the world's largest international microfinance institutions, providing small, socially responsible financial services to low-income entrepreneurs- most of whom are women- across Asia and Africa. ASA Microfinance Bank (Pakistan) Limited is part of the ASA International group, operating as its subsidiary in Pakistan.

The Landscape of Progress

- 02 Pakistan's Economic & Social Landscape
- 03 The Next Phase of Inclusion
- 06 Where We Operate
- 10 2025 Highlights
- 20 Meet the Team
- 21 Who We Are

Turning strategy into impact

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

Shareholder overview

WHERE WE OPERATE

14 regions

Bahawalpur

Burewala

Multan

Sahiwal

Gujranwala

Lahore

Sheikhupura

Faisalabad

Rawalpindi

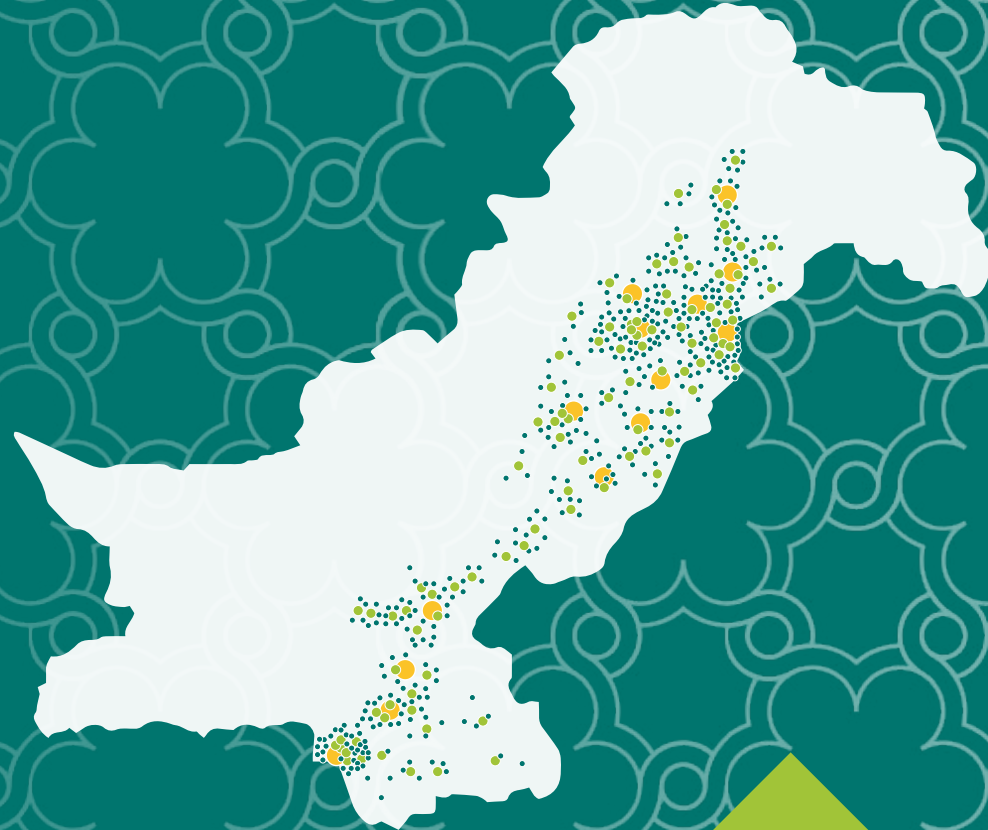
Sargodha

Hyderabad

Karachi

Khairpur

Nawabshah



100 hub branches | 305 service centres

The Landscape of Progress

02 Pakistan's Economic & Social Landscape

03 The Next Phase of Inclusion

• 06 Where We Operate

10 2025 Highlights

20 Meet the Team

21 Who We Are

Turning strategy into impact

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

Shareholder overview

Bahawalpur Lodhran Uch Shareef Ahmedpur Khanpur Rahimyar Khan Sadiqabad Arifwala Bahawalnagar Haroonabad Burewala Chistian Hasilpur Dera Ghazi Khan Kot Addu Layyah Rajanpur Multan Muzafarghar Sher Shah Shujabad Fareed Town Khanewal Main Chunnu Dipalpur Mangha Mandi Okara Pattoki Awan Chowk Daska Gujranwala Gujrat Narowal Sialkot Daroghawala Thokar Walton Yadgar Kahna Kasur Saddar Raiwand Mor Eminabad Mureedke Shahdra Hafiz Abad Nankana Sahib Sheikhupura D-Type Dudiwala Faisalabad Shahkot Gojra Gulistan Colony Liaqatabad Samundri Sadar Abbotabad Gujar Khan Jhelum Rawalpindi Ternal Attock Chakwal Mandi Bahauddin Pind Dadan Khan Mansehra Bakhar Jhang Khushab City Sargoda Toba Tek Singh Badin Soneri Mithi Thatta Heerabad Hyderabad Kotri Tando Adam Golimar Layari Shafiq Mor Gulshan-e-Hadeed Korangi Malir Shah Faisal Larkana Qamber Ali Khan Ranipur Shikarpur Daherki Ghotki Khairpur Sukkur Digri Mirpurkhas Sanghar Koro Naro Lodhran Uch Shareef Ahmedpur Khanpur Rahimyar Khan Sadiqabad Arifwala Bahawalnagar Haroonabad Burewala Chistian Hasilpur Dera Ghazi Khan Kot Addu Layyah Rajanpur Multan Muzafarghar Sher Shah Shujabad Fareed Town Khanewal Main Chunnu Dipalpur Mangha Mandi Okara Pattoki Awan Chowk Daska Gujranwala Gujrat Narowal Sialkot Daroghawala Thokar Walton Yadgar Kahna Kasur Saddar Raiwand Mor Eminabad Mureedke Shahdra Hafiz Abad Nankana Sahib Sheikhupura D-Type Dudiwala Faisalabad Shahkot Gojra Gulistan Colony Liaqatabad Samundri Sadar Abbotabad Gujar Khan Jhelum Rawalpindi Ternal Attock Chakwal Mandi Bahauddin Pind Dadan Khan Bakhar Jhang Khushab City Sargoda Toba Tek

“ Inclusive finance is not simply about providing loans, but about creating the foundations for long-term progress and sustainable development.

Rob Keijsers
Group CEO ASA International



The Landscape of Progress

- 02 Pakistan's Economic & Social Landscape
- 03 The Next Phase of Inclusion
- 06 Where We Operate
- 10 2025 Highlights
- 20 Meet the Team
- 21 Who We Are

Turning strategy into impact

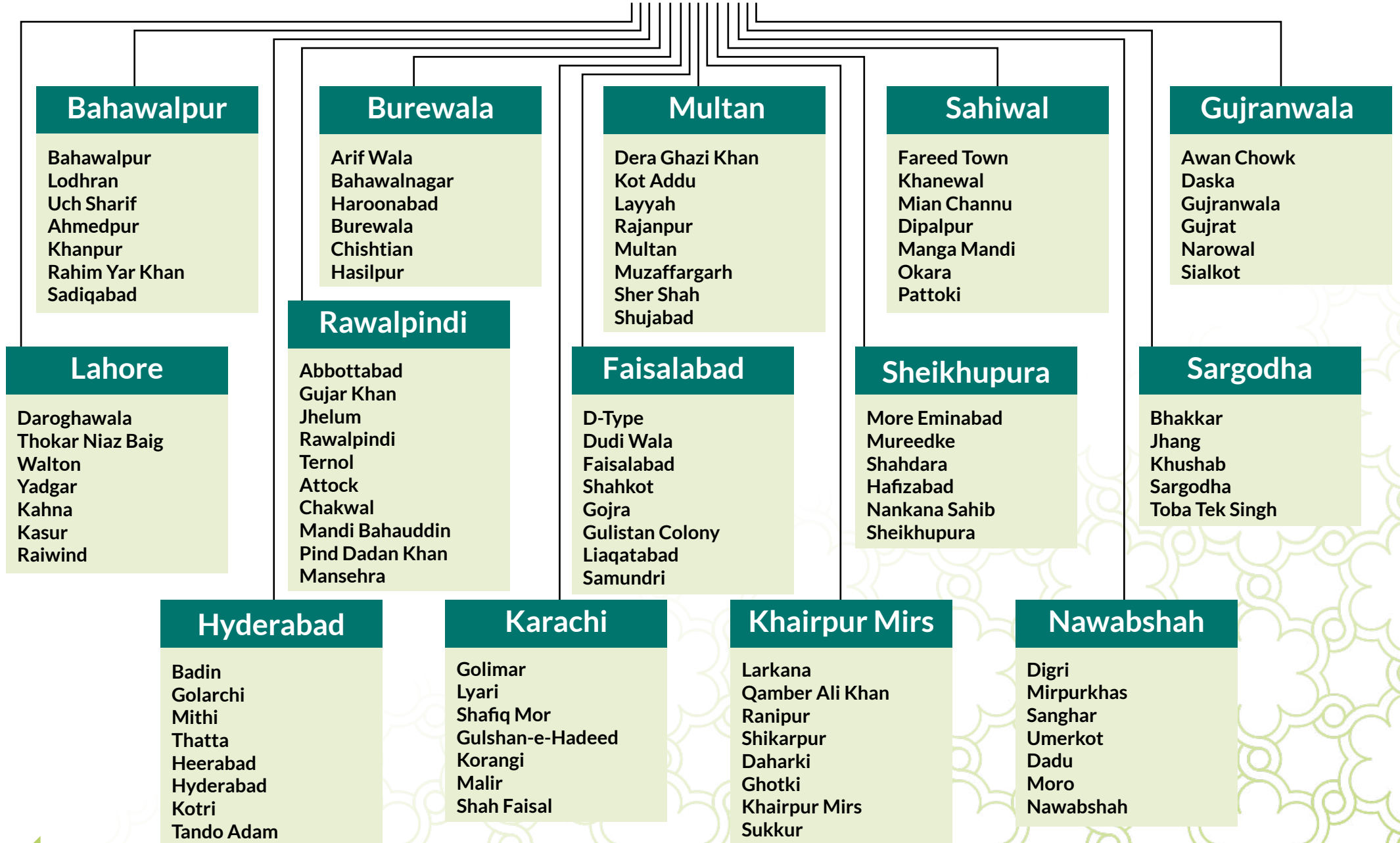
Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

Shareholder overview

HUB BRANCHES



The Landscape of Progress

- 02 Pakistan's Economic & Social Landscape
- 03 The Next Phase of Inclusion
- 06 Where We Operate
- 10 2025 Highlights
- 20 Meet the Team
- 21 Who We Are

Turning strategy into impact

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

Shareholder overview

SERVICE CENTRES

Korangi-03
Korangi-01
Nasir Colony
Azeem Pura
Nursery
Landhi
Dawood Chowranghi
Gharo
Bhains Colony
Jauhar
Saudabad
Memon Goth
Baldia
Hub Chowki
Karachi Sadar
Shireen Jinnah
North Nazimabad
Orangi
Pakistan Bazar
Bangla Bazar
Gulberg
North Karachi
Surjani Town
Gulshan-e-Maymar
Darro
Darro-02
Talhar
Badin 01
Chauhar Jamali
Mirpur Sakro
Sujawal
Islamkot
Hussainabad
Kotri-02
Kotri-03
Jamshoro
Fateh Chowk
Latifabad-02
Tando Jam

Tando Muhammad Khan
Hala Naka
Liaquat Colony
Naseem Nagar
Khipro
Shahpur Chakar
Mirpurkhas-02
Tando Allahyar
Chamber Road
Jhuddo
Kot Ghulam Muhammad
Matli
Kunri
Umer Kot-2
Dhoru Naro
Dokri
Larkana-02
Naudero
Rato Dero
Gambat
Setharja
Kandiaro
Thari Mirwah
Mehrabpur
Larkana-01
Naseerabad
Shahdadkot
Moro-02
Naushahro Feroze
Bhirya Road
Bhan Saeedabad
Khairpur Nathan Shah
Mehar
Sehwan
Daur
New Saeedabad
Sakrand
Qazi Ahmed
Hala

Khyber
Shahdadpur
Burewala 02
Burewala-03
Vehari
Machiwal
Khanewal-02
Kabeerwala
Qadirpur Ran
Kasoowal
Abdul Hakim
Badla Town
Multan-03
Multan-4
MDA Chowk
Usmanabad
Jalalpur Peerwala
Vehari Chowk
Jahanian
Rohilanwali
Chowk Qureshi
Taunsa
Chowk Sarwar Shaheed
Chowk Azam
Karor Lal Esan
Fateh Pur
Darya Khan
Kallur Kot
Jampur
Kot Chutta City
Qutib Town
Ubauro
Pano Aqil
Mirpur Mathelo
Shamsabad
Sukkur-01
Sukkur-03
Rohri
Rohri-02

Kachari Road
Pir Jo Goth
Jacobabad
Rustom Mor
Gulshan-e-Usman
Chowk Bahadurpur
Kot Samaba
Islam Nagar
Ahmedpur Lamma
Jinnah Town
Fazilpur
Kot Mithan
Zahir Pir Road
Khan Bela
Liaquat Pur
Bahawalpur 02
Bahawalpur 01
Yazman Mandi
Madina Colony
Siraiki Chowk
Khangah Sharif
Dera Nawab
Gala Mandi
Chani Goth
Ali Pur
Sabzi Mandi
Lodhran-02
Karor Pakka
Dunyapur
Basti Malook
Satellite Town
Dahranwala
Old Hasilpur
Melsi
Khairpur Tamewali
Muslim Colony
Fort Abbas
Batapur
Shalamar

Harbanspura
Ring Road
Samanabad More
Kot Lakhpat
Gulshan-e-Ravi
Dharampura
Jory Pull
Mughal Pura
Qainchi
Bank Stop
Gajju Matta
Mustafabad
Old Kahna
Dhamkay
Sharaq Pur
Rachna Town
Shahdara Town
Shadbagh
Chahmira
Munshi Hospital
Ravi Riyan
Rana Town
Narang Mandi
Kasur-02
Kasur-03
Khudian
New Lari Adda
Raiwind-02
Kot Radhakishan
Raja Jhang
Maraka
Manga Mandi-02
Chung
Talwandi Musa Khan
Fareed Town-02
Kamoke
Rana Colony
Alam Chowk
Qilla Deedar Singh

Nowshera Virkan
Alipur Chatha
Farooq Abad
Pindi Bhattian
Gujranwala Saddar
Samanabad
Gakhar
Bhikhi Road
Khanpur 2
Sheikhupura-2
Joyanwala Mor
Sangla Hill
Manawala 02
Safdarabad
Jaranwala
Jaranwala-02
Mandi Warburton
Mission Chowk
Noorpur
Chichawatni
Sahiwal
Bahawalnagar-2
Model Town
Minchinabad
Minchinabad Road
Iqbal Nagar
Adda Kameer
Pakpattan
Chunian
Theeng Mor
Bhai Pheru
Rehmatpura
Renala Khurd
Habibabad
Haveli Lakhani
Hujra Shah Mukeem
Ameenpur Road
G M Abad
Gulfishan Colony

Shadab Colony
Mamukanjan
Pensara
Ali Park Gojra
Samundari
Tandlianwala
Dijkot
Abdullah Pull
Samundri Road
Roshan Wala
Canal Road Faisalabad
Satyana Road
Waris Pura
Makoana
Yousaf Town
Mansoorabad
Jhummrh
Chiniot
Kamalpur
Manawala
Peer Mahal
Kamalia
Shorkot
Ahmedpur Sial
Bhawana
Jhang City
Bhalwal City
Silanwali City
Kot Momin
Jalalpur Jattan
Lala Musa
Shaheen Chowk
Kotla Arbab Ali Khan
Dina
Jadda
Kharian
Sohawa
Rawat
Dinga

Phalia
Malakwal
Motra
Pasroor
Sambrial
Wazirabad
Ugoki
Chawinda
Gulistan Chowk
Shakargarh
Kanjroor
Zafarwal
Khanna Pull
Bharkho
Adyala Road
Taxila
Peshawar Road
Islamabad
Haripur
Havelian
Balakot
Shinkari
Kallar Kahar
Talagang
Talagang Road
Fateh Jang
Hassanabdal
Pindi Ghaib
Chota Sahiwal
Quaidabad
Basharat
Choa Saidan Shah

The Landscape of Progress

- 02 Pakistan's Economic & Social Landscape
- 03 The Next Phase of Inclusion
- 06 Where We Operate
- 10 2025 Highlights
- 20 Meet the Team
- 21 Who We Are

Turning strategy into impact

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

Shareholder overview

2025 HIGHLIGHTS

A year of progress, scale, and impact.

Our focus on financial inclusion and tailored support enabled new customers to access formal banking services for the first time, while continued improvements in portfolio quality ensured that growth remained responsible and sustainable.

Each milestone reflects progress toward enabling livelihoods, building trust, and creating opportunity where it matters most.

Our commitment remains unchanged: to empower more customers, deepen our impact, and ensure that every financial decision contributes to stronger, more resilient communities across Pakistan.

Clients

+12%



Branches

+22%



Service centres

+2%



The Landscape of Progress

- 02 Pakistan's Economic & Social Landscape
- 03 The Next Phase of Inclusion
- 06 Where We Operate
- 10 2025 Highlights
- 20 Meet the Team
- 21 Who We Are

Turning strategy into impact

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

Shareholder overview

PAR > 30 days

-32%



Profit before tax

+27%



Net profit

+19%



25.07 Bn

33.12 Bn

2024

2025

+32%

Outstanding Loan Portfolio

The Landscape of Progress

- 02 Pakistan's Economic & Social Landscape
- 03 The Next Phase of Inclusion
- 06 Where We Operate
- 10 2025 Highlights
- 20 Meet the Team
- 21 Who We Are

Turning strategy into impact

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

Shareholder overview



Through her lace shop, Naziran Bibi from Gujranwala caters to the everyday needs of her neighbourhood

The Landscape of Progress

- 02 Pakistan's Economic & Social Landscape
- 03 The Next Phase of Inclusion
- 06 Where We Operate
- 10 2025 Highlights
- 20 Meet the Team
- 21 Who We Are

Turning strategy into impact

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

Shareholder overview



GROWTH AND EXPANSION

18 new branches & 7 service centres
opened across key regions

Strengthened presence
in underserved communities

Workforce expanded,
reflecting operational growth

The Landscape of Progress

- 02 Pakistan's Economic & Social Landscape
- 03 The Next Phase of Inclusion
- 06 Where We Operate
- 10 2025 Highlights
- 20 Meet the Team
- 21 Who We Are

Turning strategy into impact

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

Shareholder overview

RECOGNITION & MILESTONES

Multiple awards and accolades received

- Top Financier Award in the Microfinance category by the State Bank of Pakistan (SBP) at the Women Entrepreneurship Day 2025.
- 13 awards for Women's Financial Inclusion, by the State Bank of Pakistan (SBP) at the Women Entrepreneurship Day 2025.

In-Principle approval from the State Bank of Pakistan (SBP), towards Islamic Banking offering



The Landscape of Progress

- 02 Pakistan's Economic & Social Landscape
- 03 The Next Phase of Inclusion
- 06 Where We Operate
- 10 2025 Highlights
- 20 Meet the Team
- 21 Who We Are

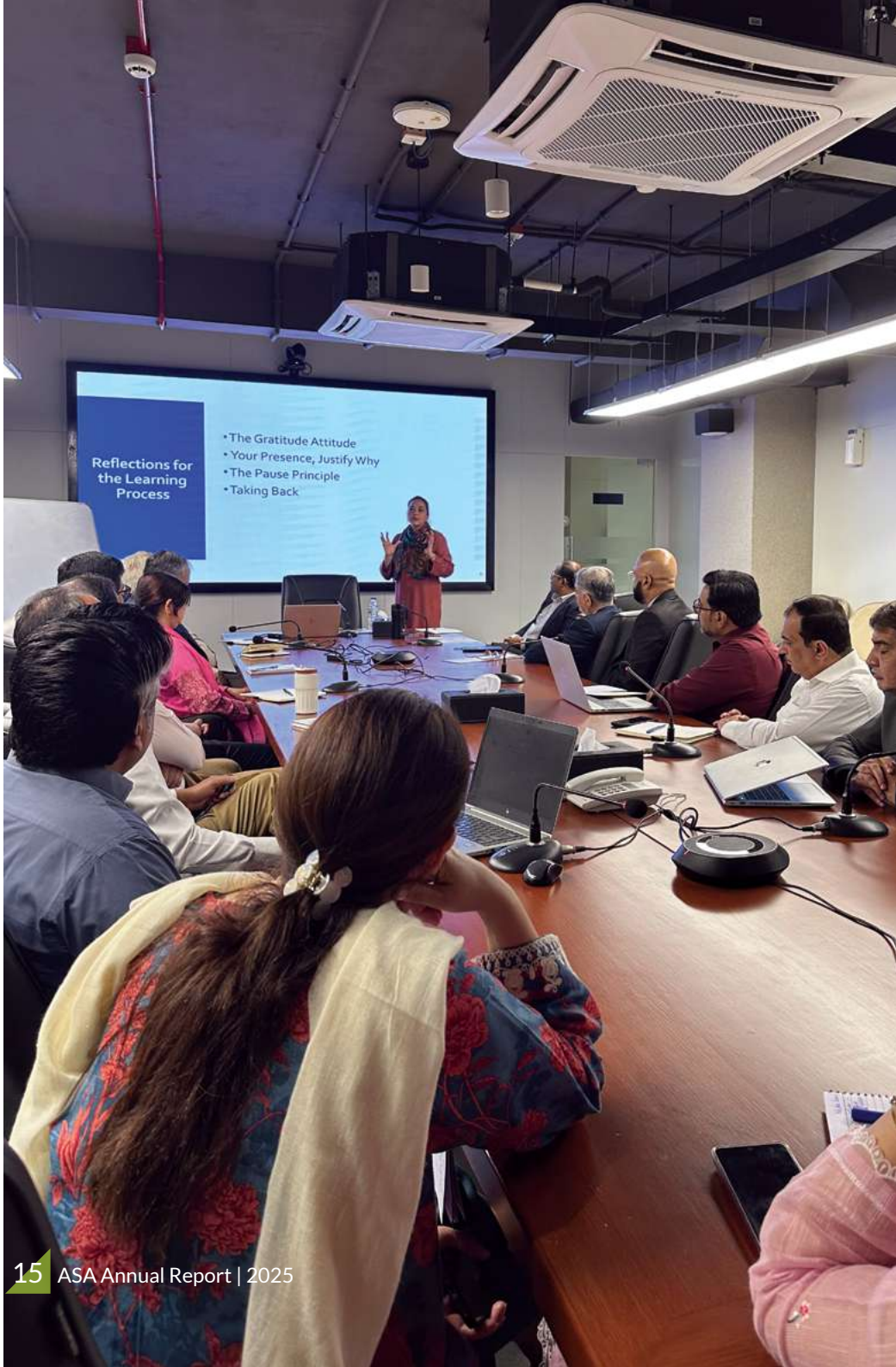
Turning strategy into impact

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

Shareholder overview



FINANCIAL INCLUSION & CAPACITY BUILDING

Gender Sensitization training to promote inclusive workplaces

Ongoing staff capacity-building initiatives

The Landscape of Progress

- 02 Pakistan's Economic & Social Landscape
- 03 The Next Phase of Inclusion
- 06 Where We Operate
- 10 2025 Highlights
- 20 Meet the Team
- 21 Who We Are

Turning strategy into impact

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

Shareholder overview



LEADERSHIP & GOVERNANCE

Appointment of Ahmed Naazer Minhaj as President & Chief Executive Officer

Visit by Group CEO Rob Keijsers, reinforcing global alignment

Organization-wide Town Hall to strengthen transparency & engagement

The Landscape of Progress

- 02 Pakistan's Economic & Social Landscape
- 03 The Next Phase of Inclusion
- 06 Where We Operate
- 10 2025 Highlights
- 20 Meet the Team
- 21 Who We Are

Turning strategy into impact

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

Shareholder overview



On the ground: snapshots from field visits with our CEO Naazer Minhaj, witnessing impact firsthand.

The Landscape of Progress

- 02 Pakistan's Economic & Social Landscape
- 03 The Next Phase of Inclusion
- 06 Where We Operate
- 10 2025 Highlights
- 20 Meet the Team
- 21 Who We Are

Turning strategy into impact

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

Shareholder overview

COMMUNITY & SOCIAL IMPACT

Partnerships & Sponsorships

Indus Hospital

Karachi Football Club

Deaf & Reach Golf Program

Mangrove Biodiversity Park

AKES (Aga Khan Education Service)

Breast Cancer Awareness initiatives

Continued commitment to community health & environmental sustainability



ASA supports the creation of a bird-watching tower at the Mangrove Diversity Park in Karachi

The Landscape of Progress

02 Pakistan's Economic & Social Landscape

03 The Next Phase of Inclusion

06 Where We Operate

• 10 2025 Highlights

20 Meet the Team

21 Who We Are

Turning strategy into impact

Our Governance Compass

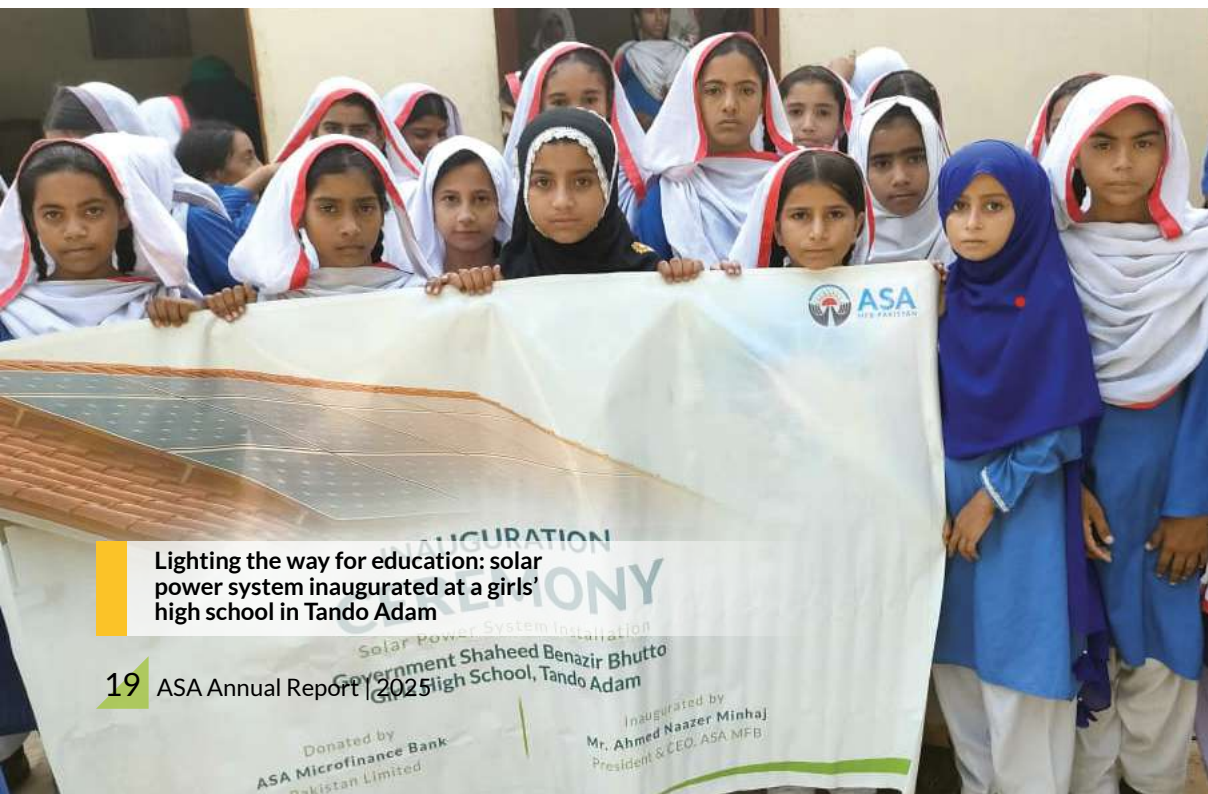
Driving Social & Environmental Change

Financial Foundations

Shareholder overview



Supporting young minds: ASA MFB sponsors a university quiz competition at Karachi University



Lighting the way for education: solar power system inaugurated at a girls' high school in Tando Adam



Planting today for a greener tomorrow: ASA MFB employees join hands in reforestation efforts

The Landscape of Progress

- 02 Pakistan's Economic & Social Landscape
- 03 The Next Phase of Inclusion
- 06 Where We Operate
- 10 2025 Highlights
- 20 Meet the Team
- 21 Who We Are

Turning strategy into impact

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

Shareholder overview

MEET THE TEAM



Head of Branch Banking
Niaz Ali

CFO
M. Shoaib Shamim

Head of Islamic Banking
Sheeraz Ali Sabri

President & CEO
Ahmed Naazer Minhaj

Group Head Admin,
Procurement & Security
Shahid Zia

Head of Legal
Faryal Khaleel

Head of Risk
Ayesha Haider

CHRO
Momina Durrani

Head Banking Operations
Aftab Saleem

CTDIO
Khurram Gul Agha

Head of CABM
Naushaba Brohi

Head of Compliance
Ashok Kumar Shivani

The Landscape of Progress

- 02 Pakistan's Economic & Social Landscape
- 03 The Next Phase of Inclusion
- 06 Where We Operate
- 10 2025 Highlights
- 20 Meet the Team
- 21 Who We Are

Turning strategy into impact

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

Shareholder overview

WHO WE ARE

Established in Pakistan in 2008, ASA Microfinance Bank (Pakistan) Limited (ASA MFB) provides socially responsible loans to entrepreneurs, enabling them to grow their businesses, strengthen household finances, and achieve long-term economic stability. With 96% of our clients being women, we are focused on supporting women-led enterprises as a key driver of economic growth and prosperity.

Operating through more than 400 branches and service centres nationwide, ASA MFB applies the ASA Model of microfinance- a disciplined, relationship-driven approach that combines simplicity, transparency, and robust governance. Our products serve a wide range of clients' needs, from small businesses and trade to household and income-generating activities, ensuring practical, result-oriented financial solutions.

At ASA MFB, every client engagement is an investment in sustainable growth. We are committed to delivering reliable, responsible financial services that drive measurable business outcomes for our clients and long-term value for our stakeholders.

ASA Microfinance Bank (Pakistan) Limited, is a licensed microfinance bank under the Microfinance Institutions Ordinance 2001 and a wholly owned subsidiary of ASA International Group Plc, headquartered in the Netherlands and operating across multiple countries in Asia and Africa. Drawing on decades of global experience, ASA International has built a proven model for delivering scalable, client-focused financial services.

OUR VISION

Just and financially inclusive societies

OUR PURPOSE

Reducing poverty and enabling female empowerment

OUR MISSION

Enhancing socioeconomic progress of low-income entrepreneurs by increasing financial inclusion.

CORE VALUES

Teamwork

Embraces a supportive environment that encourages collaboration and knowledge sharing, empowering all team members to achieve common goals.

Professionalism

Emphasises responsible, reliable and accountable leadership. It promotes efficient operations, ownership of roles and continuous learning.

Integrity

Embodies consistency, trust, transparency, respect and equality. It involves upholding high moral standards and treating others fairly.

The Landscape of Progress

- 02 Pakistan's Economic & Social Landscape
- 03 The Next Phase of Inclusion
- 06 Where We Operate
- 10 2025 Highlights
- 20 Meet the Team
- 21 Who We Are

Turning strategy into impact

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

Shareholder overview



TURNING STRATEGY INTO IMPACT

Pride in craft: Parveen Bibi showcases her handmade creations from Kasur, Lahore

The Landscape of Progress

- **Turning strategy into impact**

- 23 Group CEO's Message
- 24 Message from the CEO
- 25 Feature Story- Our Clients
- 27 Key Differentiators
- 29 Operating Environment & Business Model
- 32 Our Strategic Priorities
- 33 Digital Transformation & Innovation
- 35 Feature Story- Our Colleagues
- 37 Key Performance Indicators
- 39 Risk Management

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

Shareholder overview

GROUP CEO'S MESSAGE

A Year of Momentum and Strategic Progress

2025 has been a defining year for ASA International and a year of continued strength and momentum for ASA Pakistan. The progress achieved reflects the successful execution of our strategic priorities - strengthening leadership, sharpening operational focus, and reinforcing the client-centred model that underpins our business across markets.

ASA Pakistan remains one of our most important and consistently performing markets. The business has demonstrated resilience and strong execution in a dynamic environment, combining responsible growth with a continued focus on serving clients effectively. Its performance reflects both the strength of the local team and the robustness of the ASA operating model, while contributing meaningfully to the Group's overall momentum.

As we look ahead, our Group's focus remains firmly on building a stronger and more future-ready organisation. Advancing our digital agenda, embedding operational excellence, and enhancing client experience will be central to sustaining momentum and unlocking the next phase of growth across all markets. ASA Pakistan is well positioned to play a central role in delivering sustainable growth and long-term impact for the Group.



Rob Keijsers

Group Chief Executive Officer of ASA International



The Landscape of Progress

Turning strategy into impact

- 23 Group CEO's Message
- 24 Message from the CEO
- 25 Feature Story- Our Clients
- 27 Key Differentiators
- 29 Operating Environment & Business Model
- 32 Our Strategic Priorities
- 33 Digital Transformation & Innovation
- 35 Feature Story- Our Colleagues
- 37 Key Performance Indicators
- 39 Risk Management

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

Shareholder overview



CEO'S MESSAGE

Execution at scale in a market of opportunity

In a market defined by enterprise and ambition, we translated scale into performance. Across cities, towns, and rural centres, small businesses and self-employed entrepreneurs continue to drive Pakistan's economy. Against this backdrop, our priority throughout the year was clear: to execute with discipline, strengthen our foundations, and convert opportunity into measurable, sustainable results.

That focus was reflected in our performance. By year-end, ASA MFB was serving over 740,000 borrowers through more than 400 branches and service centres nationwide. Our outstanding loan portfolio reached PKR 33.12 billion (USD 118.2 million), representing over 32% year-on-year growth, while Portfolio at Risk (>30 days) remained at 0.38%, among the lowest in the sector. These outcomes reflect not only the resilience of our clients, but also the consistency and strength of our operating model.

Building a stronger operating backbone

A defining achievement of the year was the continued stabilisation and maturation of our Core Banking System, following the successful customer migration completed in early 2024. During 2025, our emphasis shifted decisively from implementation to performance - streamlining manual processes, strengthening internal controls, and reinforcing compliance across the organisation.

As a result, our loan officers were able to spend more time engaging with clients, improving service quality and portfolio outcomes, while management gained stronger visibility, governance, and control. Together, these advances strengthened our operating backbone and enhanced our ability to support scale without compromising quality.

Preparing for the next phase

While 2025 was a year of strengthening, it also laid the foundations for the Bank's next phase of

growth. Important regulatory milestones were achieved, including approvals related to Islamic banking, marking a significant step in the Bank's evolution. In parallel, we laid the groundwork for the future introduction of deposit mobilisation through digital and branch-led channels, insurance solutions for our clients, and broader digital financial services. These steps position ASA MFB to expand its product suite responsibly and sustainably, building on the trust and loyalty of our customers.

Powered by our people

Behind every result in 2025 is the commitment of our people. Across branches, service centres, and head office functions, our teams demonstrated ownership, professionalism, and consistency - delivering day after day in demanding operating environments. Their ability to execute with focus and integrity remains one of our greatest strengths and a critical driver of ASA MFB performance.

Looking ahead

ASA MFB enters 2026 from a position of strength. We have a robust operating platform, clear strategic priorities, and the continued trust of our clients. The progress achieved in 2025 provides a solid foundation for measured growth, responsible product expansion, and long-term value creation. With discipline, focus, and ambition, we are well positioned to build on this momentum in the year ahead.

naazer minhaj

Ahmed Naazer Minhaj

**President & Chief Executive Officer
ASA Microfinance Bank (Pakistan) Limited**

The Landscape of Progress

Turning strategy into impact

- 23 Group CEO's Message
- 24 Message from the CEO
- 25 Feature Story- Our Clients
- 27 Key Differentiators
- 29 Operating Environment & Business Model
- 32 Our Strategic Priorities
- 33 Digital Transformation & Innovation
- 35 Feature Story- Our Colleagues
- 37 Key Performance Indicators
- 39 Risk Management

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

Shareholder overview



INAYATA BIBI

Kasur, a historic city south of Lahore, is shaped by narrow streets and close-knit neighbourhoods. In one of its back alleys lives Inayatah Bibi. Widowed at a young age and raising her children alone, she had no steady income, no formal skills, and no support system to rely on.

She approached ASA MFB for a small loan to open a modest corner shop stocked with a few basic items. Over time, she observed what children in the neighbourhood needed and gradually expanded her inventory to meet their everyday demands.

Her attentiveness and perseverance transformed a small shop into a growing livelihood - creating stability for her family and restoring dignity, independence, and hope for the future.

The Landscape of Progress

Turning strategy into impact

- 23 Group CEO's Message
- 24 Message from the CEO
- 25 Feature Story- Our Clients
- 27 Key Differentiators
- 29 Operating Environment & Business Model
- 32 Our Strategic Priorities
- 33 Digital Transformation & Innovation
- 35 Feature Story- Our Colleagues
- 37 Key Performance Indicators
- 39 Risk Management

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

Shareholder overview



ZAREENA BIBI

Zareena Bibi lives in Lyari, where her family faced significant financial challenges. Despite their desire, she could not send her children to school, and household expenses were a constant struggle.

Determined to create a sustainable livelihood, Zareena decided to set up a small-scale water filter plant to address the extreme shortage of clean drinking water in her area. With support from ASA Microfinance Bank, she secured a loan to start the business from her home. Over time, she grew her enterprise through successive incremental loans, steadily expanding operations to meet community needs.

Today, her business generates reliable income for her family while providing clean drinking water to residents. With improved finances, Zareena has been able to admit her children to private school, invest in a loader rickshaw and additional water cans to deliver water to doorsteps, and install solar panels to maintain operations despite frequent power outages. She has also purchased a sewing machine, generating extra income by stitching clothes for neighbours.

Zareena takes great pride in empowering her family and serving her community. Her journey demonstrates how small-scale enterprise, supported by financial inclusion, can transform lives, improve local health, and inspire other women to pursue economic independence.

The Landscape of Progress

Turning strategy into impact

- 23 Group CEO's Message
- 24 Message from the CEO
- 25 Feature Story- Our Clients
- 27 Key Differentiators
- 29 Operating Environment & Business Model
- 32 Our Strategic Priorities
- 33 Digital Transformation & Innovation
- 35 Feature Story- Our Colleagues
- 37 Key Performance Indicators
- 39 Risk Management

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

Shareholder overview

Socially Responsible Microfinance Model



Drawing on 18 years of operations in Pakistan, the model has been adapted to the local regulatory environment, market dynamics, and client needs, while retaining its core focus on responsible lending, client protection, and operational discipline.

Key features of the ASA Model in Pakistan include:

- Market-based, transparent pricing, aligned with regulatory guidelines
- Collateral-free lending, supporting access for underserved segments
- Loans primarily for income generating activities, promoting sustainable livelihoods
- Structured loan cycles, with defined limits on repeat borrowing to prevent over-indebtedness
- Client progression based on repayment discipline rather than aggressive loan growth
- Strong in-house staff training, reinforcing ethical conduct and consistent service delivery

18

Years of operations in Pakistan

48

Years of global microfinance experience

This model enables ASA MFB to balance financial sustainability with social impact, while protecting both clients and the institution, as reflected in PAR >30 days: 0.38% and a total active borrower base of over 740K clients.

Strong Focus on Women & Financial Inclusion



The Bank primarily serves women micro-entrepreneurs and women-led households, with 96% of the client base comprising women, particularly across rural and semi-urban communities in 14 regions.

Beyond access to finance, ASA MFB promotes inclusion through:

- Branch-led financial literacy and awareness sessions that strengthen financial decision-making and resilience

Sessions conducted across
4 Branches & Schools

reaching nearly
100 Women clients and a similar number of students

Sessions conducted across
10 Branches

engaging
200+ Women clients

- Group-based engagement and community-level interactions that strengthen trust and long-term relationships
- Client-centric processes designed to ensure dignity, transparency, and consumer protection throughout the lending lifecycle

This focused approach strengthens financial confidence, supports household resilience, and reinforces strong repayment discipline and long-term client relationships.

The Landscape of Progress

Turning strategy into impact

- 23 Group CEO's Message
- 24 Message from the CEO
- 25 Feature Story- Our Clients
- 27 Key Differentiators
- 29 Operating Environment & Business Model
- 32 Our Strategic Priorities
- 33 Digital Transformation & Innovation
- 35 Feature Story- Our Colleagues
- 37 Key Performance Indicators
- 39 Risk Management

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

Shareholder overview

Proven Credit Methodology & Close Client Relationships



ASA MFB credit methodology is built on proximity to clients and disciplined execution at the branch level. Loan officers maintain close relationships with borrowers, with an average portfolio of 424 clients per loan officer across 1,747 loan officers nationwide, enabling early identification of risks and responsible loan growth.

Key strengths include:

- | Structured client assessment and onboarding
- | Ongoing portfolio monitoring supported by early warning indicators
- | Responsible repeat lending based strictly on demonstrated repayment behaviour

424 | **1747**

Avg No of clients per Loan officer

Total Number of Loan officers

This focused approach strengthens financial confidence, supports household resilience, and reinforces strong repayment discipline and long-term client relationships.

Disciplined Operations with Central Oversight



While decision-making is decentralised at the branch level to remain close to clients, ASA MFB operates within a highly standardised operating framework. Policies, procedures and controls are centrally defined and implemented across 405 branches and service centres in 14 regions, ensuring consistency, transparency, and strong risk management.

Procedures and controls are centrally defined and implemented across

405 | **14**
branches and service centres in regions

Operations are conducted under disciplined credit practices and robust central oversight, with branches subject to regular audit and compliance reviews as part of the Bank's structured internal control framework.

Risk-Aware & Scalable Operating Model



ASA MFB benefits from an operating model designed for scale without compromising control. Standardised processes, strong governance structures, and a risk-aware culture support sustainable growth, with year-on-year portfolio growth of 32% while maintaining prudent risk thresholds.

Over time, the Bank aims to expand deposit mobilisation to strengthen client relationships and reduce overall risk exposure. The operating model supports:

- | Effective risk identification and mitigation at the branch level
- | Consistent execution across geographies
- | Full alignment with the State Bank of Pakistan's regulatory framework, maintaining capital adequacy and prudential safeguards in line with regulatory requirements

32%

year-on-year portfolio growth

The Landscape of Progress

Turning strategy into impact

- 23 Group CEO's Message
- 24 Message from the CEO
- 25 Feature Story- Our Clients
- 27 Key Differentiators
- 29 Operating Environment & Business Model
- 32 Our Strategic Priorities
- 33 Digital Transformation & Innovation
- 35 Feature Story- Our Colleagues
- 37 Key Performance Indicators
- 39 Risk Management

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

Shareholder overview

OUR PATH TO SUSTAINABLE GROWTH

The ASA Model is a branch-led, field-driven microfinance approach designed to deliver responsible financial services to underserved communities across Pakistan. It combines local presence, standardised credit practices, and central oversight to enable efficient decision-making, high-touch client engagement, and sustainable portfolio growth.

At year-end 2025, ASA operated through:

100

Hub-branches

305

Service centres

Over
740K+
active borrowers

of which
96%
are women

Covering 14 regions in Pakistan

Operational Model

Branches act as local hubs deeply rooted in the community, supported by field officers who serve as the primary touchpoints for customers.

Through this network:

Customers are engaged via community referrals, branch visits, or field officer outreach

Loan applications are guided by field officers, verified at branches, and approved via centralized oversight

Disbursement and repayment processes are structured to be transparent, timely, and customer-friendly

Ongoing support ensures borrowers are empowered to manage their loans effectively

Operations are conducted under disciplined credit practices, central oversight, and regulatory compliance, ensuring responsible lending and customer protection across all regions.

The Landscape of Progress

Turning strategy into impact

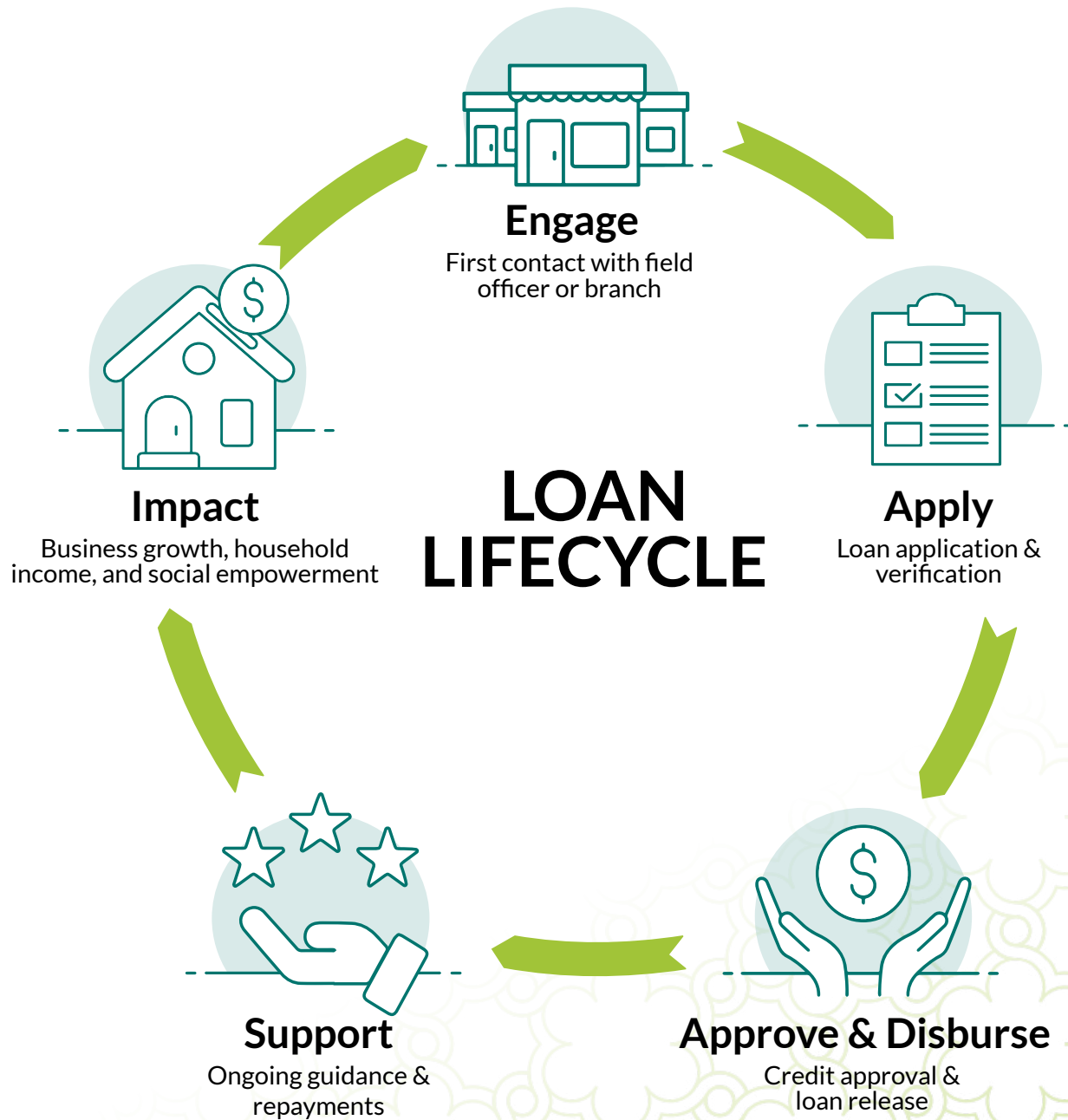
- 23 Group CEO's Message
- 24 Message from the CEO
- 25 Feature Story- Our Clients
- 27 Key Differentiators
- 29 Operating Environment & Business Model
- 32 Our Strategic Priorities
- 33 Digital Transformation & Innovation
- 35 Feature Story- Our Colleagues
- 37 Key Performance Indicators
- 39 Risk Management

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

Shareholder overview



Branches
100

Service Centres
305

clients per business location
1829

Average clients per field officer
424

Total clients
740,696

% Women borrowers
96%

Average loan size
PKR 44,709

Loan tenure
12-18 installments

The Landscape of Progress

Turning strategy into impact

- 23 Group CEO's Message
- 24 Message from the CEO
- 25 Feature Story- Our Clients
- 27 Key Differentiators
- 29 Operating Environment & Business Model
- 32 Our Strategic Priorities
- 33 Digital Transformation & Innovation
- 35 Feature Story- Our Colleagues
- 37 Key Performance Indicators
- 39 Risk Management

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

Shareholder overview

Business Impact & Community Outcomes

Community & Social Impact Programmes

ASA MFB continued its focus on financial literacy, women's empowerment, and inclusion initiatives.

In 2025, these efforts reached

over **200** women clients | and nearly **100** students

promoting knowledge of formal banking and strengthening financial confidence and inclusion.

Portfolio Growth & Sustainability

Achieved **32%** year-on-year portfolio growth.

Staff & Inclusion Metrics

Total workforce of **3,572** employees

11% female field officers | **0.83%** employees with disabilities

demonstrating ASA MFB commitment to workforce diversity and inclusion.

The Landscape of Progress

Turning strategy into impact

- 23 Group CEO's Message
- 24 Message from the CEO
- 25 Feature Story- Our Clients
- 27 Key Differentiators
- 29 Operating Environment & Business Model
- 32 Our Strategic Priorities
- 33 Digital Transformation & Innovation
- 35 Feature Story- Our Colleagues
- 37 Key Performance Indicators
- 39 Risk Management

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

Shareholder overview

STRATEGY & OUTLOOK

As Pakistan's economy continues to recover and evolve, ASA Microfinance Bank enters 2026 with a clear purpose: to empower low-income entrepreneurs, expand financial inclusion, and create lasting social and economic impact. Over the years, ASA has built a disciplined, branch-led model that combines local presence with strong governance, responsible lending practices, and client-centric service. Building on this foundation, the Bank's strategy for the year ahead focuses on three interconnected priorities: scaling growth, strengthening resilience, and delivering sustainable impact.

Scaling Growth

Growth for ASA is not just about expanding numbers- it is about extending access to financial services, enhancing client livelihoods, and fostering entrepreneurship. In 2026, ASA will continue to optimize its existing operations, ensuring that products, pricing, and processes remain efficient, accessible, and responsive to client needs.

The Bank will further accelerate digital financial services, expanding access to convenient, secure, and flexible banking solutions for clients in both urban and rural communities. Technology will play a central role in reducing barriers, improving transaction efficiency, and providing seamless experiences across branches, digital channels, and community touchpoints.

ASA will also explore new geographies and market segments, offering a diversified suite of lending products, deposit mobilization, and Islamic banking solutions. These expansions are designed to meet the evolving needs of clients while remaining socially responsible and financially sustainable.

Strengthening Resilience

Sustainable growth requires a strong foundation. ASA's approach in 2026 emphasizes robust governance, empowered people, and technology-enabled operations. A mature core banking system, combined with disciplined risk management, allows the Bank to innovate confidently while safeguarding both clients and the institution.

In parallel, ASA will continue to strengthen its regulatory and compliance framework, ensuring that operations remain fully aligned with statutory requirements. Prudent financial management- including careful allocation of capital, cost control, and risk mitigation- will underpin the Bank's resilience and long-term sustainability.

Delivering Sustainable Impact

For ASA, success is measured not only in financial terms but also in social and environmental outcomes. In 2026, the Bank

will enhance its triple-bottom-line approach, integrating profit, people, and planet into every strategic decision.

By increasing financial access, promoting entrepreneurship, and delivering financial literacy programs, ASA aims to improve household income, strengthen communities, and empower women-led businesses. At the same time, environmentally responsible practices will be embedded across operations, reflecting the Bank's commitment to sustainability and long-term societal well-being.

Looking Ahead

ASA enters 2026 from a position of strength. With an established operational platform, a growing digital ecosystem, and a culture of ownership and accountability, the Bank is well-positioned to convert opportunities into tangible results for clients and communities.

In a country where access to formal financial services remains limited, ASA's 2026 strategy is clear: to advance the socio-economic progress of low-income entrepreneurs, foster resilient communities, and build an inclusive financial ecosystem that delivers sustainable value for both people and the planet.

The Landscape of Progress

Turning strategy into impact

- 23 Group CEO's Message
- 24 Message from the CEO
- 25 Feature Story- Our Clients
- 27 Key Differentiators
- 29 Operating Environment & Business Model
- 32 Our Strategic Priorities
- 33 Digital Transformation & Innovation
- 35 Feature Story- Our Colleagues
- 37 Key Performance Indicators
- 39 Risk Management

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

Shareholder overview

DIGITAL TRANSFORMATION & INNOVATION

Digital Transformation Overview

Digital transformation is a strategic enabler of ASA Microfinance Bank Pakistan's operational resilience, regulatory compliance, and long-term scalability. As the Bank continues to expand its footprint across underserved markets, technology plays a central role in strengthening service delivery, governance, and institutional sustainability.

In 2025, the Bank advanced its digital agenda through strengthened leadership, enhanced system resilience, and disciplined governance structures, laying the foundation for future product diversification and the introduction of digital financial services.

To reinforce enterprise-wide accountability and execution discipline, the Bank established the role of Chief Transformation, Digital and Information Officer (CTDIO). Mr. Khurram Gul Agha, a seasoned technology and transformation professional with extensive experience across banking systems, digital platforms, data and analytics, and regulatory-driven change programmes, was appointed to lead this function. The role provides strategic direction and oversight across technology, transformation, and information governance initiatives.

Core Systems & Operational Resilience

ASA Microfinance Bank Pakistan operates on the Temenos T24 core banking platform, supported by Systems Ltd., which underpins lending operations, financial reporting, analytics, and internal workflows. During the year, the Bank maintained 99.8% system uptime, reflecting a strong focus on service continuity and operational resilience.

Continuous enhancements were undertaken to strengthen system stability, improve performance, and support evolving business and regulatory requirements. In parallel, the Bank initiated core system expansion and configuration activities to enable Islamic banking capabilities, support deposit products, and facilitate future system upgrades. These initiatives lay the foundation for business diversification and sustainable growth, subject to regulatory approvals.

Digital Enablements & Process Automation

To strengthen delivery oversight and execution quality, the Bank established a dedicated Project Management Office (PMO) and implemented a formal IT governance and programme management framework. This structure supports prioritisation, accountability, risk management, and consistent delivery across technology initiatives.

A new analytics division was created to enable data-driven decision-making, performance monitoring, and enhanced management reporting. Automation and analytics-driven IT performance metrics were developed and embedded to support operational management across business, risk, and technology functions.

Selective system enhancements and process automation initiatives were undertaken to reduce manual intervention, improve turnaround times, and strengthen internal controls. To reinforce system change management and testing discipline, the Bank adopted secure AI-enabled regression testing solutions, enhancing system stability during upgrades and releases.

In addition, the Bank transitioned to Microsoft 365 productivity and document management tools, improving collaboration, information governance, and internal coordination.

Cyber Security & Information Security

To further strengthen its control environment, the Bank established a dedicated Chief Information Security Officer (CISO) role, reinforcing accountability for information security and cyber risk management.

During the year, firewall infrastructure was upgraded, endpoint detection and monitoring controls were enhanced, and robust access management and system monitoring mechanisms were maintained to safeguard information assets, customer data, and operational integrity.

Enhancing Customer Experience through Technology

While technology investments were primarily focused on strengthening foundations and controls, these initiatives have supported improved service reliability and operational efficiency. Reduced manual processes and improved system stability enable frontline teams to focus more effectively on customer engagement, service quality, and relationship management, supporting the Bank's financial inclusion mandate.

Technology Outlook

Looking ahead, the Bank's technology roadmap includes the planned introduction of Digital Financial Services (DFS) and the development of capabilities to transition toward open banking through secure API integration frameworks, subject to regulatory approvals and strategic priorities.

These initiatives are intended to further enhance customer access, operational scalability, and ecosystem integration while maintaining strong governance and risk controls.

The Landscape of Progress

Turning strategy into impact

- 23 Group CEO's Message
- 24 Message from the CEO
- 25 Feature Story- Our Clients
- 27 Key Differentiators
- 29 Operating Environment & Business Model
- 32 Our Strategic Priorities
- 33 Digital Transformation & Innovation
- 35 Feature Story- Our Colleagues
- 37 Key Performance Indicators
- 39 Risk Management

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

Shareholder overview



The Landscape of Progress

Turning strategy into impact

- 23 Group CEO's Message
- 24 Message from the CEO
- 25 Feature Story- Our Clients
- 27 Key Differentiators
- 29 Operating Environment & Business Model
- 32 Our Strategic Priorities
- 33 Digital Transformation & Innovation
- 35 Feature Story- Our Colleagues
- 37 Key Performance Indicators
- 39 Risk Management

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

Shareholder overview



Feature Story - Our Colleagues

SHAYAM CHOHAN

Phone Banking Officer

At ASA Microfinance Bank (Pakistan) Limited, we believe that inclusion begins with opportunity.

Mr. Shayam Chohan, a resident of Karachi and a person with a visual disability, learned about the Access Ability Careers event through a WhatsApp group. Motivated by the opportunity to explore inclusive career options, he chose to participate in the event in the hope of finding a workplace that values ability over limitation.

During the event, Shayam engaged with employers across multiple career stalls and submitted his CV to several organizations, including ASA Microfinance Bank. The platform provided him with direct access to employers, career guidance, and a space to confidently present his skills and aspirations.

Following the event, we invited Shayam for an interview. After successfully completing the selection process, he joined ASA Microfinance Bank Head Office in July 2025 as a Phone Banking Officer in the Service Quality and Consumer Protection unit Compliance Department.

For Shayam, this opportunity marked a significant turning point. Securing formal employment enabled him to achieve financial independence, actively support his family, and build confidence in his professional journey. For us, his story reinforces the importance of inclusive hiring practices that recognize potential and create meaningful pathways to dignified employment.

Shayam's journey reflects our commitment to fostering an inclusive workplace- one where access, opportunity, and respect enable individuals to thrive.

The Landscape of Progress

Turning strategy into impact

- 23 Group CEO's Message
- 24 Message from the CEO
- 25 Feature Story- Our Clients
- 27 Key Differentiators
- 29 Operating Environment & Business Model
- 32 Our Strategic Priorities
- 33 Digital Transformation & Innovation
- 35 Feature Story- Our Colleagues
- 37 Key Performance Indicators
- 39 Risk Management

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

Shareholder overview



ASMA SIETHIN

Unit Head Training & Development – DEI/ER & MIS

At ASA Microfinance Bank (Pakistan) Limited, we believe that growth is driven by opportunity, dedication, and a commitment to continuous learning.

Ms. Asma Siethin joined ASA Microfinance Bank after completing her MBA in 2008, aspiring to build a meaningful career in an organization that values people, integrity, and growth. She began her journey as a Loan Officer, where she gained firsthand exposure to grassroots banking and community engagement. This early experience strengthened her understanding of microfinance and instilled a strong sense of discipline and commitment.

Recognizing her performance and potential, Asma was promoted to Branch Manager, marking the beginning of her leadership journey. In this role, she managed branch operations, led teams, and contributed to business growth, further sharpening her decision-making and leadership capabilities.

Driven by a passion for people development, Asma transitioned into the Human Resources function as an HR Officer. She played an active role in employee engagement, recruitment, and performance management. Her consistent contributions led to her progression to Manager HR, where she took on more strategic responsibilities, including policy development and talent management. She later advanced to Deputy Head of HR, supporting leadership initiatives and aligning people practices with organizational goals.

Currently serving as Unit Head Training & Development – DEI/ER & MIS, Asma focuses on fostering a culture of continuous learning, promoting inclusion, and strengthening employee relations across the organization.

Asma’s journey at ASA Microfinance Bank reflects dedication, resilience, and purposeful growth. Her story stands as a testament to the organization’s commitment to nurturing talent and creating pathways for employees to grow, lead, and make a meaningful impact.

The Landscape of Progress

Turning strategy into impact

- 23 Group CEO’s Message
- 24 Message from the CEO
- 25 Feature Story- Our Clients
- 27 Key Differentiators
- 29 Operating Environment & Business Model
- 32 Our Strategic Priorities
- 33 Digital Transformation & Innovation
- 35 Feature Story- Our Colleagues
- 37 Key Performance Indicators
- 39 Risk Management

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

Shareholder overview

KEY PERFORMANCE INDICATORS

Assets Portfolio

Active Clients	740,696	+12%
Gross Loan Portfolio (GLP)	PKR 33.12 Bn	+32%

Women Borrowers

Active Clients	713,301	+12%
Gross Loan Portfolio (GLP)	PKR 31.67 Bn	+41%
Portfolio Share	96%	

Women MSME Segment

Active Clients	21,573	+310%
Gross Loan Portfolio (GLP)	PKR 2.15Bn	+418%
Portfolio Share	6.5%	

Portfolio Productivity

Avg. Clients per Loan Officer	424	+4%
-------------------------------	-----	-----

Portfolio Quality

PAR > 30 Days	0.38%	-32%
---------------	-------	------

The Landscape of Progress

Turning strategy into impact

- 23 Group CEO's Message
- 24 Message from the CEO
- 25 Feature Story- Our Clients
- 27 Key Differentiators
- 29 Operating Environment & Business Model
- 32 Our Strategic Priorities
- 33 Digital Transformation & Innovation
- 35 Feature Story- Our Colleagues
- 37 Key Performance Indicators
- 39 Risk Management

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

Shareholder overview



For the past 15 years, Uzma Bibi has been making rackets at home alongside her daughter, with the support of ASA MFB

The Landscape of Progress

Turning strategy into impact

- 23 Group CEO's Message
- 24 Message from the CEO
- 25 Feature Story- Our Clients
- 27 Key Differentiators
- 29 Operating Environment & Business Model
- 32 Our Strategic Priorities
- 33 Digital Transformation & Innovation
- 35 Feature Story- Our Colleagues
- 37 Key Performance Indicators
- 39 Risk Management

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

Shareholder overview

RISK MANAGEMENT

Risk management is central to ASA Microfinance Bank's business model and underpins the Bank's sustainable growth and financial inclusion objectives. The Bank adopts a prudent, disciplined approach to risk-taking, ensuring that risks are identified, assessed, and managed consistently across all operations.

Risk Governance Framework

ASA MFB operates a structured risk governance framework under the supervision of the Board of Directors, which sets the Bank's risk appetite, approves key risk policies, and oversees the overall risk profile.

At management level, oversight is exercised through:



These committees ensure effective implementation of approved policies, timely escalation of emerging risks, and regular review of the Bank's risk exposures. The Risk Management Department (RMD) functions independently as a second line of defense, responsible for identifying, measuring, monitoring, reporting and managing risks across the Bank.

The Bank follows a three lines of defense model:



Key Risk Categories Overview

Credit Risk

Credit risk arises from a borrower's failure to meet contractual obligations. ASA manages credit risk through defined credit policies and procedures, continuous monitoring of portfolio quality, early warning indicators, and targeted follow-ups on delinquent accounts.

Operational Risk

Operational risk arises from inadequate or failed internal processes, people, systems, or external events. The Bank mitigates operational risk through robust internal controls, segregation of duties, timely incident reporting, and regular monitoring and reporting of operational loss events.

Liquidity Risk

Liquidity risk is the inability to meet financial obligations as they fall due. ASA manages liquidity risk through prudent liquidity management, regular cash flow monitoring, and adherence to regulatory liquidity requirements. Liquidity positions are reviewed regularly to ensure resilience under both normal and stressed conditions.

Market Risk

Market risk arises from adverse movements in market variables such as interest rates or foreign exchange rates. Given the nature of microfinance operations, ASA's exposure remains limited. Exposures are monitored regularly, and limits are maintained in line with regulatory guidelines and approved policies.

The Landscape of Progress

Turning strategy into impact

- 23 Group CEO's Message
- 24 Message from the CEO
- 25 Feature Story- Our Clients
- 27 Key Differentiators
- 29 Operating Environment & Business Model
- 32 Our Strategic Priorities
- 33 Digital Transformation & Innovation
- 35 Feature Story- Our Colleagues
- 37 Key Performance Indicators
- 39 Risk Management

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

Shareholder overview

Risk Appetite

ASA MFB maintains a moderate risk appetite, balancing growth with prudent risk management to safeguard customers, employees, investors, and the Bank's reputation. The Bank prioritizes:

Responsible lending and client protection

Compliance with State Bank of Pakistan regulations and internal policies

Ethical and transparent operations

Minimization of operational, credit, and liquidity risks

Risk appetite is reviewed quarterly using Key Risk Indicators (KRIs), which set tolerance thresholds aligned to regulatory requirements, historical trends, and projected business conditions. This ensures that the Bank's risk management remains dynamic, proactive, and aligned with its strategic objectives.

Responsible & Ethical Banking (Risk Lens)

ASA MFB remains committed to responsible and ethical banking practices. Risk management plays a key role in supporting this objective. The Bank maintains full compliance with SBP regulations, and the risk function works closely with other functions to embed regulatory requirements into operational processes.

Customer Complaints & Resolution

To promote transparency and customer protection, ASA MFB maintains robust mechanisms for complaint management.

736

Total complaints received

97.15%

Resolved cases

2.99 working days

Average resolution time

Customers can lodge complaints via multiple channels, including phone, email, complaint boxes at branches, branch staff assistance, and directly via surface mail to the Centralized Complaint Management Cell (CCMC). If dissatisfied with resolution, customers may escalate to the State Bank of Pakistan's complaint resolution channels.

This structured approach to complaints ensures timely resolution, enhances customer trust, and reinforces ASA Pakistan's commitment to ethical, responsible, and client-centric banking.

The Landscape of Progress

Turning strategy into impact

- 23 Group CEO's Message
- 24 Message from the CEO
- 25 Feature Story- Our Clients
- 27 Key Differentiators
- 29 Operating Environment & Business Model
- 32 Our Strategic Priorities
- 33 Digital Transformation & Innovation
- 35 Feature Story- Our Colleagues
- 37 Key Performance Indicators
- 39 Risk Management

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

Shareholder overview



OUR GOVERNANCE COMPASS

The Landscape of Progress

Turning strategy into impact

• **Our Governance Compass**

- 42 Board of Directors
- 44 Management & Executive Committee
- 50 Audit Committee Report (Summary)
- 51 Risk Committee Report (Summary)
- 52 Director's Report (English)
- 58 Director's Report (Urdu)

Driving Social & Environmental Change

Financial Foundations

Shareholder overview

BOARD OF DIRECTORS



Mr. Dirk Machgielis Brouwer
Non-Executive Director

Mr Brouwer co-founded ASA International in 2007 and served as its Executive Director and Chief Executive Officer until June 2023.

As of 15 June 2023, Mr Brouwer has assumed a new role as (i) Deputy Chairman of the Board of ASA International and (ii) Special Advisor to the CEO, the Executive Committee and the wider management team.

He has over 20 years' experience in investment banking and 15 years' experience in microfinance. He is Managing Director of Catalyst Microfinance Investors ('CMI'), which he co-founded in 2006, and Non-Executive Chairman of CarbonX, an advanced materials venture.



Mr. Robert Adianus Theodorus Keijsers
Non-Executive Director

Rob Keijsers joined the Board of ASA Microfinance Bank (Pakistan) Limited, in March 2025. Rob was appointed as Group Chief Executive Officer of ASA International, effective 1 April 2025. Rob took on the role of Interim Chief Executive Officer and Executive Director of ASA International Group plc on 1 November 2024 having been Chief Digital and Information Officer since July 2023.

He originally joined as Chief Information Officer in May 2022. Other than leading the IT department, he was responsible for the overall digital transformation journey. Rob joined from ABN Amro Bank and over the past 15 years has gained experience in the cross section of business operations and IT in a multinational banking environment, specifically in large scale digital transformations, post-merger and agile integrations, and setting up green field operations.



Mr. Martijn Raphel Bollen
Non-Executive Director

Mr Bollen has been the General Counsel of ASA International since 2007 and joined the Board of ASA Microfinance Bank (Pakistan) Limited, in November, 2019.

Mr Bollen has over 13 years of experience in the microfinance industry and has worked with Sequoia since 2005 and also serves as the General Counsel of CMI. Prior to this experience, Mr Bollen worked inter alia as an Attorney-at-Law at Loyens & Loeff from April 2000 to June 2004 where he was a member of the banking and finance department and was primarily involved in structured finance transactions and mergers and acquisitions. From 2004 to 2005, he worked inter alia as an In-House Counsel to DSMDyneema.

Mr Bollen holds a Master's degree in Law from the University of Maastricht in the Netherlands and a Bachelor of Laws from the Victoria University of Wellington in New Zealand.



Mr. Mischa John Assink
Non-Executive Director

Mr Assink has been the Chief Accountant of the Group since 2011 and joined the Board of Directors of ASA Microfinance Bank (Pakistan) Ltd. in 2019. He has over 10 years of experience in the microfinance industry.

He also is a Financial Controller at CarbonX B.V. since 2014 and Senior Accountant at Sequoia since 2011. He held several positions including Financial Controller at NOTS Impact Enterprises from 2015 to 2017, Senior Manager in the Transaction Advisory Services team at Ernst & Young from 2005 to 2010 and worked in the audit department of Ernst & Young from 1992 to 2005.

Mr Assink obtained his degree in Accountancy and Auditing from Nivra Nyenrode in 2005. Mr Assink is a Chartered Auditor and a member of the Institute of Chartered Auditors in the Netherlands.

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

- 42 Board of Directors
- 44 Management & Executive Committee
- 50 Audit Committee Report (Summary)
- 51 Risk Committee Report (Summary)
- 52 Director's Report (English)
- 58 Director's Report (Urdu)

Driving Social & Environmental Change

Financial Foundations

Shareholder overview



Mr. Asif Yasin Malik
Independent Director

Mr Malik joined the Board of ASA Microfinance Bank (Pakistan) Ltd. in November, 2019. He joined the Pakistan Army in 1973 and after a meritorious 38 years of service retired in 2011. Subsequently he served as Secretary, Defense, Government of Pakistan from 2012 to 2014.

He holds two master's degrees from National Defense University, Islamabad & National Defense University, Washington DC, USA. Mr Malik is on the boards of several think tanks and organizations.



Mr. Muhammad Kamran Shehzad
Independent Director

Mr. Muhammad Kamran Shehzad is a former Deputy Governor of State Bank of Pakistan & Managing Director, SBP - Banking Services Corporation also. He has also served as Banking Mohtasib Pakistan (BMP) from 2019-2023. Currently, he is doing independent Advisory & Consultancy work for various organizations & business entities in Pakistan & abroad.

His distinguished career/experience is spread over a period of over 45 years in Banking, Finance and Accounting including more than 35 years in Commercial Banks and Central Bank (SBP). He has held various senior level positions in banking sector. He is also a professional trainer and represented SBP in various national and international conferences and events.



Ms. Tahseen Sayed Khan
Independent Director

Ms. Tahseen Sayed Khan joined the Board of ASA Microfinance Bank (Pakistan) Limited, as an Independent Director in March 2025.

She is a highly accomplished senior executive with over 30 years of international experience in public sector management, development finance, and strategic leadership. She has held key leadership positions at the World Bank overseeing multi-billion-dollar portfolios and leading cross-functional teams across South Asia, Southeast Europe, and Latin America & the Caribbean. Ms. Sayed is recognized for her expertise in policy dialogue, governance reforms, climate resilience, and complex program management. Her track record reflects strong negotiation skills, stakeholder engagement, and the ability to drive transformational development results in challenging environments.

She holds a Master's degree in International Law & Diplomacy from the Fletcher School of Law & Diplomacy, Tufts University, USA. She has also completed the Executive Development Program conducted by Harvard University, USA.

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

- 42 Board of Directors
- 44 Management & Executive Committee
- 50 Audit Committee Report (Summary)
- 51 Risk Committee Report (Summary)
- 52 Director's Report (English)
- 58 Director's Report (Urdu)

Driving Social & Environmental Change

Financial Foundations

Shareholder overview

MANAGEMENT AND EXECUTIVE COMMITTEE



Mr. Ahmed Naazer Minhaj
President & Chief Executive Officer

Mr. Naazer Minhaj has been appointed as a President and CEO of ASA Microfinance (Pakistan) Limited. Mr. Naazer is passionate about working in roles that have an impact on the economic growth of Pakistan along with financial inclusion. Prior to this, he led Agriculture Banking at HBL working to uplift lending in this key economic sector. Earlier he had established HBL's Branchless Banking network helping drive financial inclusion agenda & the delivery of large government social security mandates such as BISP cash disbursements, flood relief & COVID emergency payments. Under his leadership HBL has been awarded the 'Best Bank in Agriculture Financing' in 2022 and 2023 at the Pakistan Banking Awards. Mr. Naazer has over 23 years of experience in diversified industries such as FMCG, Chemicals, Lubricants & Tobacco.

He started his career at Engro Fertilizers returning to work at Engro Foods in Sales in 2010 & has also served as the Country Manager Pakistan for SC Johnson, Brand Manager at Royal Dutch Shell in Indonesia & Head of Trade Marketing and Sales at Philip Morris International Pakistan. Mr. Naazer served on the board of Pakistan Agriculture Services and Storage Corporation. He holds an MBA and a BBA (Hons) from the Institute of Business Administration, Karachi.



Mr. Aftab Saleem
Head Banking Operations

Mr. Saleem has been in banking for over 24 years. He has taken a leading role in developing and implementing the processes and controls related to operational efficacy and has rich experience in taking on new challenges in the areas of Procedure Development, Branch Control, Human Resources, Islamic Banking, Administration, Operational Risk, AML, Audit, and Regulatory Compliance.

His primary expertise is in the field of operational improvement, investigation, and operational risk. He has worked in cross functional teams to add value to the ongoing projects in retail banking.

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

- 42 Board of Directors
- 44 Management & Executive Committee
- 50 Audit Committee Report (Summary)
- 51 Risk Committee Report (Summary)
- 52 Director's Report (English)
- 58 Director's Report (Urdu)

Driving Social & Environmental Change

Financial Foundations

Shareholder overview



Mr. Ashok Kumar Shivani

Head of Compliance

Mr. Shivani currently serves as the Head of Compliance at ASA Microfinance Bank (Pakistan) Ltd. He holds CAMS certification and MBA and brings more than 11 years of hands-on microfinance experience. His career spans operations, branch management, credit, and compliance roles at Khushhali Bank Ltd., The First Microfinance Bank Ltd., and other microfinance institutions, where he developed strong grassroots expertise as an operations officer, Branch manager, credit specialist, and compliance supervisor. Having led compliance teams at two other microfinance banks, he is well-versed in regulatory frameworks, risk mitigation, and operational best practices across the sector.



Ms. Ayesha Haider

Head of Risk

Ms. Ayesha Haider serves as Head of Risk at ASA Microfinance Bank (Pakistan) Limited, where she oversees the enterprise-wide risk management framework and leads the strategic integration of risk management to support business growth while ensuring adherence to risk appetite and regulatory requirements.

With over 22 years of experience in the banking sector, Ms. Haider has worked with premier financial institutions such as HSBC, Barclays, and HBL across Treasury, Corporate, Risk, and International Banking divisions. Her most recent role in the Risk Management Division was as Head of Regional Risk at HBL Sri Lanka and Maldives.

Ms. Haider holds a Master's degree in Economics from the University of Karachi.



Mr. Aziz Kapadia

Company Secretary

Mr. Aziz Kapadia serves as Company Secretary of ASA Microfinance Bank (Pakistan) Limited. He brings over 36 years of extensive experience across the financial services and insurance/takaful sectors, with deep expertise in finance and accounting, internal controls, assurance, compliance management, and corporate affairs.

Prior to joining ASA Microfinance Bank (Pakistan) Limited, he held senior leadership roles at AON Insurance Brokers, AVIVA, Jubilee Insurance, and Pak-Kuwait Takaful. Over the past decade, he has been responsible for overseeing corporate secretarial functions of public companies, ensuring compliance with statutory and regulatory requirements, and facilitating effective implementation of Board decisions.

Mr. Kapadia is a Fellow of the Institute of Corporate Secretaries of Pakistan and has attended various professional training programs in the United States, Malaysia, and Pakistan. He holds MBA degrees from the Institute of Business Administration (IBA), Karachi, and Kansas State University, USA, with specialization in Finance and Accounts.

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

- 42 Board of Directors
- 44 Management & Executive Committee
- 50 Audit Committee Report (Summary)
- 51 Risk Committee Report (Summary)
- 52 Director's Report (English)
- 58 Director's Report (Urdu)

Driving Social & Environmental Change

Financial Foundations

Shareholder overview



Ms. Faryal Khaleel

Head of Legal

Ms. Faryal Khaleel joined ASA Microfinance Bank (Pakistan) Ltd. as Head of Legal, with over 17 years of diversified experience in legal affairs within the banking sector. Her expertise spans Banking laws, Contract Negotiation, Digital Innovation, Consumer and Commercial Banking Product Advisory, Company & Labor Laws, Corporate Governance etc.

Prior to joining ASA Microfinance Bank (Pakistan) Limited, she served as the Senior Vice President - Legal Affairs at Bank Alfalah Limited. Previously, she has been associated with leading banking companies like National Bank of Pakistan, NIB Bank Limited, Faysal Bank Limited. She has also worked as the in-house legal counsel for foreign banks which includes The Royal Bank of Scotland and ABN AMRO N.V. Ms. Khaleel holds an LL.B (Hons.) degree from the University of London. She is an honorable member of Karachi Bar Association and Sindh Bar Council.



Mr. Khurram Gul Agha

Chief Transformation, Digital & Information Officer

Mr. Khurram Gul Agha serves as the Chief Transformation, Digital and Information Officer (CTDIO) at ASA Microfinance Bank (Pakistan) Ltd. His earlier position within the Bank was Chief Digital and Information Officer (CDIO). With over 25 years of experience in the financial services sector, including more than 15 years in C-level roles, he is a seasoned expert in Digital Financial Services (DFS).

Mr. Agha specializes in information technology, digital banking, digital transformation, business and product development, performance analysis, and the development and implementation of strategic visions. His expertise extends to risk management, fraud prevention, and operational enhancements, enabling the creation of digital-first roadmaps, customer journeys, and innovative products.

Throughout his career, he has played a pivotal role in driving transformation for conventional, Islamic, and microfinance banks in Pakistan.



Ms. Momina Durrani

Chief Human Resource Officer

Ms. Momina Durrani joined ASA Microfinance Bank (Pakistan) Ltd. as Chief Human Resource Officer. She has more than 16 years of diversified experience in Human Resources across Banking, FMCG, Pharma, and Manufacturing.

Prior to joining ASA Microfinance Bank (Pakistan) Ltd., she served as Head of HR at Mashreq Bank MGN. Previously, she was associated with Engro Corporation as Senior HR Business Partner and with GlaxoSmithKline as Talent Acquisition Lead for Pakistan, Iran and MEA-CIS hubs. Earlier in her career, she worked with Aman Foundation and August Leadership in HR leadership and consulting roles.

She started her professional career in the banking sector with Standard Chartered Bank, Pakistan, and Royal Bank of Scotland. Ms. Durrani holds an MSc in Occupational Psychology from Goldsmiths, University of London, and a BBA in Finance from Institute of Business Administration, Pakistan.

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

- 42 Board of Directors
- 44 Management & Executive Committee
- 50 Audit Committee Report (Summary)
- 51 Risk Committee Report (Summary)
- 52 Director's Report (English)
- 58 Director's Report (Urdu)

Driving Social & Environmental Change

Financial Foundations

Shareholder overview



Mr. Muhammad Shoaib Shamim

Chief Financial Officer

Mr. Shoaib Shamim is an accomplished Chief Financial Officer with 25 years of experience in financial management, strategic planning, and corporate governance, including over a decade of specialization in the microfinance sector. As a Fellow Chartered Accountant (FCA) from the Institute of Chartered Accountants of Pakistan (ICAP), he has held leadership roles in organizations such as Zood Pakistan, Pak China Investment Company Limited, and Advans Microfinance Bank Limited.

His expertise spans financial modeling, cost control, treasury management, and corporate law. Notably, he successfully led the implementation of the SAP ECC 6.0 FICO Module, demonstrating his capability in managing large-scale projects. Mr. Shamim's commitment to continuous improvement is reflected in his participation in various leadership and innovation programs. He is currently serving as Chief Financial Officer (CFO), overseeing Accounts & Finance as well as Treasury functions. From July 1 to July 31, 2025, he also held the office as Interim Acting President & CEO.



Mr. Nasrullah Khan Zuberi

Chief Internal Auditor

Mr. Zuberi is a Fellow Member of the Institute of Chartered Accountants of Pakistan (FCA) and brings over 30 years of leadership experience across Finance, Corporate Taxation, Corporate & Legal Affairs, Banking Inspection, Internal Audit, and Strategic Planning.

He is currently serving as Chief Internal Auditor. Since joining ASA Microfinance Bank (Pakistan) Ltd., he has held several key positions, including Head of Strategy, Planning & Coordination, where he was also entrusted with additional responsibilities as Chief Green Banking Officer. He later served as Head of Treasury before assuming his current role.

Prior to joining ASA Microfinance Bank, Mr. Zuberi has worked with reputable organizations including the State Bank of Pakistan, Cupola Pakistan Ltd., Reckitt Benckiser Pakistan, and PIA Shaver (Zarghun Project).



Ms. Naushaba Brohi

Head of Corporate Affairs & Brand Management

Ms. Brohi is a strategic communications and brand leader with over 20 years of experience across financial services, media, fashion, and development. Her work sits at the intersection of corporate reputation, stakeholder engagement, and purpose-driven storytelling, aligning business priorities with meaningful social impact.

Currently she leads integrated communications, brand strategy, and ESG initiatives. She has been instrumental in shaping a cohesive institutional narrative and reinforces the bank's commitment to financial inclusion.

Her foundation in the creative industries informs a leadership style grounded in narrative clarity and cultural insight. She has also engaged with artisan communities, supporting sustainable livelihoods and the advancement of traditional craft.

Naushaba is the recipient of several entrepreneurship accolades, including recognition from the British Council (2014), Pond's Miracle Woman Entrepreneur (2015), and Entrepreneur of the Year by LadiesFund (2015).

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

- 42 Board of Directors
- 44 Management & Executive Committee
- 50 Audit Committee Report (Summary)
- 51 Risk Committee Report (Summary)
- 52 Director's Report (English)
- 58 Director's Report (Urdu)

Driving Social & Environmental Change

Financial Foundations

Shareholder overview



Mr. Niaz Ali

Head Branch Banking

Mr. Niaz joined ASA Microfinance Bank as the Head of Branch Banking. He has more than 23 years of diversified experience in different positions at renowned Microfinance Banks/Institutions.

He was associated with First Microfinance Bank Ltd, Pak Oman Microfinance Bank Ltd, and Khushhali Microfinance Bank Ltd and started his career on the grass roots level as a Loan Officer and ascended to positions with greater responsibility and supervisory roles, such as Branch Manager, Area Credit Manager, Cluster Manager, Deputy Zonal Head, and Zonal Head.



Brigadier Shahid Zia (Retd.), SI (M)

Group Head Security, Procurement & Administration

Brigadier Shahid Zia (R) is currently serving as Group Head Security, Procurement & Administration at ASA Microfinance Bank (Pakistan) Limited. He brings over 31 years of experience in military command, security, and counter-insurgency.

Prior to joining ASA Microfinance Bank (Pakistan) Limited, he served in the Pakistan Army on several key leadership roles, including Station Commander Karachi and President Cantonment Board Clifton. He has also held various senior staff and instructional appointments at GHQ and School of Armour and Mechanised Warfare. He has international exposure as a United Nations Military Observer. He is qualified in Comprehensive Crisis Management from USA and Senior Officer Security Studies from Jordan.

He is from graduate of Command and Staff College, Quetta and National Defence University, Islamabad. He holds MPhil degree in Public Policy and Strategic Security Management from National Defence, Islamabad and currently pursuing a PhD in Peace and Conflict Studies from the University of Peshawar.



Mr. Sheeraz Ali Sabri

Head Islamic Microfinance banking Division

Mr. Sheeraz Ali Sabri is currently working in the capacity of Head Islamic Microfinance Banking division as well as Risk functions.

He is a seasoned banker with more than 38 years of diversified and cross functional experience in both conventional and Islamic Banking. Before joining ASA Microfinance Bank (Pakistan) Limited. Mr. Sheeraz worked with Sindh Bank Limited for 10 years as SVP Islamic Banking. Prior to that, he was with HBL for 28 years, holding different portfolios in Branch Banking, Credit, Product Development, Islamic Banking and Learning & Development.

He holds a Master of Science (MS) in finance and is Certified Shariah Advisor and Auditor (CSAA) from AAOIFI, Bahrain.

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

- 42 Board of Directors
- 44 Management & Executive Committee
- 50 Audit Committee Report (Summary)
- 51 Risk Committee Report (Summary)
- 52 Director's Report (English)
- 58 Director's Report (Urdu)

Driving Social & Environmental Change

Financial Foundations

Shareholder overview



With the support of ASA, Nargis Parveen from Gujranwala runs her vegetable shop, building a more secure future for her family.

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

- 42 Board of Directors
- 44 Management & Executive Committee
- 50 Audit Committee Report (Summary)
- 51 Risk Committee Report (Summary)
- 52 Director's Report (English)
- 58 Director's Report (Urdu)

Driving Social & Environmental Change

Financial Foundations

Shareholder overview

AUDIT COMMITTEE REPORT

The Audit Committee of the Board assists the Board in fulfilling its oversight responsibilities relating to financial reporting, internal controls, risk management, and compliance with applicable laws and regulations.

Composition & Meetings

During the year, the Audit Committee comprised three Non-Executive Directors, including one Independent Director, and was chaired by the Independent Director. The Committee met four times during the year, with all meetings held in accordance with the approved Audit Committee Charter and applicable laws.

Financial Reporting

The Committee reviewed the quarterly, half yearly and annual financial statements prior to their submission to the Board, including significant accounting policies, estimates, judgments, and disclosures, and recommended the same for Board approval.

Internal & External Audit

The Committee reviewed and approved the Internal Audit plan, considered Internal Audit reports, and monitored management's actions on audit observations. The Committee also reviewed the scope and findings of the external audit, assessed the independence and performance of the External Auditors, and recommended their appointment/re-appointment and audit fee to the Board.

Internal Controls, Risk & Compliance

The Committee reviewed the adequacy and effectiveness of the Bank's internal control and risk management framework and reviewed compliance with applicable laws, regulations, and prudential requirements issued by the State Bank of Pakistan and the Securities and Exchange Commission of Pakistan.

Related Party Transactions & Whistle-Blowing

All related party transactions were reviewed to ensure compliance with legal and regulatory requirements. The Committee also oversaw the whistle-blowing mechanism and was satisfied with its effectiveness.

Conclusion

The Audit Committee is satisfied with the adequacy of the Bank's internal controls, financial reporting processes, and compliance with applicable laws and regulations.

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

- 42 Board of Directors
- 44 Management & Executive Committee
- 50 Audit Committee Report (Summary)
- 51 Risk Committee Report (Summary)
- 52 Director's Report (English)
- 58 Director's Report (Urdu)

Driving Social & Environmental Change

Financial Foundations

Shareholder overview

RISK COMMITTEE REPORT

The Risk Committee of the Board assists the Board in fulfilling its oversight responsibilities relating to the Bank’s risk management framework, risk appetite, and compliance with applicable regulatory requirements.

Composition & Meetings During the year, the Risk Committee comprised three Non-Executive Directors, including one Independent Director. The Committee met five times during the year in accordance with its approved Charter and applicable laws.	Risk Governance & Framework The Committee reviewed the Bank’s risk management framework, including the risk appetite, policies, and procedures, and ensured that these were aligned with the Bank’s strategy and regulatory requirements. The Committee oversees the implementation of the three lines of defense model.	Key Risks & Monitoring The Committee reviewed periodic risk reports covering key risks, including credit, market, liquidity, operational, and compliance risks. The Committee also reviewed management’s actions to mitigate identified risks and ensure ongoing monitoring.
---	--	--

Regulatory Compliance The Committee reviewed the Bank’s compliance with risk-related guidelines and prudential regulations issued by the State Bank of Pakistan and was kept informed of regulatory matters at a high level.	Conclusion The Risk Committee is satisfied that the Bank has an effective risk management framework commensurate with the nature, size, and complexity of its operations.
--	---

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

- 42 Board of Directors
- 44 Management & Executive Committee
- 50 Audit Committee Report (Summary)
- 51 Risk Committee Report (Summary)
- 52 Director’s Report (English)
- 58 Director’s Report (Urdu)

Driving Social & Environmental Change

Financial Foundations

Shareholder overview

DIRECTOR'S REPORT

On behalf of the Board of Directors, we are pleased to present the 3rd Annual report of ASA Microfinance Bank (Pakistan) Limited (formerly ASA Pakistan Limited), which is the 18th consecutive annual report since its inception. This report includes the Audited Financial Statements for the year ended December 31, 2025 and provides insight into the Bank's performance, strategic initiatives, and future outlook.

Global Economy

In 2025, the global economy continues to experience moderate and uneven growth, reflecting a gradual normalization following the post-pandemic recovery phase. While economic activity has stabilized across several major economies, growth remains below historical averages due to persistent structural challenges, including aging populations, subdued productivity growth, tight financial conditions, and ongoing geopolitical tensions.

Inflationary pressures have eased further during the year as supply chains normalized and monetary tightening measures taken in previous periods continued to take effect. Global headline inflation has shown a downward trend; however, price stability remains uneven across regions. Advanced economies have made relatively faster progress toward achieving inflation targets, while emerging and developing economies continue to face structural and cost-push inflationary pressures, particularly in services sectors.

Despite improvements in disinflation, risks to the global outlook persist. Elevated services

inflation, geopolitical uncertainties, climate-related disruptions, and the risk of geo-economic fragmentation continue to pose challenges to sustainable growth.

In this environment, enhanced multilateral cooperation remains critical. Strengthening rules-based international trade, supporting the green and energy transition, and fostering inclusive economic policies will be essential to improving global economic resilience and supporting long-term sustainable growth.

Domestic Economy

During 2025, Pakistan's economy showed signs of stabilization, supported by improved macroeconomic management, fiscal discipline, and continued engagement with international financial institutions. Economic conditions remained challenging; however, key macroeconomic indicators reflected gradual improvement compared to the previous year.

Inflationary pressures eased during the year as the impact of earlier monetary tightening, fiscal consolidation measures, and improved supply conditions took effect. Although inflation remained elevated, the downward trend provided some relief to households and businesses. The State Bank of Pakistan continued to maintain a prudent monetary policy stance aimed at ensuring price stability and anchoring inflation expectations.

The external sector exhibited relative stability, supported by improved current account dynamics, higher remittances, and disciplined

import management. Foreign exchange reserves showed gradual improvement, contributing to increased confidence in the external position. Exchange rate volatility moderated compared to previous periods, although global economic uncertainties continued to pose risks.

Fiscal pressures persisted, reflecting structural challenges, a narrow tax base, and elevated debt servicing requirements. The Government continued its efforts toward fiscal consolidation, revenue mobilization, and structural reforms to support sustainable growth and macroeconomic stability.

Overall, while economic risks remained, the stabilization achieved during 2025 provided a foundation for gradual recovery and improved economic confidence, subject to continued policy discipline and external support.

Pakistan's Microfinance Sector Review (2025)

During 2025, Pakistan's microfinance sector continued to operate in a challenging but gradually stabilizing environment, shaped by easing inflationary pressures, cautious economic recovery, and continued regulatory oversight by the State Bank of Pakistan. The sector remained focused on balancing financial inclusion objectives with portfolio sustainability and risk management.

The overall microfinance loan portfolio demonstrated modest growth, expanding at an estimated single-digit to low double-digit rate, reflecting prudent lending practices and

selective credit expansion. Growth remained largely demand-driven, supported by continued financing needs of low-income households, micro-entrepreneurs, and small businesses, particularly in urban and peri-urban areas.

Asset quality remained under pressure during the year, primarily due to the lagged impact of high inflation, elevated cost of living, and constrained repayment capacity of borrowers. The sector's Portfolio at Risk (PAR > 30 days) remained elevated compared to historical averages, ranging in the low-to-mid teens, although stabilization trends were observed toward the latter part of the year. Microfinance banks continued to strengthen recovery mechanisms, credit underwriting standards, and borrower engagement to mitigate credit risk.

The sector maintained adequate capitalization, with capital adequacy ratios remaining above the minimum regulatory requirements, supported by prudent capital management and regulatory support. Liquidity positions across the sector remained satisfactory, enabling institutions to meet funding requirements and continue operations without material stress.

Digital financial services continued to play an increasingly important role in 2025. The expansion of branchless banking, mobile wallets, and digital repayment channels contributed to improved customer outreach, enhanced operational efficiency, and better portfolio monitoring. Product diversification, including micro-savings, micro-insurance, and Islamic microfinance offerings, also supported resilience and customer retention.

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

- 42 Board of Directors
- 44 Management & Executive Committee
- 50 Audit Committee Report (Summary)
- 51 Risk Committee Report (Summary)
- 52 Director's Report (English)
- 58 Director's Report (Urdu)

Driving Social & Environmental Change

Financial Foundations

Shareholder overview

Outlook

Looking ahead, the microfinance sector is expected to benefit from macroeconomic stabilization, easing inflationary trends, and gradual improvement in borrower repayment capacity, subject to continued policy discipline and economic recovery. However, risks related to credit quality, climate-related events, and income volatility among low-income segments persist and will require continued vigilance.

Overall, the sector's emphasis on responsible lending, strengthened risk management, digital transformation, and financial inclusion is expected to support sustainable growth and long-term stability.

ASA Pakistan's Financial Performance Review

In 2025, ASA Microfinance Bank achieved significant milestones across key financial indicators. The loan portfolio expanded by 32%, supported by higher disbursements of PKR. 56.80 billion, up from PKR. 45.63 billion in 2024. The bank extended its reach by increasing its branch network to 405 from 388, further strengthening its presence in remote areas. Total outstanding loans grew to PKR. 33.12 billion compared to PKR. 25.07 billion in 2024, reflecting strong demand for the bank's lending services. Meanwhile, total assets increased by 41% to PKR. 43.60 billion from PKR. 30.83 billion in 2024. To support this expansion, borrowings rose by 107% to PKR. 27.70 billion, contributing to a 62% increase in total liabilities, which reached PKR. 33.33 billion. Despite this

rise, the bank continues to manage its liabilities effectively, ensuring financial stability and sustainable growth.

ASA Microfinance Bank's strong financial performance in 2025 was driven by a dedicated team and strategic initiatives. Gross interest income surged by 21% to PKR. 15.12 billion, up from PKR. 12.50 billion in 2024, while net interest income rose by 24% to PKR. 12.28 billion. Asset quality also improved, as portfolio at risk (PAR) was reduced by 48% to 0.38% from 0.56% in 2024, demonstrating effective risk management and a decline in non-performing loans. At the same time, non-interest expenses grew by 24% to PKR. 5.31 billion, primarily due to strategic investments in operational expansion and an aggressive approach to loan recovery. These financial achievements underscore the bank's commitment to operational excellence and sustainable growth.

With these strong fundamentals, ASA Microfinance Bank achieved record profitability in 2025. Profit Before Tax (PBT) soared by 27% to PKR. 6.80 billion, while Profit After Tax (PAT) increased by 19% to PKR. 3.83 billion, marking substantial improvement in financial performance. Earnings per Share (EPS) rose by 19% to PKR. 2,551 compared to PKR. 2,142 in 2024, further enhancing shareholder value. These results reflect the bank's ability to balance growth, profitability, and risk management effectively.

■ The highlights of financial results for the year ended 31 December, 2025, as are follows:

Financial Highlights	2025	2024
Gross Markup/Interest Income (Amount in PKR '000)	15,115,849	12,499,390
Net Markup/Interest Income (Amount in PKR '000)	12,279,327	9,920,941
Provision against NPLs (Amount in PKR '000)	234,620	224,571
Net Markup/Interest Income after provisions (Amount in PKR '000)	12,044,708	9,696,370
Non-Markup/Non Interest Expenses (Amount in PKR '000)	5,249,880	4,326,732
Profit Before Tax (Amount in PKR '000)	6,794,827	5,369,638
Taxation (Amount in PKR '000)	2,968,874	2,156,002
Profit After Tax (Amount in PKR '000)	3,825,953	3,213,636
Earning per share (Amount in PKR)	2,551	2,142

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

- 42 Board of Directors
- 44 Management & Executive Committee
- 50 Audit Committee Report (Summary)
- 51 Risk Committee Report (Summary)
- 52 Director's Report (English)
- 58 Director's Report (Urdu)

Driving Social & Environmental Change

Financial Foundations

Shareholder overview

Indicators	2025	2024
Number of Business Locations	405	380
Active Borrowers	740,696	662,258
Gross Loss Portfolio (Amount in PKR '000)	33,115,880	25,074,619
Portfolio at Risk (PAR 30)	0.38%	0.56%
Total Assets (Amount in PKR '000)	43,599,091	30,826,108
Total Equity (Amount in PKR '000)	10,269,059	10,240,946
Debts and Borrowings (Amount in PKR '000)	27,696,797	13,396,602
Total Liabilities (Amount in PKR '000)	33,330,032	20,585,161

Corporate Social Responsibility (CSR) Activities

In 2025, ASA Microfinance Bank translated its vision of responsible growth into tangible action, making a meaningful difference across communities, classrooms, and ecosystems. Through a series of targeted Corporate Social Responsibility (CSR) initiatives, the Bank championed health, education, environmental sustainability, disaster relief, and social empowerment, touching the lives of thousands and reinforcing its role as a catalyst for positive societal change.

Under the health pillar, the Bank contributed to the Medication Preparation Room/Emergency Assessment Unit at Shaukat Khanum Memorial Cancer Hospital & Research Centre, Karachi, supporting life-saving treatment for thousands of patients annually. Financial assistance was also extended to a senior staff member for critical medical treatment, reinforcing the Bank's commitment to employee welfare. A staff blood donation drive in Lahore further strengthened the culture of compassion within the organization. Additionally, ASA Microfinance Bank supported Indus Hospital Lahore in procuring two transport incubators equipped with built-in Baby Puff systems, enabling the safe transfer of premature and critically ill newborns.

In the area of education, the Bank continued its long-standing partnership with IBA Karachi through the ASA-MFB Endowment Fund, providing financial assistance to deserving students. It also organized quiz competitions at

the University of Karachi to encourage academic excellence and student engagement. Promoting inclusivity, the Bank supported a career fair for people with disabilities through Access Ability Careers in collaboration with ConnectHear, facilitating employment and awareness opportunities. Breast health awareness sessions, conducted in collaboration with Shaukat Khanum Memorial Cancer Hospital, further underscored the Bank's commitment to preventive healthcare education for staff and clients.

Environmental sustainability remained a core focus. The Bank installed a complete solar-powered system at a Government Girls High School in Tando Adam, ensuring uninterrupted and sustainable power supply for students. In Karachi, ASA Microfinance Bank supported the development of a Bird Watching Tower at Mangrove Biodiversity Park, contributing to biodiversity preservation and environmental awareness. Under its Green Banking initiatives, the Bank planted 8,160 trees across its Head Office, branches, schools, parks, colleges, universities, and hospitals, reinforcing its commitment to carbon reduction and ecological balance.

Responding to natural calamities, ASA Microfinance Bank undertook the repair and rehabilitation of Aga Khan School Ishqamdas in Gilgit-Baltistan, which had been severely affected by floods, restoring access to education for impacted students.

In addition to structured CSR programs, the Bank supported various social and cultural

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

- 42 Board of Directors
- 44 Management & Executive Committee
- 50 Audit Committee Report (Summary)
- 51 Risk Committee Report (Summary)
- 52 Director's Report (English)
- 58 Director's Report (Urdu)

Driving Social & Environmental Change

Financial Foundations

Shareholder overview

initiatives through its marketing and outreach platforms, including the Deaf Reach Charity Golf Tournament, Sindh Literature Festival 2025, TEDx AzadiStreet Event 2025, and community sports initiatives, further strengthening its engagement with diverse segments of society.

The total CSR expenditure for 2025 amounted to PKR 27.16 million against an allocated budget of PKR 26.42 million, thereby exceeding the budget by PKR 0.74 million. This marks the first time the Bank has fully exhausted, and surpassed, its annual CSR allocation, demonstrating both expanded outreach and a deepened commitment to responsible corporate citizenship.

Collectively, these initiatives reflect ASA Microfinance Bank's continued dedication to social progress, environmental stewardship, and community resilience, ensuring that its growth as a financial institution is matched by a measurable and lasting positive impact on society.

Parent Company:

ASA International Holding, the majority shareholder of ASA Microfinance Bank (Pakistan) Limited, with its registered offices at "Interface International Ltd, 9th Floor, Standard Chartered Tower, 19 Cybercity, Ebene, Mauritius".

Pattern of Shareholding:

The pattern of shareholding of the Bank as of December 31, 2025, as required under section 236 of the Companies Ordinance, 1984, is as follows:

Shareholder(s)	No. of Shares	Percentage of Shareholding
ASA International Holding	1,499,992	99.9995%
CMI International Holding	4	0.0003%
CMI (Catalyst Microfinance Investors)	4	0.0003%
Total	1,500,000	100.0000%

Credit Rating:

PACRA re-affirmed the entity rating of ASA Microfinance Bank Limited at long-term rating to "A-" and short-term rating to "A2" (A-two) with a "stable" outlook. The long-term rating reflects our solid credit quality, low credit risk, and strong ability to fulfill financial obligations on time, though this capacity may be affected by changes in circumstances or economic conditions. The short-term rating reflects a satisfactory ability to make timely repayments.

Dividend

Interim dividend has been declared amounting PKR 2,250 mn for the year ended 31 December 2025. Final dividend proposed for the same period is PKR 1,000 mn.

Corporate Governance

The Board of Directors of the Bank is accountable to the shareholders for the overall management and strategic direction of the Bank. The Board acknowledges its responsibility for maintaining a sound system of internal controls and remains committed to upholding the highest standards of corporate governance.

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

- 42 Board of Directors
- 44 Management & Executive Committee
- 50 Audit Committee Report (Summary)
- 51 Risk Committee Report (Summary)
- 52 Director's Report (English)
- 58 Director's Report (Urdu)

Driving Social & Environmental Change

Financial Foundations

Shareholder overview

The Directors are pleased to state that:

- 1** The financial statements, prepared by the management of the Bank, present fairly the state of affairs of the Bank, its results of operations, cash flow, and changes in equity.
- 2** Proper books of account of the Bank have been maintained in accordance with applicable statutory requirements.
- 3** Appropriate accounting policies have been consistently applied in the preparation of the financial statements, and accounting estimates are based on reasonable and prudent judgment.
- 4** International Financial Reporting Standards (IFRS), as applicable in Pakistan, have been followed in the preparation of the financial statements, and any departure therefrom has been adequately disclosed.
- 5** The system of internal control is sound in design and has been effectively implemented and monitored. The ultimate responsibility for the effectiveness of the internal control system and its oversight rests with the Board.
- 6** There are no material uncertainties that may cast significant doubt on the Bank's ability to continue as a going concern.

- 7** The Board has constituted the following committees with clearly defined terms of reference to assist in the discharge of its responsibilities:
 - a. Board Audit Committee
 - b. Human Resource, Remuneration and Nomination Committee
 - c. Board Risk Management Committee
 - d. Board Information Technology Committee

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

- 42 Board of Directors
- 44 Management & Executive Committee
- 50 Audit Committee Report (Summary)
- 51 Risk Committee Report (Summary)
- 52 Director's Report (English)
- 58 Director's Report (Urdu)

Driving Social & Environmental Change

Financial Foundations

Shareholder overview

06 Board of Directors Meeting were held.

The attendance of these meetings is given below:

Name of Directors	Designation	Meeting Attended
Mr. Robert Adrianus Theodorus Keijsers	Non-Executive Director	4
Mr. Dirk Machgielis Brouwer	Non-Executive Director	4
Ms. Johanna Maria Alberta Kemna	Non-Executive Director	2
Mr. Martijn Raphael Bollen	Non-Executive Director	6
Mr. Mischa John Assink	Non-Executive Director	5
Mr. Muhammad Kamran Shehzad	Independent Director	6
Mr. Asif Yasin Malik	Independent Director	6
Ms. Tahseen Sayed Khan	Independent Director	4

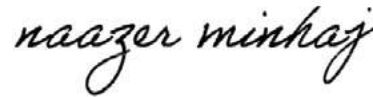
Auditors

M/s EY Ford Rhodes, Chartered Accountants, the Statutory Auditors of the Bank, hold office until the conclusion of the forthcoming Annual General Meeting and have furnished their consent to be reappointed for the financial year 2026. The Board of Directors, on the recommendation of the Board Audit Committee (BAC), recommends the reappointment of M/s EY Ford Rhodes, Chartered Accountants, as the auditors of the Bank for the financial year 2026.

Acknowledgement

The Directors wish to place on record their appreciation for the valuable assistance and continued support received by the Bank from the State Bank of Pakistan, the Securities and Exchange Commission of Pakistan, banks, and other financial institutions. The Board also extends its gratitude to the employees at all levels for their dedication, commitment, and hard work, which have contributed to the Bank's performance and achievements.

By Order of the Board



Chief Executive Officer

Place: Karachi

Date: March 09, 2026



Chairman

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

- 42 Board of Directors
- 44 Management & Executive Committee
- 50 Audit Committee Report (Summary)
- 51 Risk Committee Report (Summary)
- 52 Director's Report (English)
- 58 Director's Report (Urdu)

Driving Social & Environmental Change

Financial Foundations

Shareholder overview

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

- 42 Board of Directors
- 44 Management & Executive Committee
- 50 Audit Committee Report (Summary)
- 51 Risk Committee Report (Summary)
- 52 Director's Report (English)
- 58 Director's Report (Urdu)

Driving Social & Environmental Change

Financial Foundations

Shareholder overview

مائیکروفنانس شعبہ کا جائزہ (2025)

گزشتہ سال 2025 کے دوران پاکستان کے مائیکروفنانس شعبے نے ایک مشکل مگر بتدریج مستحکم ہونے ہوئے ماحول میں اپنی سرگرمیاں جاری رکھیں، جسے مہنگائی کے کم ہونے ہوئے دباؤ، محتاط اقتصادی بحالی اور اسٹیٹ بینک آف پاکستان کی جانب سے مسلسل ریگولیٹری نگرانی سے سہارا ملا۔ شعبے نے پورٹ فولیو، کیپٹل ایڈیکویسی اور رسک مینجمنٹ کے ساتھ مالی شمولیت کے مقاصد کے درمیان توازن برقرار رکھنے پر توجہ مرکوز رکھی۔

مجموعی مائیکروفنانس لون پورٹ فولیو میں اندازاً کم تا درمیانی شرح نمو کے ساتھ معمولی اضافہ دیکھا گیا، جو محتاط قرضہ فراہمی اور محدود کریڈٹ توسیع کا عکاس ہے۔ یہ اضافہ بنیادی طور پر طلب میں اضافے کے باعث ہوا، جسے کم آمدنی والے گھرانوں، بالخصوص شہری اور نیم شہری علاقوں میں چھوٹے کاروباروں کی مالی ضروریات سے تقویت ملی۔

گزشتہ سال کے دوران اثاثہ جاتی معیار دباؤ کا شکار رہا، جس کی بنیادی وجوہات میں بلند مہنگائی کے مسلسل اثرات، بڑھتے ہوئے اخراجات زندگی اور قرض داروں کی محدود ادائیگی صلاحیت شامل ہیں۔ شعبے کے پورٹ فولیو کو درپیش خطرات کی سطح حالیہ عرصے کے مقابلے میں بلند رہی، تاہم سال کے آخری حصے میں استحکام کے آثار نمایاں ہوئے۔ مائیکروفنانس بینکوں کی جانب سے بحالی کے طریقہ کار، کریڈٹ انڈرائٹنگ کے معیارات اور کریڈٹ رسک میں کمی کے لیے قرض داروں کے ساتھ مؤثر مشغولیت کو مضبوط بنانے کے اقدامات جاری رہے۔

شعبے نے مناسب سرمایہ برقرار رکھا، جبکہ کیپٹل ایڈیکویسی کا تناسب ریگولیٹری تقاضوں سے بلند رہا، جسے محتاط کیپٹل مینجمنٹ اور مؤثر ریگولیٹری نگرانی سے سہارا ملا۔ شعبے بھر میں صورتحال اطمینان بخش رہی، جس کے نتیجے میں اداروں کو فنڈنگ کی ضروریات پوری کرنے اور اضافی سرمایہ کے بغیر آپریشنز جاری رکھنے میں سہولت حاصل ہوئی۔

سال 2025 کے دوران ڈیجیٹل مالی خدمات نے اہم کردار ادا کیا۔ برانچ لیس بینکاری، موبائل والٹس اور ڈیجیٹل چینلز کے ذریعے صارفین تک رسائی بہتر ہوئی، آپریشنل کارکردگی میں اضافہ ہوا اور پورٹ فولیو کی نگرانی میں بھی بہتری آئی۔ متنوع مصنوعات، بشمول مائیکرو سیونگز، مائیکرو انشورنس اور اسلامی مائیکروفنانس پیکجز، نے استحکام پیدا کرنے اور صارفین کو برقرار رکھنے کی کوششوں کو مزید تقویت فراہم کی۔

مستقبل کی پیش بینی

توقع ہے کہ مائیکروفنانس شعبہ میکرواکنامک استحکام، مہنگائی میں کمی کے رجحان اور قرض داروں کی واپسی کی صلاحیت میں بہتری سے فائدہ اٹھائے گا، بشرطیکہ یہ فوائد پالیسی کے تسلسل اور اقتصادی بحالی کے مؤثر نفاذ سے منسلک رہیں۔ تاہم کریڈٹ کوالٹی، موسمیاتی تبدیلیوں سے پیدا ہونے والے مالی خطرات اور کم آمدنی والے طبقات کے مالی حالات میں اتار چڑھاؤ سے منسلک خطرات بدستور موجود ہیں، جن کی مسلسل نگرانی اور مناسب حکمت عملی کی ضرورت ہوگی۔

مجموعی طور پر شعبہ کی جانب سے ذمہ دارانہ قرضہ دہی، مضبوط رسک مینجمنٹ، ڈیجیٹل ٹرانسفارمیشن اور مالی شمولیت پر زور بائیدار ترقی اور طویل المدتی استحکام میں اہم کردار ادا کرے گا۔

اے ایس اے پاکستان کی مالیاتی کارکردگی کا جائزہ

سال 2025 میں اے ایس اے مائیکروفنانس بینک نے اہم مالی اشاریوں میں نمایاں سنگ میل عبور کیے۔ لون پورٹ فولیو میں 32 فیصد اضافہ ہوا اور 2024 کے 45.63 بلین روپے کے مقابلے میں 56.80 بلین روپے کے قرضے فراہم کیے گئے۔ بینک نے اپنے برانچ نیٹ ورک میں توسیع کرتے ہوئے دور دراز علاقوں میں اپنی موجودگی کو مضبوط بنایا، جس کے نتیجے میں بینک کی موجودہ برانچوں کی تعداد 388 سے بڑھ کر 405 ہوگئی۔ واجب الادا قرضے بڑھ کر 33.12 بلین روپے ہوگئے، جبکہ 2024 میں یہ 25.07 بلین روپے تھے، جو بینک کی قرض فراہم کرنے والی خدمات کے لیے مضبوط طلب کا عکاس ہے۔ اسی حوالے سے بینک کے کل اثاثوں میں 41 فیصد اضافہ ہوا، جو 2024 میں 30.83 بلین روپے سے بڑھ کر 43.60 بلین روپے ہوگیا۔ توسیع کو سہارا دینے کے

ڈائریکٹرز رپورٹ

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

- 42 Board of Directors
- 44 Management & Executive Committee
- 50 Audit Committee Report (Summary)
- 51 Risk Committee Report (Summary)
- 52 Director's Report (English)
- 58 Director's Report (Urdu)

Driving Social & Environmental Change

Financial Foundations

Shareholder overview

بورڈ آف ڈائریکٹرز کی طرف سے ہم اے ایس اے مائیکروفنانس بینک (پاکستان) لمیٹڈ (سابقہ اے ایس اے پاکستان لمیٹڈ) کی تیسری سالانہ رپورٹ پیش کرتے ہوئے مسرت محسوس کرتے ہیں جو بینک کے قیام سے اب تک کی مسلسل 18 ویں سالانہ رپورٹ ہے۔ یہ رپورٹ 31 دسمبر 2025 کو ختم ہونے والے سال کے آڈٹ شدہ مالی گوشواروں پر مشتمل ہے

عالمی معیشت کا جائزہ

سال 2025 میں عالمی معیشت کی نمو مختلف چیلنجز کا شکار رہی، اگرچہ وبا کے بعد بحالی کے آثار نمایاں رہے، متعدد بڑی معیشتوں میں اقتصادی سرگرمیاں مستحکم ہوئیں، لیکن اس کے باوجود بنیادی چیلنجز بشمول آبادی میں معمر افراد کے تناسب میں اضافہ، سست رفتار کے ساتھ بڑھتی ہوئی معاشی نمو، مالیاتی دباؤ اور جغرافیائی سیاسی تناؤ کے باعث مجموعی ترقی محدود رہی۔

سپلائی چین کے معمول پر آنے اور گزشتہ ادوار میں اختیار کیے گئے سخت مالیاتی اقدامات کے تسلسل کے باعث سال

کے دوران مہنگائی کے دباؤ میں مزید کمی واقع ہوئی۔ عالمی سطح پر بنیادی مہنگائی میں کمی کا رجحان دیکھنے میں آیا، تاہم دنیا بھر میں قیمتوں کے استحکام میں یکسانیت نہیں رہی۔ ترقی یافتہ معیشتوں میں مہنگائی کے اہداف کے حصول میں نمایاں بہتری آئی ہے، جبکہ ابھرتی اور ترقی پذیر معیشتوں کو ضروری خدمات کی فراہمی میں رکاوٹوں اور بڑھتی ہوئی قیمتوں کے باعث مہنگائی کے دباؤ کا سامنا رہا۔

مہنگائی میں کمی کے باوجود عالمی معیشت کو اب بھی متعدد خطرات درپیش ہیں۔ خدمات کے شعبے میں مہنگائی کی بلند شرح، عالمی سطح پر غیر یقینی صورتحال، ماحولیاتی تبدیلیوں کے باعث پیدا ہونے والے مسائل اور عالمی اقتصادی تقسیم کے امکانات بائیدار ترقی کے لیے خطرہ ہیں۔ اس تناظر میں کثیر الجہتی تعاون میں اضافہ انتہائی ضروری ہے۔ قواعد و ضوابط پر مبنی عالمی تجارت کی مضبوطی، گرین توانائی پر منتقلی کی حمایت اور جامع اقتصادی پالیسیوں کی تشکیل عالمی معاشی صورتحال کو بہتر بنانے اور طویل المدت بائیدار ترقی کے لیے اہم کردار ادا کرے گی۔

ملکی معیشت کا جائزہ گزشتہ سال 2025 کے دوران بہتر معاشی نظم و نسق، مالیاتی استحکام اور عالمی مالیاتی اداروں کے ساتھ مؤثر روابط کے باعث پاکستان کی معیشت میں استحکام کے آثار نمایاں ہوئے۔ ملک کے معاشی حالات بدستور چیلنجز کا شکار رہے، تاہم اہم معاشی اشاریوں میں گزشتہ سال کے مقابلے میں بتدریج بہتری دیکھنے میں آئی۔

قبل ازیں اختیار کیے گئے سخت مالیاتی اقدامات، مالیاتی توازن کے لیے کوششیں اور رسد کی بہتر صورتحال کے اثرات کے باعث سال کے دوران مہنگائی کے دباؤ میں کمی واقع ہوئی۔ اگرچہ مہنگائی اب بھی بلند سطح پر برقرار رہی، تاہم اس میں کمی کا رجحان گھریلو صارفین اور کاروباری اداروں کے لیے کسی حد تک ریلیف کا باعث بنا۔ اس دوران اسٹیٹ بینک آف پاکستان نے محتاط مالیاتی پالیسی برقرار رکھی تاکہ قیمتوں میں استحکام کو یقینی بنایا جا سکے اور مہنگائی کی توقعات کو قابو میں رکھا جا سکے۔

بیرونی شعبے میں بھی قدرے استحکام دیکھنے میں آیا، جیسے

حسابات جاریہ کی بہتر کارکردگی، ترسیلات زر میں نمایاں اضافہ اور درآمدات کے منظم انتظام سے سہارا ملا۔ غیر ملکی زرمبادلہ کے ذخائر میں بتدریج اضافہ ہوا، جس سے سرمایہ کاروں کے اعتماد میں بہتری آئی۔ شرح مبادلہ کے اتار چڑھاؤ میں گزشتہ ادوار کے مقابلے میں کمی دیکھی گئی، اگرچہ عالمی معیشت کی غیر یقینی صورتحال کے باعث خطرات بدستور موجود رہے۔

اس کے علاوہ مالی دباؤ برقرار رہا، جو بنیادی ڈھانچے کے مسائل، محدود ٹیکس بیس اور قرضوں کی ادائیگی کے دباؤ کی عکاسی کرتا ہے۔ حکومت مالی استحکام، مالی وسائل میں بہتری، بائیدار ترقی اور مائیکرو اکنامک استحکام کے حصول کے لیے بنیادی چیلنجز سے نمٹنے کی غرض سے اصلاحاتی اقدامات جاری رکھے ہوئے ہے۔

معاشی خطرات بدستور موجود ہیں، تاہم 2025 میں حاصل ہونے والا معاشی استحکام بتدریج معیشت کی بہتری اور اعتماد میں اضافے کا باعث بن رہا ہے۔ یہ بہتری پالیسیوں کے تسلسل اور برآمدات میں اضافے پر منحصر ہے۔

ملازمین کے لیے خون عطیہ کرنے کی مہم چلائی گئی، جس سے ادارے میں ہمدردی اور رحم دلی کے کلچر کو مزید فروغ ملا۔ اسی طرح، انڈس ہسپتال لاہور کو دو ٹرانسپورٹ انکیوبیٹرز کی خریداری میں معاونت فراہم کی گئی، جس سے قبل از وقت پیدا ہونے والے نوزائیدہ بچوں کی محفوظ منتقلی ممکن ہوئی۔

تعلیمی شعبے میں بینک نے اے ایس اے ایم ایف پی اینڈ فنڈ کے ذریعے انسٹیٹیوٹ آف بزنس ایڈمنسٹریشن (آئی بی اے)، کراچی کے ساتھ طویل مدتی شراکت داری جاری رکھتے ہوئے کم آمدنی والے اور مستحق طلبہ کے لیے مالی معاونت فراہم کی، جس کا مقصد اعلیٰ تعلیم تک ان کی رسائی کو فروغ دینا تھا۔

بینک نے طلبہ کی شمولیت اور تعلیمی سرگرمیوں کو بڑھانے کے لیے یونیورسٹی آف کراچی میں کوئز مقابلے کا بھی انعقاد کیا تاکہ طلبہ کو علمی اور مثبت تجربات میں حصہ لینے کے مواقع ملیں۔

کارپوریٹ سماجی ذمہ داری (سی ایس آر) کی سرگرمیاں سال 2025 میں اے ایس اے مائیکرو فنانس بینک نے اپنے ذمہ دارانہ ترقی کے فروغ کے عملی اقدامات کے ذریعے طبقات، کلاس روم اور ایکوسسٹم میں بامعنی اور مثبت اثرات مرتب کیے ہیں۔ کارپوریٹ سماجی ذمہ داری (CSR) اثرات مرتب کیے ہیں۔ کارپوریٹ سماجی ذمہ داری کی ہدفی سرگرمیوں یعنی فلاحی کاموں کے ذریعے بینک نے صحت، تعلیم، ماحولیاتی پائیداری، آفات میں امداد اور معاشرتی و سماجی خودمختاری کے فروغ میں قائدانہ کردار ادا کرتے ہوئے ہزاروں لوگوں کی زندگیاں بہتر بنائیں اور مثبت معاشی تبدیلی کے لیے اہم کردار ادا کیا۔

صحت کے شعبے میں، بینک نے شوکت خانم میموریل کینسر ہسپتال اینڈ ریسرچ سینٹر کراچی میں میڈیکل پریپریشن روم/ہنگامی تشخیص کے لیے مالی معاونت فراہم کی، جس سے سالانہ ہزاروں مریضوں کے لیے زندگی بچانے والے علاج ممکن ہوئے۔ اس کے علاوہ، مہلک بیماریوں کے علاج کے لیے سینئر سٹاف ممبران کو مالی امداد دی گئی، جس سے ملازمین کی فلاح و بہبود کے عزم کو تقویت ملی۔ لاہور میں

اعداد و شمار	2024	2025
برانچوں کی تعداد	380	405
فعال قرض دار	662,258	740,696
مجموعی نقصان دہ پورٹ فولیو (رقم سینکڑوں میں)	25,074,619	33,115,880
خطرے میں موجود اثاثے (پی اے آر 30)	0.56 فیصد	0.38 فیصد
کل اثاثے (رقم ہزاروں میں)	30,826,108	43,599,091
کل ایکویٹی (رقم ہزاروں میں)	10,240,946	10,269,059
قرضے (رقم سینکڑوں میں)	13,396,602	27,696,797
کل واجبات (رقم ہزاروں میں)	20,585,161	33,330,032

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

- 42 Board of Directors
- 44 Management & Executive Committee
- 50 Audit Committee Report (Summary)
- 51 Risk Committee Report (Summary)
- 52 Director's Report (English)
- 58 Director's Report (Urdu)

Driving Social & Environmental Change

Financial Foundations

Shareholder overview

2024	2025	مالیاتی نتائج کا خلاصہ
12,499,390	15,115,849	مجموعی مارک اپ/ انٹریسٹ انکم (رقم ہزاروں میں)
9,920,941	12,279,327	خالص مارک اپ/ انٹریسٹ انکم (رقم ہزاروں میں)
224,571	234,620	این پی ایلز کے عوض پرووژن (رقم ہزاروں میں)
9,696,370	12,044,708	پرووژن کے بعد خالص مارک اپ / انٹریسٹ انکم (رقم ہزاروں میں)
4,326,732	5,249,880	نان مارک اپ/ نان انٹریسٹ اخراجات (رقم ہزاروں میں)
5,369,638	6,794,827	قبل ازٹیکس منافع (رقم ہزاروں میں)
2,156,002	2,968,874	ٹیکس کی ادائیگی (رقم ہزاروں میں)
3,213,636	3,825,953	بعد ازٹیکس منافع (رقم ہزاروں میں)
2,142	2,551	فی حصص آمدن (رقم روپے میں)

اور قرضوں کی وصولی کے لیے جارحانہ حکمت عملی شامل ہیں۔ یہ مالی کامیابیاں بینک کی مؤثر کارکردگی اور مستقل ترقی کے عزم کو ظاہر کرتی ہیں۔

اے ایس اے مائیکروفنانس بینک نے ان مضبوط بنیادوں کے ساتھ 2025 میں ریکارڈ منافع حاصل کیا۔ قبل از ٹیکس منافع 27 فیصد اضافے کے ساتھ 6.80 بلین روپے رہا، جبکہ بعد از ٹیکس منافع 19 فیصد اضافے کے ساتھ 3.83 بلین روپے رہا، جو مالی کارکردگی میں نمایاں بہتری کی علامت ہے۔ فی حصص آمدن 19 فیصد اضافے کے ساتھ 2024 میں 2,142 روپے کے مقابلے میں 2,551 روپے فی حصص رہی۔ مذکورہ نتائج بینک کی ترقی، منافع اور رسک مینجمنٹ کے درمیان مؤثر توازن کی صلاحیت کا اظہار کرتے ہیں۔

31 دسمبر 2025 کو ختم ہونے والے سال کیلئے مالیاتی نتائج کا خلاصہ

لیے قرضوں میں 107 فیصد اضافہ ہوا اور یہ 27.70 بلین روپے تک پہنچ گیا۔

اے ایس اے مائیکروفنانس بینک کی 2025 میں مضبوط مالی کارکردگی جانفشانی سے کام کرنے والی ٹیم اور اسٹریٹجک اقدامات کے نتیجے میں ممکن ہوئی۔ مجموعی انٹریسٹ انکم میں 21 فیصد اضافہ ہوا، جو 2024 میں 12.50 بلین روپے کے مقابلے میں 15.12 بلین روپے ہو گیا، جبکہ خالص انٹریسٹ انکم 24 فیصد اضافے کے ساتھ بڑھ کر 12.28 بلین روپے ہو گئی۔

ایسٹ کوالٹی بھی بہتر ہوئی کیونکہ خطرے میں موجود پورٹ فولیو 48 فیصد کم ہو کر 2024 میں 0.56 فیصد کے مقابلے میں 0.38 فیصد ہو گیا، جو موثر رسک مینجمنٹ اور نان پرفارمنگ قرضوں میں کمی کو ظاہر کرتا ہے۔ اسی دوران نان انٹریسٹ اخراجات بھی 24 فیصد اضافے کے ساتھ 5.31 بلین روپے ہو گئے، جس کی بنیادی وجوہات میں آپریشنل توسیع میں اسٹریٹجک سرمایہ کاری

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

- 42 Board of Directors
- 44 Management & Executive Committee
- 50 Audit Committee Report (Summary)
- 51 Risk Committee Report (Summary)
- 52 Director's Report (English)
- 58 Director's Report (Urdu)

Driving Social & Environmental Change

Financial Foundations

Shareholder overview

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

- 42 Board of Directors
- 44 Management & Executive Committee
- 50 Audit Committee Report (Summary)
- 51 Risk Committee Report (Summary)
- 52 Director's Report (English)
- 58 Director's Report (Urdu)

Driving Social & Environmental Change

Financial Foundations

Shareholder overview

کارپوریٹ گورننس

بورڈ آف ڈائریکٹرز بینک کے مجموعی نظم و نسق، پالیسی سازی اور اسٹریٹجک سمت کے لیے حصص یافتگان کے سامنے جواب دہ ہے۔ بورڈ کارپوریٹ گورننس کے اعلیٰ معیارات کو برقرار رکھنے اور انٹرنل کنٹرولز کے موثر و مضبوط نظام کو یقینی بنانے کے لیے پرعزم ہے۔ کارپوریٹ گورننس کے بنیادی اصولوں میں شفافیت، احتساب، جواب دہی اور سٹیک ہولڈرز کے مفادات کا تحفظ شامل ہے، جو بہترین انتظامی اور آپریشنل طریقہ کار کے تسلسل کو فروغ دیتے ہیں۔

کریڈٹ ریٹنگ

پی اے سی آر اے نے مستحکم آئوٹ لک کے ساتھ اے ایس اے مائیکروفنانس بینک لمیٹڈ کی ادارہ جاتی طویل مدتی ریٹنگ "اے" اور قلیل مدتی ریٹنگ اے ٹو (A-two) کی دوبارہ توثیق کی۔ طویل مدتی ریٹنگ ہماری مضبوط کریڈٹ کوالٹی، کم کریڈٹ رسک اور مالی ذمہ داریوں کو بروقت پورا کرنے کی مضبوط صلاحیت کی عکاسی کرتی ہے تاہم یہ صلاحیت حالات یا معاشی تبدیلیوں سے متاثر ہو سکتی ہے۔ قلیل مدتی ریٹنگ بروقت ادائیگیوں کی تسلی بخش صلاحیت کو ظاہر کرتی ہے۔

منافع منقسمہ

دسمبر 2025 کو ختم ہونے والے مالی سال کے لیے اے ایس اے مائیکروفنانس بینک لمیٹڈ نے 2,250 ملین روپے کے عبوری منافع منقسمہ کا اعلان کیا ہے۔ اسی مدت کے لیے تجویز کردہ حتمی منافع منقسمہ 1,000 ملین روپے ہے، جو شیئر ہولڈرز کو تقسیم کرنے کی تجویز پیش کی گئی ہے۔

حصص یافتہ	حصص کی تعداد	حصص یافتگی کا تناسب
اے ایس اے انٹرنیشنل ہولڈنگ	1,499,992	99.9995 فیصد
سی ایم آئی انٹرنیشنل ہولڈنگ	4	0.0003 فیصد
سی ایم آئی (کیٹالسٹ مائیکروفنانس انویسٹرز)	4	0.0003 فیصد
ٹوٹل	1,500,000	100.0000 فیصد

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

- 42 Board of Directors
- 44 Management & Executive Committee
- 50 Audit Committee Report (Summary)
- 51 Risk Committee Report (Summary)
- 52 Director's Report (English)
- 58 Director's Report (Urdu)

Driving Social & Environmental Change

Financial Foundations

Shareholder overview

بینک نے شمولیت کو فروغ دیتے ہوئے کنیکٹ پیر (ConnectHear) کے ساتھ اشتراک سے ایکسس ایبیلیٹی کیریئرز کے ذریعے معذور افراد کیلئے کیریئر فیئر میں بھرپور معاونت کرتے ہوئے ملازمت اور آگاہی کے مواقع میں سہولت فراہم کی۔ شوکت خانم میموریل کینسر ہسپتال کے ساتھ اشتراک سے چھاتی کے سرطان سے متعلق آگاہی سیشنز بھی منعقد کیے گئے۔

ماحولیاتی پائیداری کو بینک کے اقدامات میں ہمیشہ مرکزی حیثیت حاصل رہی ہے۔ بینک نے ٹنڈوآدم میں گورنمنٹ گرلز ہائی سکول میں طالب علموں کیلئے بلا تعطل اور پائیدار بجلی کی فراہمی کو یقینی بنانے کیلئے شمسی توانائی پر مبنی نظام نصب کیا ہے۔ اے ایس اے بینک نے حیاتیاتی تنوع کے تحفظ اور ماحولیاتی آگاہی میں حصہ ڈالتے ہوئے کراچی میں مینگروو ہائیوڈائورسٹی پارک میں برڈ واچنگ ٹاور کی تعمیر میں معاونت کی۔ گرین بینکنگ اقدامات کے تحت بینک نے اپنے ہیڈ آفس، برانچوں، سکولوں، پارکوں، کالجوں، یونیورسٹیوں اور ہسپتالوں میں 8160 ہودے لگا کر کاربن کے اخراج میں کمی

اور ارضیاتی توازن کیلئے اپنے عزم کو مضبوط بنایا ہے۔ قدرتی آفات پر ردعمل دیتے ہوئے اے ایس اے مائیکروفنانس بینک نے گلگت بلتستان میں آغا خان سکول عشقم داس کی مرمت اور بحالی کا کام انجام دیا جو سیلاب سے بری طرح متاثر ہوا تھا۔

طے شدہ سی ایس آر پروگراموں کے علاوہ بینک نے ڈیف ریسرچ چیئرٹی گالف ٹورنامنٹ، سندھ لیٹریچر فیسٹول 2025، ٹی ای ڈی ایکس آزادی سٹریٹ ایونٹ 2025 سمیت اپنے مارکیٹنگ اور آٹوٹ ریج پلیٹ فارمز کے ذریعے متعدد سماجی اور ثقافتی سرگرمیوں کی معاونت کی اور معاشرے کے متنوع طبقات کے ساتھ اپنی مشغولیت کو مضبوط بنانے کیلئے کمیونٹی سپورٹس پروگرام بھی شروع کیے۔

سال 2025 کیلئے سی ایس آر سرگرمیوں کیلئے 26.42 ملین روپے مختص کیے گئے تھے جبکہ ان سرگرمیوں پر کل 27.16 ملین روپے خرچ کیے گئے جو 0.74 ملین روپے زیادہ ہے۔ یہ پہلی بار ہے کہ بینک نے سی ایس آر کیلئے مختص سالانہ بجٹ

نہ صرف مکمل طور پر خرچ کیا بلکہ بجٹ سرپلس بھی رہا جو ذمہ دارانہ کارپوریٹ کیلئے غیر متزلزل عزم کا عکاس ہے۔ مجموعی طور پر، یہ اقدامات اے ایس اے مائیکروفنانس بینک کی سماجی ترقی، ماحولیاتی تحفظ اور کمیونٹی کی پائیداری میں مسلسل عزم اور قائدانہ کردار کو ظاہر کرتے ہیں، اور یقینی بناتے ہیں کہ مالی ادارے کی ترقی معاشرتی طور پر پائیدار اور دیرپا مثبت اثرات کے ساتھ ہو۔

پیرنٹ کمپنی

اے ایس اے انٹرنیشنل ہولڈنگ جو اے ایس اے مائیکروفنانس بینک (پاکستان) لمیٹڈ کی اکثریتی شیئر ہولڈر ہے، جس کا رجسٹرڈ دفتر انٹرفیس انٹرنیشنل لمیٹڈ، نویں منزل، اسٹینڈرڈ چارٹرڈ ٹاور، 19 سائبرسٹی، ایبئی، موریشس میں واقع ہے۔

شیئر ہولڈنگ کا پیٹرن

کمپنیز آرڈیننس 1984 کے سیکشن 236 کے تحت 31 دسمبر، 2025 تک بینک کے شیئر ہولڈنگ کا پیٹرن درج ذیل ہے

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

- 42 Board of Directors
- 44 Management & Executive Committee
- 50 Audit Committee Report (Summary)
- 51 Risk Committee Report (Summary)
- 52 Director's Report (English)
- 58 Director's Report (Urdu)

Driving Social & Environmental Change

Financial Foundations

Shareholder overview

سال کے دوران بورڈ آف ڈائریکٹرز کے چھ اجلاس منعقد ہوئے۔

اجلاسوں میں ڈائریکٹرز کی شرکت درج ذیل ہے:

ڈائریکٹر کا نام	عہدہ	اجلاس میں شرکت
رابرٹ ایڈرینس تھیوڈورس کیٹسرسز	نان ایگزیکٹو ڈائریکٹر	4
ڈرک مچ جیلیس براوور	نان ایگزیکٹو ڈائریکٹر	4
جوہانا ماریا البرٹا کیمنا	نان ایگزیکٹو ڈائریکٹر	2
مارٹین ریفیائل بولن	نان ایگزیکٹو ڈائریکٹر	6
میشا جان اسپنک	نان ایگزیکٹو ڈائریکٹر	5
محمد کامران شہزاد	آزاد ڈائریکٹر	6
آصف یاسین ملک	آزاد ڈائریکٹر	6
تحسین سید خان	آزاد ڈائریکٹر	4

آڈیٹرز

اظہار تشکر

بینک کے قانونی آڈیٹرز میسرز ای وائی فورڈ روڈز، چارٹرڈ اکاؤنٹنٹس جن کی مدت معاہدہ آئندہ سالانہ اجلاس عام کے اختتام تک ہے۔ نے مالی سال 2026 کیلئے دوبارہ تقرری کیلئے اپنی آمادگی ظاہر کی ہے۔ بورڈ آف ڈائریکٹرز نے بورڈ آڈٹ کمیٹی (بی اے سی) کی تجویز پر میسرز ای وائی فورڈ روڈز، چارٹرڈ اکاؤنٹنٹس کی مالی سال 2026 کیلئے بینک کے آڈیٹرز کی حیثیت سے تقرری کی سفارش کی ہے۔

بحکم بورڈ

چیئرمین

naazer minhaj

چیف ایگزیکٹو آفیسر

مقام: کراچی

مورخہ: 9 مارچ، 2026

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

- 42 Board of Directors
- 44 Management & Executive Committee
- 50 Audit Committee Report (Summary)
- 51 Risk Committee Report (Summary)
- 52 Director's Report (English)
- 58 Director's Report (Urdu)

Driving Social & Environmental Change

Financial Foundations

Shareholder overview

ڈائریکٹرز تصدیق کرتے ہیں کہ

1 بینک کی انتظامیہ کی طرف سے تیار کردہ مالی نتائج کمپنی کے معاملات، اس کے آپریشنز کے نتائج، کیش فلو اور ایکویٹی میں تبدیلیوں کو شفاف انداز میں پیش کرتے ہیں۔

2 کمپنی کے کھاتوں کی مناسب کتابیں مروجہ قانونی ضروریات اور تقاضوں کے مطابق برقرار رکھی گئی ہیں۔

3 مالی گوشواروں کی تیاری میں اکاؤنٹنگ کے حوالے سے مناسب پالیسیاں تواتر سے لاگو کی گئی ہیں اور اکاؤنٹنگ کے تخمینہ معقول اور دانشمدانہ فیصلہ کی بنیاد پر لگائے گئے ہیں۔

4 مالی گوشواروں کی تیاری میں پاکستان میں قابل اطلاق انٹرنیشنل فنانشنل رپورٹنگ سٹینڈرڈز پر عمل درآمد کیا گیا اور ان سے کسی بھی انحراف کو مناسب انداز میں ظاہر اور واضح کیا گیا ہے۔

5 انٹرنل کنٹرول کے نظام کو موثر انداز میں نافذ کیا گیا اور اس کا مسلسل جائزہ اور نگرانی کی جارہی ہے۔ انٹرنل کنٹرولز کے سسٹم کا بورڈ کی آڈٹ کمیٹی کی طرف سے مسلسل جائزہ لیا جاتا ہے۔

6 کسی قسم کی غیر یقینی صورتحال موجود نہیں جس سے کمپنی کی کاروبار کو جاری رکھنے کی اہلیت پر کوئی شک و شبہات ہوں۔

7 بورڈ نے اپنی ذمہ داریوں کی ادائیگی میں معاونت کیلئے واضح شرائط و ضوابط کے ساتھ مندرجہ ذیل کمیٹیاں تشکیل دی ہیں تاکہ اے۔ بورڈ آڈٹ کمیٹی
بی۔ انسانی وسائل، معاوضہ اور نامزدگی کمیٹی
سی۔ بورڈ ریسک مینجمنٹ کمیٹی
ڈی۔ بورڈ انفارمیشن ٹیکنالوجی کمیٹی



DRIVING SOCIAL & ENVIRONMENTAL CHANGE

Proudly tending to her livestock, Uzma Bibi strengthens her family's livelihood in Sialkot.

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

• **Driving Social & Environmental Change**

67 Sustainability Overview

72 Sustainability at a Glance

Financial Foundations

Shareholder overview



SUSTAINABILITY OVERVIEW

Sustainability for the Bank is not a parallel agenda; it is integral to how we operate, manage risk, and deliver long-term value. As a regulated microfinance bank operating at the intersection of financial access and economic vulnerability, ASA Microfinance Bank Pakistan's sustainability approach is grounded in responsible banking, inclusive growth, and institutional resilience.

In an environment shaped by economic volatility, climate stress, and persistent gender gaps in financial access, we recognise that sustainable performance requires balancing financial strength with social and environmental responsibility. Our business model is therefore designed to expand access to finance while maintaining prudent risk management, strong governance, and operational discipline.

The Bank's sustainability framework is anchored around four priority areas: environmental responsibility and climate resilience; gender and financial inclusion; community development and social impact; and responsible operations. Together, these priorities guide how we deploy resources, manage risk, and contribute to long-term economic and social outcomes in the communities we serve.

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

Driving Social & Environmental Change

- 67 Sustainability Overview
- 72 Sustainability at a Glance

Financial Foundations

Shareholder overview



ENVIRONMENTAL RESPONSIBILITY & CLIMATE RESILIENCE


ASA Microfinance Bank Pakistan recognises that climate change presents both an environmental and economic risk, particularly for low-income and micro-entrepreneurial communities that are disproportionately exposed to climate shocks. While the Bank's direct environmental footprint remains modest, its nationwide branch network and proximity to climate-vulnerable segments position it to contribute meaningfully to climate resilience and environmental responsibility.


During the reporting period, the Bank continued to invest in renewable energy adoption to enhance operational efficiency and reduce dependence on conventional power sources. Solar energy systems have been installed across 335 branches, representing 83% of the Bank's total network of 405 locations. Of these, 28 solar installations were completed during 2025, supporting business continuity while contributing to reduced environmental impact.


Environmental stewardship is further supported through green banking initiatives and awareness-building activities. The Bank undertook large-scale tree plantation drives, planting a total of 8,160 trees during the year, including 6,160 trees on 14 August 2025 across branches, educational institutions, and hospitals, and an additional 2,000 trees in Lahore in collaboration with FACES Pakistan.

In parallel, ASA Pakistan conducted structured training sessions on green banking and climate change. During the year, 514 employee sessions were delivered, reaching 8,034 staff members, while 14,580 client sessions engaged 174,024 participants, reinforcing climate awareness and environmentally responsible practices at the community level.

Relevant SDGs:

 SDG 7
Affordable and Clean Energy

 SDG 13
Climate Action

 SDG 15
Life on Land

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

Driving Social & Environmental Change

- 67 Sustainability Overview
- 72 Sustainability at a Glance

Financial Foundations

Shareholder overview





FINANCIAL INCLUSION & SOCIAL IMPACT

ASA Pakistan's approach to financial inclusion extends beyond product access to encompass responsible engagement, client protection, and community-level impact. By combining microfinance services with financial education, the Bank seeks to support sustainable livelihoods and household resilience among vulnerable populations.

Financial inclusion initiatives are delivered through 15 branch-led sessions, group engagement models, and awareness programmes, enabling clients to better understand formal banking, digital channels, and consumer rights. These efforts support informed financial decision-making and responsible borrowing, particularly among first-time and low-income clients.

Through continued alignment with SBP's regulatory and consumer protection frameworks, ASA Pakistan remains committed to strengthening trust in formal financial systems while expanding access responsibly.

Relevant SDGs:

 SDG 1

No Poverty

 SDG 8

Decent Work and Economic Growth

 SDG 10

Reduced Inequalities

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

Driving Social & Environmental Change

- 67 Sustainability Overview
- 72 Sustainability at a Glance

Financial Foundations

Shareholder overview



COMMUNITY & DEVELOPMENT IMPACT

ASA Pakistan supports community development initiatives that address critical social needs in health, education, inclusion, and disaster recovery. These initiatives are aligned with the Bank's presence in underserved regions and its proximity to vulnerable communities.


During the year, the Bank contributed to healthcare infrastructure and access, including support for cancer care, neonatal facilities, staff medical assistance, blood donation drives, and health awareness sessions. Education-focused initiatives supported academic engagement, scholarships, infrastructure improvements, and access for persons with disabilities.

Environmental and community-based projects included the installation of a solar-powered system at a girls' high school, benefiting 900 students, and the development of a Bird Watching Tower at the Mangrove Biodiversity Park, which engaged 1,101 community members and supported conservation awareness.

The Bank also supported flood rehabilitation efforts in Gilgit-Baltistan, restoring access to education for 233 students following climate-related damage.

Additional community engagement was undertaken through support for cultural, educational, and inclusion-focused programmes, including women's sports and disability advocacy initiatives.

Relevant SDGs:

 SDG 3
Good Health and Well-being

 SDG 4
Quality Education

 SDG 11
Sustainable Cities and Communities

 SDG 17
Partnerships for the Goals

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

Driving Social & Environmental Change

- 67 Sustainability Overview
- 72 Sustainability at a Glance

Financial Foundations

Shareholder overview



Bano Bibi grows her livestock business in Raiwind, Lahore, now in her 8th cycle with ASA MFB

GENDER & INCLUSION INITIATIVES

Gender inclusion is foundational to ASA Pakistan’s business model and sustainability mandate. The Bank primarily serves underserved and low-income segments, with a deliberate focus on women entrepreneurs and women-led households, particularly in rural and semi-urban areas.

As of the reporting period, women clients represented approximately 96% of the Bank’s total active client base, equating to around 713,310 women borrowers. This reflects the Bank’s continued commitment to addressing gender gaps in financial access and supporting women’s economic participation through responsible microfinance.

Beyond access to credit, ASA Pakistan promotes inclusion through education and awareness. Financial literacy initiatives are embedded within the Bank’s operating model and delivered through branch-led engagement, group sessions, and community outreach. These initiatives focus on formal savings, budgeting, responsible financial behavior, use of digital financial tools, and consumer protection, in line with State Bank of Pakistan (SBP) guidelines.

During the year, ASA Pakistan actively participated in SBP’s Pakistan Financial Literacy Week 2025, with a particular focus on educating women and school students. Sessions were conducted across multiple locations nationwide, including educational institutions, to promote early financial awareness and responsible financial planning.

In addition, structured financial literacy sessions were delivered at 10 Hub Branches, facilitated by branch managers and supported by branch teams. These sessions reinforced consumer rights awareness while supporting SBP’s vision of a financially empowered society.

Relevant SDGs:

 SDG 5

Gender Equality

 SDG 8

Decent Work and Economic Growth

 SDG 10

Reduced Inequalities

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

Driving Social & Environmental Change

- 67 Sustainability Overview
- 72 Sustainability at a Glance

Financial Foundations

Shareholder overview

SUSTAINABILITY AT A GLANCE



The Landscape of Progress

Turning strategy into impact

Our Governance Compass

Driving Social & Environmental Change

67 Sustainability Overview

- 72 Sustainability at a Glance

Financial Foundations

Shareholder overview



FINANCIAL FOUNDATIONS

Empowered through enterprise, Rehana Kousar from Walton, Lahore manages her embroidery unit with the support of her husband and son

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

Driving Social & Environmental Change

- **Financial Foundations**

74 Independent Auditor's Reports

82 Financial Statements & Notes

Shareholder overview



EY FORD RHODES
Chartered Accountants
17th Floor, Sky Towers - West Wing
Dolmen City, Marine Drive, Block 4, Clifton
P.O. Box 15541, Karachi 75600, Pakistan

UAN: +92 21 111 11 39 37
ey.khi@pk.ey.com
<https://www.ey.com>

INDEPENDENT AUDITOR'S REPORT

To the members of ASA Microfinance (Bank) Pakistan Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **ASA Microfinance (Bank) Pakistan Limited** (the Bank), which comprises of the statement of financial position as at 31 December 2025, and the profit and loss account, statement of other comprehensive income, the statement of changes in equity, the cash flow statement for the year then ended, and notes to the financial statements, including a summary of material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the balance sheet, the profit and loss account, the statement of comprehensive income, the cash flow statement, the statement of changes in equity together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), Microfinance Institutions Ordinance, 2001 and the directives issued by the State Bank of Pakistan in the manner so required and respectively give a true and fair view of the state of the Bank's affairs as at 31 December 2025 and of the profit and other comprehensive income, the changes in equity and its cash flows the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Bank in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017), Microfinance Institutions Ordinance, 2001 and the directives issued by the State Bank of Pakistan and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Independent Auditor's Reports

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

- 74 Independent Auditor's Reports
- 82 Financial Statements & Notes

Shareholder overview

In preparing the financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Bank's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



- 74 Independent Auditor's Reports
- 82 Financial Statements & Notes



3

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Bank as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, profit and loss account, the statement of comprehensive income, the statement of changes in equity and the cash flow statement together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017), Microfinance Institutions Ordinance, 2001 and the directives issued by the State Bank of Pakistan and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Bank's business; and
- d) no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditors' report is Omer Chughtai.

Chartered Accountants

Place: Karachi

Date: 24 March 2026

UDIN Number: AR2025101203tQLo2BxC

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

- 74 Independent Auditor's Reports
- 82 Financial Statements & Notes

Shareholder overview

ASA MICROFINANCE BANK (PAKISTAN) LTD
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025

	Note	2025 ----- (Rupees in '000) -----	2024
ASSETS			
Cash and balances with treasury banks	4	1,191,066	697,327
Balances with other Banks and NBFIs	5	4,752,917	1,853,501
Lendings to financial institutions		-	-
Investments	6	624,316	-
Advances	7	32,860,450	24,820,480
Property and equipment	8	506,812	416,973
Right-of-use assets	9	380,492	353,311
Intangible assets	10	264,221	290,825
Deferred tax assets	11	1,326,664	1,421,633
Other assets	12	1,692,153	972,058
Total assets		43,599,091	30,826,108
LIABILITIES			
Bills payable		-	-
Borrowings	13	27,696,797	13,396,602
Deposits and other accounts		-	-
Lease liabilities	14	323,105	318,805
Subordinated debt		-	-
Deferred grant	15	318,147	125,508
Deferred tax liabilities		-	-
Other liabilities	16	4,991,983	6,744,246
Total liabilities		33,330,032	20,585,161
NET ASSETS		10,269,059	10,240,946
REPRESENTED BY			
Share capital	17	1,500,000	1,500,000
Reserves	18	1,725,748	954,749
Depositors' protection fund	19	-	-
Surplus/ (Deficit) on revaluation of assets		-	-
Unappropriated profit		7,043,311	7,786,197
		10,269,059	10,240,946
CONTINGENCIES AND COMMITMENTS			
	20		

The annexed notes 1 to 42 form an integral part of these financial statements.

 Naazer	 M. Shoaib Shamim	 Rob Keijsers	 M Kamran Shehzad	 Mischa John Assink
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

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

- 74 Independent Auditor's Reports
- 82 Financial Statements & Notes


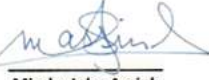
Shareholder overview

Statement of Financial Position

ASA MICROFINANCE BANK (PAKISTAN) LTD
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	2025 -----(Rupees in '000)-----	2024
Mark-up / Return / Interest earned	21	15,115,849	12,499,390
Mark-up / Return / Interest expensed	22	(2,836,521)	(2,578,449)
Net mark-up / interest income		12,279,328	9,920,941
NON MARK-UP / INTEREST INCOME			
Fee and commission income		-	-
Dividend income		-	-
Gain / (Loss) on securities		-	-
Net gains / (losses) on derecognition of financial assets measured at amortised cost		-	-
Other income	23	64,319	16,701
Total non-markup / interest income		64,319	16,701
Total income		12,343,647	9,937,643
NON MARK-UP / INTEREST EXPENSES			
Operating expenses	24	(5,314,200)	(4,270,767)
Workers welfare fund		-	-
Other charges	25	-	(72,666)
Total non-markup / interest expenses		(5,314,200)	(4,343,433)
Profit before expected credit loss allowance		7,029,447	5,594,210
Expected credit loss allowance and write offs - net	26	(234,620)	(224,571)
PROFIT BEFORE TAXATION		6,794,827	5,369,638
Taxation	27	(2,968,874)	(2,156,002)
PROFIT AFTER TAXATION		3,825,953	3,213,636
		Rupees	
Basic and diluted earnings per share	28	2,550.64	2,142.42

The annexed notes 1 to 42 form an integral part of these financial statements.

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

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

- 74 Independent Auditor's Reports
- 82 Financial Statements & Notes


Shareholder overview

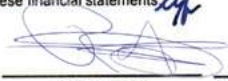
Statement of Profit or Loss


ASA MICROFINANCE BANK (PAKISTAN) LTD
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2025


	Note	2025 -----(Rupees in '000)-----	2024
Profit after taxation for the year		3,825,953	3,213,636
Other comprehensive income			
Items that may be reclassified to profit and loss account in subsequent periods:			
Movement in hedge accounting reserve	29	9,520	(172,740)
Related tax impact		(3,713)	67,368
Net movement in hedge accounting reserve		5,807	(105,371)
Items that will not be reclassified to profit and loss account in subsequent periods:			
Remeasurement loss on defined benefit obligations	33.3	(87,948)	(264,349)
Related tax impact		34,300	103,096
Remeasurement loss on defined benefit obligations - net of tax		(53,648)	(161,253)
Total comprehensive income		3,778,112	2,947,012


The annexed notes 1 to 42 form an integral part of these 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

Statement of Comprehensive Income

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

- 74 Independent Auditor's Reports
- 82 Financial Statements & Notes

Shareholder overview

ASA MICROFINANCE BANK (PAKISTAN) LTD
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2025

	Share capital	Reserves			Depositors' protection fund	Unappropriated profit	Total
		Share premium	Statutory reserve	Hedge accounting reserve			
(Rupees in '000)							
Opening Balance as at January 1, 2024	1,500,000	1	494,573	(77,180)	-	8,379,541	10,296,934
Profit after taxation (December 31, 2024)	-	-	-	-	-	3,213,636	3,213,636
Other comprehensive income - net of tax	-	-	-	(105,371)	-	(161,253)	(266,624)
Transfer to statutory reserve	-	-	642,727	-	-	(642,727)	-
Transfer to depositors' protection fund	-	-	-	-	-	-	-
Transactions with owners, recorded directly in equity							
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 quarter ended June 30, 2024	-	-	-	-	-	(501,000)	(501,000)
Interim dividend @ 33.40% for the quarter ended September 30, 2024	-	-	-	-	-	(501,000)	(501,000)
Opening Balance as at January 1, 2025	1,500,000	1	1,137,300	(182,551)	-	7,786,197	10,240,947
Profit after taxation (December 31, 2025)	-	-	-	-	-	3,825,953	3,825,953
Other comprehensive income - net of tax	-	-	-	5,807	-	(53,648)	(47,841)
Transfer to statutory reserve	-	-	765,191	-	-	(765,191)	-
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 @ 50% for the quarter ended March 31, 2025	-	-	-	-	-	(750,000)	(750,000)
Interim dividend @ 50% for the quarter ended June 30, 2025	-	-	-	-	-	(750,000)	(750,000)
Interim dividend @ 50% for the quarter ended September 30, 2025	-	-	-	-	-	(750,000)	(750,000)
Closing balance as at December 31, 2025	1,500,000	1	1,902,491	(176,744)	-	7,043,311	10,269,059

The annexed notes 1 to 42 form an integral part of these financial statements:

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

Statement of Changes in Equity

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

- 74 Independent Auditor's Reports
- 82 Financial Statements & Notes

Shareholder overview

ASA MICROFINANCE BANK (PAKISTAN) LTD
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2025

Note	2025	2024
	-----Rupees in '000-----	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	6,794,827	5,369,638
Adjustments:		
Depreciation	8.1 244,620	194,067
Depreciation on right-of-use assets	9 132,635	124,070
Amortization	10 66,085	45,186
Mark-up / Return / Interest expense on lease liability against right-of-use assets	14 60,200	49,557
Lease liability against right-of-use assets	-	-
Amortization of hedge points	22 467,564	650,189
Loss/ (gain) on sale / disposal of property and equipment	23 (31)	(158)
Provision against non-performing loans and advances - net	6.1.1 152,012	136,082
Other provisions / write-offs	12.1 1,241	3,356
Bad debts written off directly	6.1.1 81,366	85,134
Charge for defined benefit plan	24.1 286,243	208,906
	1,491,935	1,496,389
(Increase) / Decrease in operating assets		
Advances	6 (8,273,348)	(6,234,382)
Other assets (excluding expected credit loss allowance)	12 (721,358)	(202,729)
	(8,994,706)	(6,437,112)
Increase / (Decrease) in operating liabilities		
Borrowings	13 14,173,701	4,856,787
Other liabilities (excluding dividend payable, payable to defined benefit plan, current tax provision and unrealized loss on foreign exchange forward contracts)	16 (41,634)	791,050
	14,132,066	5,647,837
Income tax paid	(4,238,090)	(2,626,313)
Benefits paid	33.3 (75,936)	(45,849)
<i>Net cash flows generated from / (used in) operating activities</i>	9,110,096	3,404,591
CASH FLOW FROM INVESTING ACTIVITIES		
Investments in operating fixed assets	(376,287)	(393,746)
Sale proceeds from disposal of operating fixed assets	2,377	164
Investment in treasury bills	(624,316)	-
<i>Net cash flows used in investing activities</i>	(998,226)	(393,582)
CASH FLOW FROM FINANCING ACTIVITIES		
Payment of lease liability against right-of-use assets	14 (215,715)	(172,868)
Dividend paid	(4,503,000)	(1,486,187)
<i>Net cash flows used in financing activities</i>	(4,718,715)	(1,659,055)
Net increase / (decrease) in cash and cash equivalents	3,393,155	1,351,955
Cash and cash equivalents at beginning of the year	2,550,827	1,198,872
Cash and cash equivalents at end of the year	30 5,943,982	2,550,827

The annexed notes 1 to 42 form an integral part of these financial statements.

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

Cash Flow Statement

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

- 74 Independent Auditor's Reports
- 82 Financial Statements & Notes

Shareholder overview

**ASA MICROFINANCE BANK (PAKISTAN) LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

1. STATUS AND NATURE OF BUSINESS

- 1.1** ASA Microfinance Bank (Pakistan) Limited (formerly "ASA 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, initially 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 December 31, 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 99.999% (2024: 99.999%) shares of the Bank.

2. BASIS OF PRESENTATION

These condensed annual financial statements have been prepared in compliance with the format for preparation of the annual 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 financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards comprise of:

- IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of the Chartered Accountants of Pakistan as are 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 (including Prudential Regulations for Microfinance Banks) and 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 or IFAS, 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 shall prevail.

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. 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 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.

Notes to the Financial Statements

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

74 Independent
Auditor's Reports

- 82 Financial Statements
& Notes

Shareholder overview

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

The following standards, amendments and interpretations as notified under the Companies Act, 2017 will be effective for accounting periods beginning on or after January 01, 2026:

Standard, Interpretation or Amendment	Effective date (annual periods beginning on or after)
Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7	January 01, 2026
IFRS 17 - Insurance Contracts	January 01, 2026
Annual Improvements to IFRS Accounting Standards - Volume 11	January 01, 2026
Power Purchase Agreements – Amendments to IFRS 9 and IFRS 7	January 01, 2026
IFRS 18 - Presentation and Disclosure in Financial Statements	January 01, 2027
IFRS 19 - Subsidiaries without Public Accountability: Disclosures	January 01, 2027
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 periods beginning on or after)
IFRS 1 – First time adoption of IFRSs	January 01, 2004

The above standards and amendments are not expected to have any significant impact on Bank's unconsolidated 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. It also requires disclosure of management-defined performance measures in the notes and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes. 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 unconsolidated financial statements of future period and notes thereto.

2.4 Basis of measurement

2.4.1 These financial statements have been prepared under the historical cost convention except for derivative financial instruments which are measured at fair value.

2.4.2 These financial statements are presented in Pakistan Rupees which is the functional currency of the Bank. All financial information presented in Rupees has been rounded off to the nearest Thousand Rupee, unless otherwise stated.

2.4.3 Use of estimates and judgments

The preparation of financial statements in conformity with approved accounting standards, as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities and income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

- 74 Independent Auditor's Reports
- 82 Financial Statements & Notes

Shareholder overview

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on amounts recognised in these financial statements are described as follows:

2.4.4 Useful life of Operating Fixed Assets

Management determines the estimated useful lives and depreciation charge for its Operating Fixed Assets. The Bank reviews the value of assets for possible impairment on an annual basis. Any change in the estimates in future years might affect the carrying amounts of the respective items of Operating Fixed Assets with a corresponding affect on the depreciation charge and impairment.

2.4.5 Provision against loans and advances

The Bank reviews its loans at each reporting date to assess the adequacy of the ECL as recorded in the financial statement. In particular, judgment is required in the estimation of the amount and timing of future cash flows when determining the level of allowance required. Such estimates are based on certain assumptions such as the financial situation of the borrowers, types of loan, maturity of the loans, ageing of the portfolio, economic factors etc.

Actual performance of loans may differ from such estimates resulting in future changes to the allowance. Due to the nature of the industry the Bank operates, i.e. micro credit to low income clients, the loan portfolio consists of a very high number of individual customers with low value exposures. These characteristics lead the Bank to use a provisioning methodology based on a collective assessment of similar loans.

2.4.6 Write-off

Advances are written off according to the Prudential Regulations or when there is no realistic prospect of recovery. Non-performing advances are written off one month after being classified as "Loss". From an operational perspective all overdue loans are monitored for recovery up to two years overdue. Advances against deceased customers are also written-off.

2.4.7 Staff retirement benefits

Certain actuarial assumptions have been adopted as disclosed in these financial statements for valuation of present value of defined benefit obligations and fair value of plan assets. Any changes in these assumptions in future years might affect unrecognised gains and losses in those years.

2.4.8 Determination of the lease term for lease contracts with renewal and termination options (Company as a lessee)

The Bank determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Bank applies judgment in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Bank reassesses the lease term if there is a significant event or change in circumstances that is within its control that affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements).

2.4.9 Incremental borrowing rate

The Bank cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate ('IBR') to measure lease liabilities. The IBR is the rate of interest that the Bank would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The Bank estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific adjustments (such as credit rating, or to reflect the terms and conditions of the lease).

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

74 Independent Auditor's Reports

- 82 Financial Statements & Notes

Shareholder overview

3. MATERIAL ACCOUNTING POLICIES

3.1 Cash and cash equivalents

Cash and cash equivalents comprise of cash and balances with treasury banks, other banks and non-banking financial institutions for the purpose of cash flow statement.

3.2 Advances

Advances are stated net of expected credit loss allowance as detailed in note 3.7.7.1.

3.3 Operating fixed assets

3.3.1 Property and equipment and depreciation

Items of property and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures that are directly attributable to the acquisition of the asset.

Depreciation is calculated on straight line basis over the estimated useful lives of the assets at the rate specified in note 7 to the financial statements. Full month depreciation is charged in the month of acquisition and no depreciation is charged in the month of disposal.

Normal repairs and maintenance are charged to profit & loss account as and when incurred. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the item of property and equipment.

The residual values and useful lives of assets are reviewed and adjusted, if appropriate at each balance sheet date. Items of capital nature purchased are classified in capital work-in-progress till these are available for their intended use.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal.

Gains and losses on disposal of assets are taken to the profit and loss account.

3.3.2 Capital work-in-progress

All expenditure incurred / advance payments made that are connected with specific assets during installation and development period are carried under capital work in progress. These are transferred to specific assets as and when these are available for use. Capital work in progress is stated at cost less accumulated impairment losses, if any.

3.3.3 Intangible assets and amortisation

Items of intangibles are measured at cost less accumulated amortization and impairment losses, if any. Cost includes expenditures that are directly attributable to the acquisition of the asset.

Amortization is calculated on straight line basis over the estimated useful lives of the assets at the rate specified in note 9 of the financial statements. Full month amortization is charged in the month of acquisition and no amortization is charged in the month of disposal.

The residual values and useful lives of assets are reviewed and adjusted, if appropriate at each balance sheet date. Items of capital nature purchased are classified in capital work-in-progress till these are available for their intended use.

An item of intangibles is derecognised upon disposal or when no future economic benefits are expected from its use or disposal.



The Landscape of Progress

Turning strategy into impact

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

74 Independent Auditor's Reports

- 82 Financial Statements & Notes

Shareholder overview

3.3.4 Right-of-use assets and their related lease liability

Right-of-use assets

At the commencement date of the lease, the right-of-use asset is initially measured at the present value of lease liability. Subsequently, RoU assets are measured at cost, less accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. RoU assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

Lease liability against right-of-use assets

At the commencement date of the lease, the Bank recognises lease liability measured at the present value of the consideration (lease payments) to be made over the lease term and is adjusted for lease prepayments. The lease payments are discounted using the interest rate implicit in the lease, unless it is not readily determinable, in which case the lessee may use the incremental rate of borrowing. After the commencement date, the carrying amount of lease liability is increased to reflect the accretion of interest and reduced for the lease payments made.

3.4 Impairment of non-financial assets (except for deferred tax assets)

The carrying amount of the Bank's assets are reviewed at each balance sheet date to determine whether there is any objective evidence that an asset or group of assets may be impaired. If any such indication exists, assets' recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount.

A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount of an asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation) had no impairment loss been recognized for the asset in prior years.

Impairment losses and their reversals are recognized in profit and loss account.

3.5 Off setting

Monetary assets and liabilities are offset and the net amount is reported in the financial statements only when there is a legally enforceable right to set-off the recognised amounts and the Bank intends either to settle on a net basis, or to realise the assets and to settle the liabilities simultaneously.

3.6 Provisions

A provision is recognized in the balance sheet when the Bank has legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

3.7 Financial Instruments

3.7.1 Initial Recognition

Purchases or sales of financial assets that require delivery of assets within the timeframe generally established by regulation or convention in the marketplace are recognised on the trade date, i.e. the date that the Group commits to purchase or sell the asset.

The Bank recognises a financial asset and financial liability in its statement of financial position when, and only when, the entity becomes a party to the contractual provisions of the instrument. The classification of financial instruments at initial recognition depends on the purpose for which the financial instruments were acquired and their characteristics. All financial instruments are measured initially at their fair value plus, in the case of financial assets and financial liabilities not at fair value through profit or loss, any directly attributable costs of acquisition or issue.

3.7.2 Classification and subsequent measurement of financial assets and liabilities

The Bank classifies all of its financial assets based on two criteria: a) the Bank's business model for managing the assets; and b) whether the instruments' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding (the 'SPPI test').

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

74 Independent Auditor's Reports

- 82 Financial Statements & Notes

Shareholder overview

a) Business model assessment

The Bank has made an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management.

b) The SPPI test

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Bank has considered the contractual terms of the instrument. This included assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Company has considered:

- contingent events that would change the amount and timing of cash flows;
- leverage features;
- prepayment and extension terms;
- terms that limit the Group's claim to cash flows from specified assets – e.g. non-recourse asset arrangements; and features that modify consideration for the time value of money – e.g. periodic reset of interest rates.

Most of the Group's microfinance loans contain prepayment features. A prepayment feature is consistent with the SPPI criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable compensation for early termination of the contract.

The Bank classifies and measures its derivative and trading portfolio at FVPL as explained in note 3.7.8. The Company may designate financial instruments at FVTPL, if so doing eliminates or significantly reduces measurement or recognition inconsistencies.

Financial liabilities are measured at amortised cost or at FVPL when they are held for trading and derivative instruments or the fair value designation is applied.

3.7.3 Financial assets at amortised costs

These include long term deposits, loans and advances, Interest accrued, loans to employees, other receivables and cash and bank balances.

The Bank classifies its financial assets at amortized cost only if both of the following conditions are met:

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.
- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows.

After initial measurement, these financial instruments are subsequently measured at amortized cost using the Effective interest Rate (EIR), less impairment (if any).

3.7.4 Financial liabilities at amortised costs

Financial liabilities include short term and long term borrowings, liabilities against forward contracts and other payables.

Financial liabilities with a fixed maturity are measured at amortised cost using the effective interest rate.

3.7.5 Reclassification of financial assets and liabilities

The Bank does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Bank acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified.

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

74 Independent Auditor's Reports

- 82 Financial Statements & Notes

Shareholder overview

3.7.6 Derecognition of financial assets and liabilities

a) Financial Assets

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised where:

- the right to receive cash flows from the asset has expired; or
- the Bank has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and

• either (a) the Bank has transferred substantially all the risks and rewards of the asset, or (b) the Bank has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Bank has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Bank's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Bank could be required to repay.

b) Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

3.7.7 Impairment of financial assets

The Bank recognises an allowance for expected credit losses (ECLs) on Loans and advances to customers.

The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the profit and loss account. Interest income continues to be accrued on the reduced carrying amount based on the original effective interest rate of the asset.

If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered in future, the recovery is credited to 'Bad debts recovered'.

3.7.7.1 The calculations of ECLs

The Bank calculates the allowance for ECL in a three step process as described below:

a) Determination of Loan staging:

Stage 1 and Stage 2:

Given the nature of the Bank's loan exposures (generally short-term exposures, <12 months) no distinction has been made between stage 1 (12M ECL) and stage 2 loans (lifetime ECL) for the ECL calculation. For disclosure purposes normally stage 1 loans are defined as loans overdue between 0-29 days. Stage 2 loans are overdue loans between 30-59 days. This is consistent with SBP IFRS 9 Application Instructions.

Stage 3:

Advances are treated as credit impaired (Stage 3) when contractual payments are 60 days or more past due. This threshold has been determined based on the SBP IFRS 9 Application Instructions.

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

74 Independent Auditor's Reports

- 82 Financial Statements & Notes

Shareholder overview

b) Calculating ECL for stage 1-2 loans:

To avoid the complexity of calculating separate probability of default and loss given default, the Bank uses a 'loss rate approach' for the measurement of ECLs. The 'loss rates' are a provision matrix that is based on historical credit loss experience, adjusted for forward-looking factors specific to economic environment. Using this approach, the Bank developed loss-rate statistics on the basis of the amounts written off over the last five years.

The forward-looking element in the ECL is built by looking at different write-off scenarios based on historical data, namely, average of 2 lowest write-off years, average of last 5 years' write-offs and average of 2 highest write-off years. Weights are assigned to these scenarios to get a weighted average forward looking element.

c) Calculating ECL for stage 3 loans:

The ECL applied to Stage 3 loans in the Bank's model is at a rate of 80% of the loan in excess of 60-179 days overdue and 100% of the loans in excess of 179 days overdue. ECL for Stage 3 loans is based on higher of ECL allowance determined above or specific provision as per Prudential Regulations for Microfinance Banks.

The following table summarizes the requirements of Prudential Regulations for Microfinance Banks:

Classification of Non-Performing Advances as per Prudential Regulations

Category	Description	Specific Provision required
a) Other Assets Especially Mentioned (OAEM)	Loan (principal / mark-up) is overdue for 30 or more but less than 60	Nil
b) Substandard	Loan (principal / mark-up) is overdue for 60 or more but less than 90	25%
c) Doubtful	Loan (principal / mark-up) is overdue for 90 or more but less than 180 da	50%
d) Loss	Loan (principal / mark-up) is overdue for 180 days or more	100%

d) Impact of macro-economic indicators

The Bank provides small loans to clients who are not employed, but operate their own small businesses in the informal sector and are less impacted by macro-economic trends than other business sectors. In addition, the Bank's loans average 6 months until maturity at the year-end and so the impact of macro-economic factors on the repayment of loans is inherently limited. Hence the management concluded that changes in macro economic indicators do not have any direct correlation with the ASA business model and therefore, no adjustment was made to consider forecasts for such macro-economic indicators in the forward-looking element of its expected credit loss provision calculation.

e) ECL on Interest receivable:

ECL for interest receivable is assessed on the same line as outstanding loan portfolio.

3.7.8 Derivatives recorded at fair value through profit or loss

A derivative is a financial instrument or other contract with all three of the following

- Its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract (the 'underlying').
- It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors.

The Landscape of Progress**Turning strategy into impact****Our Governance Compass****Driving Social & Environmental Change****Financial Foundations**

- 74 Independent Auditor's Reports
- 82 Financial Statements & Notes

Shareholder overview

- c) It is settled at a future date.

Derivative financial assets and liabilities are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently measured at their fair value using appropriate valuation techniques. Derivative financial instruments are carried as an asset when the fair value is positive and as a liability when the fair value is negative. Any change in the fair value of derivative financial instruments is taken directly to profit and loss account.

3.7.9 Forward contracts and hedge accounting

The Bank applies hedge accounting for long term loans denominated in foreign currency for which forward contracts have been agreed to mitigate the foreign currency risk exposure of its subsidiaries. The Bank documents the relationship between the hedged item and the hedging instrument, the risk management objective and the method that will be used to assess effectiveness of the hedging relationship at inception and at each reporting date. The Bank applies the qualitative approach for hedge testing effectiveness. The critical terms of the hedged items and hedging instruments are identical. The forward method is applied, whereby the forward points are amortised from Other comprehensive income (OCI) to interest expenses during the term of the contract. The fair value of the forward contract is recognised on the statement of financial position and the changes in the fair value are reported in OCI. The foreign currency exchange results on the foreign currency loans are reported as exchange rate results and the same opposite amount is recycled from OCI to the same currency exchange results.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss. The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit or loss.

The terms of the foreign currency forward contracts match the terms of the expected highly probable forecast transactions. As a result, there is no hedge ineffectiveness to be recognised in the statement of profit or loss.

3.7.10 Fair value measurement

The Bank measures financial instruments such as derivatives at fair value at each balance sheet date. Fair value related disclosures for financial instruments that are measured at fair value are summarised in note 33.1.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Bank.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Bank uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

- 74 Independent Auditor's Reports
- 82 Financial Statements & Notes

Shareholder overview

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Bank determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

3.8 Defined benefit plan

The Bank operates an unfunded gratuity scheme for all its permanent employees. The actuarial valuation is carried out using the projected unit credit method. Actuarial gains and losses for defined benefit plan are recognised in statement of comprehensive income when they occur.

3.9 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Bank and the revenue can be reliably measured.

- a) Income on PLS saving deposits is recognized in profit and loss account as it accrues using the effective interest rate method.
- b) Interest income on loans and advances is recognized on time proportion basis using the effective interest rate method.

3.10 Taxation

Current tax

Provision for current taxation is based on the taxable income for the year determined in accordance with the Income Tax Ordinance, 2001. The charge for current tax is calculated using tax rates enacted or substantively enacted at the balance sheet date after taking into account available tax credits and rebates, if any. The charge for current tax includes adjustments to charge for prior years, if any.

Deferred tax

Deferred tax is provided using the balance sheet liability method providing for all temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities using tax rates enacted or substantively enacted at the balance sheet date. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available and the credits can be utilized. Deferred tax assets are reviewed at each balance sheet date and are reduced to the extent that it is no longer probable that the related tax benefits will be realised.

3.11 Foreign currency transactions

Transactions in foreign currencies are translated into Pak Rupees at the foreign exchange rate existing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into Pak Rupees at the foreign exchange rate prevailing at that date. Foreign exchange rates are obtained from the website of State Bank of Pakistan. Exchange gains or losses arising on translations are taken to the profit and loss account.

3.12 Earnings per share

The Bank presents basic and diluted earnings per share (EPS). Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Bank by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS, if any, is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares. There were no dilutive potential ordinary shares in issue at the balance sheet date.

3.13 Dividend distribution

Declaration of dividend to holders of the equity instruments of the Bank is recognised as liability in the period in which it is declared.

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

74 Independent Auditor's Reports

- 82 Financial Statements & Notes

Shareholder overview

	Note	2025 ----- (Rupees in '000)	2024
4. CASH AND BALANCES WITH TREASURY BANKS			
In hand - Local currency		32	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		1,004,130	1,739
Local currency deposit account	4.1	4,295	4,666
		1,008,425	6,406
Less: Expected credit loss allowance		-	-
Total		1,191,066	697,327

4.1 This represents deposits carrying markup of 9.50% per annum (2024: 5%).

5. BALANCES WITH OTHER BANKS AND NBFIs

- In current account		17,208	5,781
- In deposit account	5.1	2,967,708	1,721,719
- In term deposits	5.2	1,768,000	126,000
Less: Expected credit loss allowance		-	-
		4,752,917	1,853,501

5.1 This represents deposits with various financial institutions carrying markup ranging between 5% to 11% per annum (2024: 13.5% to 19%)

5.2 These carry mark-up ranging from 8.19% to 10.70% 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, and have maturities within 3 to 6 months.

6. INVESTMENTS

6.1 Investments by type:

	December 31, 2025				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	624,316	-	-	624,316	-	-	-	-
Total	624,316	-	-	624,316	-	-	-	-

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.

6.1.1 These carry mark-up at rate 10.70% per annum, having maturity up to 1 to 12 Months. These securities has a face value of Rs. 659.5L

6.1.2 The market value of securities classified as amortized cost as at December 31, 2025 amounted to Rs. 621,243/- million (December 31, 2024: Rs. 0/- million).

6.1.3 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.

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

- 74 Independent Auditor's Reports
- 82 Financial Statements & Notes

Shareholder overview

7. ADVANCES	Note	Performing				Non Performing		Total	
		Stage 1		Stage 2		Stage 3			
		December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
		Rupees in '000							
Loan Type									
Micro Credits									
Secured									
Unsecured									
Advances - gross		32,987,914	24,945,450	54,003	25,508	73,963	103,660	33,115,880	25,074,618
Credit loss allowance against advances:									
- Stage 1		193,461	167,816	-	-	-	-	193,461	167,816
- Stage 2		-	-	317	98	-	-	317	98
- Stage 3	7.1.2.1	193,461	167,816	317	98	61,652	86,224	61,652	86,224
Advances - net of		32,794,453	24,777,634	53,686	25,410	12,311	17,436	32,860,450	24,820,480
7.1 Advances - Particulars of expected credit loss allowance									
7.1.1 Advances - Exposure		December 31, 2025				December 31, 2024			
		Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
		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		33,026,970	49,244	45,677	33,121,891	24,996,066	24,820	145,227	25,166,112
Advances derecognised or repaid		(24,803,182)	(9,615)	(10,594)	(24,823,390)	(19,349,112)	(4,788)	(9,247)	(19,363,127)
Transfer to stage 1		233	(74)	(159)	-	-	-	-	-
Transfer to stage 2		(4,759)	4,759	-	-	(13)	13	-	-
Transfer to stage 3		(92,386)	(13,781)	106,167	-	(37,110)	(6,573)	43,683	-
Amounts written off / charged off	7.1.4	8,126,877	30,533	141,091	8,298,501	5,609,831	13,492	179,662	5,802,985
Closing balance		32,987,914	54,003	73,963	33,115,880	24,945,450	25,508	103,660	25,074,619
7.1.2 Advances - Expected credit loss allowance		Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
		Rupees in '000							
Opening balance		167,816	98	86,224	254,138	193,914	46	32,562	226,521
New advances		86,095	129	37,416	123,640	168,010	95	131,073	299,178
Advances derecognised or repaid		(59,968)	(25)	(3,349)	(63,342)	(95,556)	(18)	1,346	(94,228)
Transfer to Stage 1		136	-	(135)	1	-	-	-	-
Transfer to Stage 2		(176)	176	-	-	-	-	-	-
Transfer to Stage 3		(354)	(53)	406	(1)	(142)	(25)	167	-
Reversal of General Provision		25,733	227	34,338	60,298	72,312	52	132,586	204,950
Impact of Transfers on ECL		-	-	-	-	(98,403)	-	-	(98,403)
Amounts written off/charged Off	7.1.4	135	2	119,730	119,867	-	52	43,447	43,447
		25,868	229	151,068	177,164	(26,091)	52	176,033	149,994
		(224)	(9)	(175,640)	(175,873)	(6)	-	(122,371)	(122,377)
		193,460	318	61,652	255,430	167,816	98	86,224	254,138
7.1.2.1 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.									
7.1.3 Advances - Expected credit loss allowance details Internal / External rating / stage classification		December 31, 2025				December 31, 2024			
		Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
		Rupees in '000							
Outstanding gross exposure									
Performing - Stage 1									
<30 Days		32,987,914	-	-	32,987,914	24,945,450	-	-	24,945,450
Under Performing									
General Loans									
Other assets especially mentioned									
30-89 (2024: 30-59)		-	50,546	-	50,546	-	24,898	-	24,898
SME Loans									
Other assets especially mentioned									
30-179 (2024: 30-59)		-	3,457	-	3,457	-	610	-	610
Non-Performing									
Substandard		-	-	63,770	63,770	-	-	20,593	20,593
Doubtful		-	-	897	897	-	-	66,589	66,589
Loss		-	-	9,296	9,296	-	-	16,478	16,478
Total		-	-	73,963	73,963	-	-	103,660	103,660
Total		32,987,914	54,003	73,963	33,115,880	24,945,450	25,508	103,660	25,074,619
Corresponding expected credit loss allowance									
Stage 1		193,460	-	-	193,460	167,816	-	-	167,816
Stage 2		-	318	-	318	-	98	-	98
Stage 3		-	-	61,652	61,652	-	-	86,224	86,224
		193,460	318	61,652	255,430	167,816	98	86,224	254,138
7.1.4 Particulars of write offs / charge offs:									
Against expected credit loss allowance						7.1.2	175,873	122,377	
Directly charged to profit and loss account						26	81,366	78,680	
							257,239	201,058	

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

- 74 Independent Auditor's Reports
- 82 Financial Statements & Notes

Shareholder overview

	Note	2025	2024
		----- (Rupees in '000) -----	
8. PROPERTY AND EQUIPMENT			
8.1 Property and equipment	8.1	506,812	416,973

	2025						Total
	Leasehold Improvement	Furniture and fittings	Office equipment	Vehicles	Information technology equipment	CWIP	
	----- (Rupees in '000) -----						
At January 1, 2025							
Cost	189,670	46,611	161,411	12,511	400,217	-	810,420
Accumulated depreciation	(79,780)	(23,442)	(80,834)	(6,911)	(202,481)	-	(393,448)
Net book value	109,890	23,169	80,577	5,600	197,736	-	416,973
Year ended December 2025							
Opening net book value	109,890	23,169	80,577	5,600	197,736	-	416,973
Additions	64,701	9,495	85,001	16,000	102,309	59,301	336,806
Disposals	-	-	(10)	(2,338)	-	-	(2,348)
Depreciation charge	(51,351)	(9,050)	(66,199)	(2,335)	(115,686)	-	(244,620)
Other adjustments / transfers	-	-	-	-	-	-	-
Closing net book value	123,240	23,615	99,369	16,928	184,359	59,301	506,812
At December 31, 2025							
Cost	254,371	56,106	246,354	21,006	502,526	59,301	1,139,663
Accumulated depreciation	(131,130)	(32,491)	(146,985)	(4,078)	(318,167)	-	(632,851)
Net book value	123,241	23,615	99,369	16,928	184,359	59,301	506,812
Rate of depreciation (percentage)	20% - 33.33%	20%	33%	20%	33%	33%	

	2024						Total
	Leasehold Improvement	Furniture and fittings	Office equipment	Vehicles	Information technology equipment	CWIP	
	----- (Rupees in '000) -----						
At January 1, 2024							
Cost	168,431	37,688	127,650	12,511	284,947	-	631,227
Accumulated depreciation	(34,807)	(16,154)	(43,310)	(4,409)	(105,396)	-	(204,076)
Net book value	133,624	21,534	84,340	8,102	179,551	-	427,151
Year ended December 2024							
Opening net book value	133,624	21,534	84,340	8,102	179,551	-	427,151
Additions	19,343	8,580	41,076	-	114,896	-	183,895
Disposals	-	(6)	-	-	-	-	(6)
Depreciation charge	(43,077)	(6,938)	(44,839)	(2,502)	(96,710)	-	(194,067)
Other adjustments / transfers	-	-	-	-	-	-	-
Closing net book value	109,890	23,169	80,577	5,600	197,736	-	416,973
At December 31, 2024							
Cost	189,670	46,611	161,411	12,511	400,217	-	810,420
Accumulated depreciation	(79,780)	(23,442)	(80,834)	(6,911)	(202,481)	-	(393,448)
Net book value	109,890	23,169	80,577	5,600	197,736	-	416,973
Rate of depreciation (percentage)	20% - 33.33%	20%	33%	20%	33%	-	

8.2 The cost of fully depreciated assets that are still in use is as follows:

	2025						Total
	Leasehold Improvement	Furniture and fittings	Office equipment	Vehicles	Information technology equipment	CWIP	
	----- (Rupees in '000) -----						
Cost	3,542	9,019	23,979	-	100,601	-	137,141
	----- (Rupees in '000) -----						
	2024						
	----- (Rupees in '000) -----						
Cost	3,542	6,838	19,599	-	73,660	-	103,639

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

74 Independent Auditor's Reports

- 82 Financial Statements & Notes

Shareholder overview

	2025	2024	
	----- (Rupees in '000) -----		
9. RIGHT-OF-USE ASSETS			
At January 1, 2025			
Cost	353,311	225,016	
Accumulated Depreciation	-	-	
Net Carrying amount at January 1, 2025	353,311	225,016	
Additions during the year	159,816	252,365	
Depreciation Charge for the year	(132,635)	(124,070)	
Net Carrying amount at December 31, 2025	380,492	353,311	
10. INTANGIBLE ASSETS			
	2025		
	Computer software	CWIP	Total
	----- (Rupees in '000) -----		
At January 1, 2025			
Cost	335,223	13,769	348,992
Accumulated amortization and impairment	(58,167)	-	(58,167)
Net book value	277,056	13,769	290,825
Year ended December 31, 2025			
Opening net book value	277,056	13,769	290,825
Additions - directly purchased	39,481	-	39,481
Amortization charge	(66,085)	-	(66,085)
Transfers	13,769	(13,769)	-
Closing net book value	264,221	-	264,221
At December 31, 2025			
Cost	388,473	-	388,473
Accumulated amortization	(124,253)	-	(124,253)
Net book value	264,221	-	264,221
Rate of amortization (percentage)	12.5% - 33.33%	-	33%
Useful life (in Months)	36 - 96	-	36
	2024		
	Computer software	CWIP	Total
	----- (Rupees in '000) -----		
At January 1, 2024			
Cost	15,803	123,387	139,189
Accumulated amortization	(13,029)	-	(13,029)
Net book value	2,773	123,387	126,160
Year ended December, 2024			
Opening net book value	2,773	123,387	126,160
Additions - directly purchased	196,082	13,769	209,851
Disposals	-	-	-
Amortization charge	(45,186)	-	(45,186)
Transfers	123,387	(123,387)	-
Closing net book value	277,056	13,769	290,825
At December 31, 2024			
Cost	335,223	13,769	348,992
Accumulated amortization	(58,167)	-	(58,167)
Net book value	277,056	13,769	290,825
Rate of amortization (percentage)	12.5% - 33.33%	-	33%
Useful life (in Months)	36 - 96	-	36

10.1 Intangible assets include software costing Rs 15.8 million (2024: Rs 15.8 million) which are fully amortized and still in use.

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

- 74 Independent Auditor's Reports
- 82 Financial Statements & Notes

Shareholder overview

11. DEFERRED TAX ASSETS	2025			
	At Jan 1 2025	Recognised in P&L A/C	Recognised in OCI	At Dec 31 2025
	----- (Rupees in '000) -----			
Deductible temporary differences on:				
- Credit loss allowances against advances	99,881	921	-	100,802
- Exchange difference on foreign currency borrowings	287,562	(286,328)	-	1,234
- Disallowed markup expense on foreign currency borrowings	338,871	188,758	-	527,629
- Unrealised loss on foreign exchange forward contracts	239,617	57,888	(148,535)	148,970
- Lease liability	141,836	(15,825)	-	126,011
- Post retirement employee benefits	414,920	82,020	34,300	531,239
	1,522,685	27,435	(114,235)	1,435,884
Taxable temporary differences on:				
- Accelerated tax depreciation	(101,052)	(8,168)	-	(109,220)
	(101,052)	(8,168)	-	(109,220)
	1,421,633	19,267	(114,235)	1,326,664
	----- (Rupees in '000) -----			
	At Jan 1 2024	Recognised in P&L A/C	Recognised in OCI	At Dec 31 2024
	----- (Rupees in '000) -----			
Deductible temporary differences on:				
- Advances	89,702	10,179	-	99,881
- Exchange difference on foreign currency borrowings	730,106	(442,544)	-	287,562
- Disallowed markup expense on foreign currency borrowings	17,902	320,968	-	338,871
- Unrealised loss on foreign exchange forward contracts	128,789	262,041	(151,212)	239,617
- Lease liability	85,627	56,209	-	141,836
- Post retirement employee benefits	248,231	63,592	103,096	414,920
	1,300,356	270,445	(48,116)	1,522,685
Taxable temporary differences on:				
- Accelerated tax depreciation	(69,031)	(32,021)	-	(101,052)
	(69,031)	(32,021)	-	(101,052)
	1,231,325	238,424	(48,116)	1,421,633
	----- (Rupees in '000) -----			
12. OTHER ASSETS	Note	2025	2024	
		----- (Rupees in '000) -----		
Income / Mark-up accrued		795,153	604,844	
Advances, deposits, advance rent and prepayments		463,613	250,912	
Loan to Employees		242,265	93,108	
Advance taxation		172,745	-	
Others		21,414	25,161	
		1,695,189	974,025	
Less: Expected credit loss allowance held against other assets	12.1	(3,037)	(1,966)	
Other assets (net of credit loss allowance)		1,692,153	972,058	
	----- (Rupees in '000) -----			
12.1 Credit loss allowance held against other assets		2025	2024	
		----- (Rupees in '000) -----		
Opening balance		1,966	3,484	
Charge for the year		1,241	3,356	
Written off during the year		(171)	(4,873)	
		3,037	1,966	
	----- (Rupees in '000) -----			
12.2 Particulars of write offs / charge offs:		2025	2024	
Against expected credit loss allowance		171	4,873	
Directly charged to profit and loss account	26	-	6,454	
		171	11,327	

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

- 74 Independent Auditor's Reports
- 82 Financial Statements & Notes

Shareholder overview

13. BORROWINGS	Note	2025 (Rupees in '000)					
		2025	2024				
Secured							
Borrowings from State Bank of Pakistan		2,400,419	2,378,746				
- Women Inclusive Finance Program (WIFP)		1,844,790	-				
- Women Inclusive Finance Sector Development Project (WIF SDP)		1,398,139	99,745				
- Financial Inclusion and Infrastructure Project through ACFID		5,643,348	2,478,491				
Borrowings from Other Banks / Financial Institutions		22,053,450	10,918,111				
Total secured	13.1	27,696,797	13,396,602				
13.1 Particular of borrowings with respect to domestic/foreign							
In Pakistan	13.2	17,052,119	7,273,565				
Outside Pakistan	13.3	10,644,678	6,123,037				
Total		27,696,797	13,396,602				
13.2 Details of Borrowings in Pakistan							
		Amount (Rupees in '000)	Agreement Date	Maturity	Repayment frequency	Coupon rate	
Women Inclusive Finance Program (WIFP)		2,400,419	25-Jun-24	30-Jun-29	Bullet	6M K-1%	
Financial Inclusion and Infrastructure Project through ACFID		52,208	1-Mar-24	25-Mar-27	Bullet	6M K-1%	
Financial Inclusion and Infrastructure Project through ACFID		48,964	1-Mar-24	25-Mar-27	Bullet	6M K-1%	
Financial Inclusion and Infrastructure Project through ACFID		150,219	12-May-25	14-May-28	Bullet	6M K-1%	
Financial Inclusion and Infrastructure Project through ACFID		105,710	25-Apr-25	20-May-28	Bullet	6M K-1%	
Financial Inclusion and Infrastructure Project through ACFID		772,783	12-May-25	14-May-28	Bullet	6M K-1%	
Financial Inclusion and Infrastructure Project through ACFID		268,255	18-Mar-25	27-Mar-28	Bullet	6M K-1%	
Women Inclusive Finance Sector Development Project (WIF SDP)		1,844,790	19-Jun-25	27-Jun-30	Bullet	6M K-1.0%	
Pak Oman Investment Company Limited		216,000	9-Jan-25	9-Jan-28	Quarterly	3M K+1.75%	
Allied Bank Limited		416,667	27-Mar-25	6-Apr-28	Quarterly	3M K+1.75%	
Pakistan Microfinance Investment Company Limited		2,979,827	21-Mar-23	30-Sep-28	Quarterly	6M K+2.95%	
Pakistan Microfinance Investment Company Limited		2,767,365	24-Apr-23	30-Sep-28	Quarterly	6M K+3.50%	
Habib Metropolitan Bank Limited		666,667	13-Dec-24	27-Dec-27	Quarterly	3M K+2.50%	
JS Bank Limited		363,155	16-Jan-25	21-Mar-28	Quarterly	3M K+2%	
PKICL Syndicate		2,999,090	18-Jul-25	31-Jul-28	Quarterly	3M K+2.5%	
National Bank of Pakistan		1,000,000	12-Dec-25	31-Dec-25	Quarterly	3M K+4.5%	
		17,052,119					
13.3 Details of Borrowings outside Pakistan							
		Amount (in FCY)	Amount (Rupees in '000)	Agreement Date	Maturity	Repayment frequency	Coupon rate
EMF Microfinance Fund, AGmVik	USD	3,000,000	840,369	29-Nov-24	4-May-27	Semi-Annual	6M SOFR+5%
Microfinance Initiative for Asia (MIFA) Debt Fund SA, SICAV-SIF	USD	2,500,000	700,308	4-Mar-24	7-Jun-27	Semi-Annual	6M SOFR+5.0%
JAPAN ASEAN WOMEN EMPOWERMENT FUND	USD	5,000,000	1,400,616	4-Mar-24	7-Jun-27	Semi-Annual	6M SOFR+5.0%
Blue Orchard Microfinance Fund	USD	5,000,000	1,400,616	18-Aug-25	3-Nov-28	Semi-Annual	6M SOFR+4.65%
DWM – CIFIF, Netherlands	USD	4,000,000	1,120,492	8-Jul-25	14-Nov-28	Semi-Annual	6M SOFR+4.5%
Global Gender Smart Fund	USD	7,500,000	2,100,923	23-Jun-25	15-Nov-28	Semi-Annual	6M SOFR+4.75%
Global Micro and SME Finance Fund	USD	1,250,000	350,154	23-Jun-25	19-Nov-28	Semi-Annual	6M SOFR+4.75%
responsAbility SICAV (Lux) Agriculture Fund	USD	1,000,000	280,123	23-Jun-25	19-Nov-28	Semi-Annual	6M SOFR+4.75%
responsAbility SICAV (Lux) Financial Inclusion Fund	USD	1,250,000	350,154	23-Jun-25	19-Nov-28	Semi-Annual	6M SOFR+4.75%
responsAbility SICAV (Lux) Micro and SME Finance Debt Fund	USD	1,250,000	350,154	23-Jun-25	19-Nov-28	Semi-Annual	6M SOFR+4.75%
responsAbility SICAV (Lux) Micro and SME Leaders	USD	1,250,000	350,154	23-Jun-25	19-Nov-28	Semi-Annual	6M SOFR+4.75%
Monega Mikrofinanz and Impact funds	USD	250,000	70,031	21-Aug-25	09-Dec-28	Semi-Annual	6M SOFR+4.17%
Monega Multi-Sector Microfinance & Impact Loan Fund	USD	750,000	210,092	21-Aug-25	09-Dec-28	Semi-Annual	6M SOFR+4.17%
EMF Microfinance Fund AGmVik	USD	4,000,000	1,120,492	8-Dec-25	23-Dec-28	Semi-Annual	6M SOFR+4.27%
		10,644,678					
14. LEASE LIABILITIES				2025 (Rupees in '000)		2024 (Rupees in '000)	
At January 1				318,805		189,752	
Additions during the year				159,816		252,365	
Interest expense				60,200		49,557	
Payments				(215,715)		(172,868)	
At December 31				323,105		318,805	
14.1 Contractual maturity of lease liabilities							
Short-term lease liabilities - within one year				673		1,447	
Long-term lease liabilities							
- 1 to 5 years				173,723		192,670	
- 5 to 10 years				80,652		55,630	
- More than 10 years				68,056		69,057	
Total lease liabilities				323,105		318,805	

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

- 74 Independent Auditor's Reports
- 82 Financial Statements & Notes

Shareholder overview

		2025	2024
		Rupees in '000	
15. DEFERRED GRANT			
Opening balance		125,508	-
Grant Received during the year	15.1	242,470	133,730
Grant recognised as income during the year		(49,831)	(8,222)
Closing balance	15.1.1	<u>318,147</u>	<u>125,508</u>
15.1 State Bank of Pakistan			
Women Inclusive Finance Sector Developing Project (WIF SDP)	15.1.2	168,106	129,212
Financial Inclusion and Infrastructure Project (ACFID)	15.1.3	74,364	4,518
		<u>242,470</u>	<u>133,730</u>

15.1.1 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).

15.1.2 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.

15.1.3 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.

	2025	2024
	(Rupees in '000)	
16. OTHER LIABILITIES		
Mark-up / Return / Interest payable	709,885	561,677
Accrued expenses	281,433	268,558
Current taxation	-	1,222,027
Dividends payable	2,250,000	3,003,000
Payable to defined benefit plan	1,362,153	1,063,897
Unrealized loss on foreign exchange forward contracts	381,970	614,399
Others	6,542	10,688
	<u>4,991,983</u>	<u>6,744,246</u>

17. SHARE CAPITAL

	2025	2024		2025	2024
	(Number of shares)			(Rupees in '000)	
17.1 Authorized Capital					
	<u>1,500,000</u>	<u>1,500,000</u>	Ordinary shares of Rs.1,000 each	<u>1,500,000</u>	<u>1,500,000</u>
17.2 Issued, subscribed and paid-up capital					
	2024	2023		2025	2024
	(Number of shares)			Rupees in '000	
			Fully paid-up ordinary shares of Rs.1,000 each		
	1,127,417	1,127,417	Issued for cash	1,127,417	1,127,417
	372,583	372,583	Issued as bonus shares	372,583	372,583
	<u>1,500,000</u>	<u>1,500,000</u>		<u>1,500,000</u>	<u>1,500,000</u>

17.2.1 As at 31 December 2025 and 2024, 99.999% Shareholding of the Bank was held by the parent company ASA International and remaining 0.001% is held by Catalyst Microfinance Investors and CMI International Holding.

18. STATUTORY RESERVE

In accordance with the requirements of the Microfinance Institutions Ordinance, 2001 and the Prudential Regulations issued by the SBP, the Bank is required to transfer an amount equal to 20% of its annual profits after taxes till such time the reserve fund equals the paid-up capital of the Bank. Thereafter, a sum not less than 5% of its annual profit after taxes.

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.

20. CONTINGENCIES AND COMMITMENTS

	2025	2024
	(Rupees in '000)	
Commitments	11,364,175	6,827,290
Contingent liabilities	-	-
	<u>11,364,175</u>	<u>6,827,290</u>
20.1 Commitments in respect of:		
- Property and equipment	59,301	-
- Intangible assets	-	28,156
- Foreign exchange forward contracts - purchase	11,364,175	6,827,290
	<u>11,423,476</u>	<u>6,855,446</u>

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

- 74 Independent Auditor's Reports
- 82 Financial Statements & Notes

Shareholder overview

	Note	2025 ------(Rupees in '000)-----	2024
21. MARK-UP / RETURN / INTEREST EARNED			
Advances		14,880,348	11,958,665
Investments		24,283	129,295
Balances with other Banks and NBFIs		204,414	408,247
Loans to employees		6,804	3,183
		<u>15,115,849</u>	<u>12,499,390</u>
22. MARK-UP / RETURN / INTEREST EXPENSED			
Borrowings		2,303,755	1,875,963
Lease liabilities		60,200	49,557
Amortization of hedge points	29.	467,564	650,189
Bank charges		5,004	2,740
		<u>2,836,521</u>	<u>2,578,449</u>
23. OTHER INCOME / (LOSS)			
Gain on sale of operating fixed assets		31	158
Exchange (loss)/gain - net		(1,863)	1,369
Grant income		49,831	8,222
Reversal of provision against surcharge on short payment of advance tax.		14,610	-
Others		1,710	6,952
		<u>64,319</u>	<u>16,701</u>
24. OPERATING EXPENSES			
Total compensation expense	24.1	3,719,666	2,903,810
Depreciation	8 & 9	377,255	318,137
IT consultancy charges		306,902	255,803
Travelling and conveyance		207,981	60,896
Miscellaneous expenses		102,923	104,160
Communications		99,709	74,780
Rent, taxes, insurance, electricity, etc.		94,370	198,936
Amortization	10	65,691	45,138
Insurance		57,521	48,047
Subscription, license and renewals fees		55,927	106,616
Repairs and maintenance		54,351	49,576
Legal and professional charges		45,730	3,443
Stationery and printing		43,136	50,328
Donations	24.2	22,920	4,976
Auditors' remuneration	24.3	20,873	17,263
Advertisement and publicity		16,486	5,779
Training and development		16,460	18,579
Directors' fees and allowances		6,300	4,500
		<u>5,314,200</u>	<u>4,270,767</u>

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

- 74 Independent Auditor's Reports
- 82 Financial Statements & Notes

Shareholder overview

	2025	2024
	----- (Rupees in '000) -----	
24.1 Total compensation expense		
Managerial remuneration		
i) Fixed	2,100,153	1,778,630
ii) Variable		
a) Cash bonus / awards etc.	292,445	177,029
Charge for defined benefit plan	286,243	208,906
Contribution to EOBI	74,377	60,757
Rent & house maintenance	875,598	616,912
Medical	27,263	20,429
Conveyance	63,586	41,108
Others	-	38
Grand total	3,719,666	2,903,810
24.2 Details of donations		
Donations individually exceeding Rs.0.5 million		
Dr. Prem Kumar Sital Das Memorial Trust		1,148
Govt Girls Higher Secondary School	-	1,140
SZABIST University	-	800
Sindh Literature Festival	-	800
FACES Pakistan Green Banking	635	
Mr. Samiullah Rajper	1,500	
Mangrove Biodiversity Park	2,280	
Indus Hospital	3,000	
Agha Khan Foundation	5,600	
IBA	2,000	-
Shaukat Khanum Hospital	4,000	
SoloTech Energy Solution	1,715	-
Donations individually not exceeding Rs.0.5 million	2,189	1,088
	22,919	4,976
24.3 Auditors' remuneration		
Statutory audit and review fees	2,659	2,354
Fee for other statutory certifications	1,944	1,728
Group audit and review fee	16,146	12,852
Out-of-pocket expenses	123	328
	20,873	17,263

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

- 74 Independent Auditor's Reports
- 82 Financial Statements & Notes

Shareholder overview

		2025	2024
		----- (Rupees in '000) -----	
25. OTHER CHARGES			
Default Surcharge on short payment of advance tax		-	72,666
		<u>-</u>	<u>72,666</u>
26. EXPECTED CREDIT LOSS ALLOWANCE & WRITE OFFS - NET			
Expected credit loss allowance against advances	7.1	177,164	149,994
Expected credit loss allowance against other assets	12.1	1,241	3,356
Bad debts written off directly	7.1.4 & 12.2	81,366	85,134
Recovery of written off / charged off bad debts		(25,153)	(13,912)
		<u>234,620</u>	<u>224,571</u>
27. TAXATION			
Current		2,709,360	2,396,699
Prior years		278,782	(2,273)
Deferred		(19,267)	(238,424)
		<u>2,968,874</u>	<u>2,156,002</u>
27.1 Relationship between tax expense and accounting profit			
Profit before tax		6,794,827	5,369,638
Tax @ 29% (2024: 29%)		1,970,500	1,557,195
Super tax charge @ 10% (2024: 10%)		679,483	536,964
Prior year tax		278,782	(2,273)
Default Surcharge on short payment of advance tax		-	28,340
Others		40,110	35,777
		<u>2,968,874</u>	<u>2,156,002</u>
28. BASIC AND DILUTED EARNINGS PER SHARE			
Profit after taxation		<u>3,825,952,694</u>	<u>3,213,636,149</u>
Weighted average number of ordinary shares		<u>1,500,000</u>	<u>1,500,000</u>
Basic and diluted earnings per share		<u>2,550.64</u>	<u>2,142.42</u>
29. MOVEMENT IN HEDGE ACCOUNTING RESERVE			
Amortization of forward points of forward contracts	22.	467,564	650,189
Changes in fair value of forward contracts		(138,911)	(844,642)
Recycling of exchange (losses) / gains on foreign currency borrowings		(319,133)	21,711
Total amounts recognised in OCI during the period		<u>9,520</u>	<u>(172,743)</u>
30. CASH AND CASH EQUIVALENTS			
Cash and balances with treasury banks		1,191,066	697,327
Balances with other Banks and NBFIs		4,752,917	1,853,501
		<u>5,943,982</u>	<u>2,550,827</u>

 The Landscape of Progress

 Turning strategy into impact

 Our Governance Compass

 Driving Social & Environmental Change

 Financial Foundations

74 Independent Auditor's Reports

- 82 Financial Statements & Notes

 Shareholder overview

30.1 Reconciliation of movement of liabilities to cash flows arising from financing activities

	2025		2024	
	Other liabilities- Dividend payable	Lease liabilities against right-of- use assets	Other liabilities- Dividend payable	Lease liabilities against right-of- use assets
	'------(Rupees in '000)-----'			
Balance as at January 1	3,003,000	318,805	1,486,187	189,752
Changes from financing cash flows				
Payment of lease liability against right-of-use assets	-	(215,715)	-	(172,868)
Dividends paid	(4,503,000)	-	(1,486,187)	-
	(4,503,000)	(215,715)	(1,486,187)	(172,868)
Other changes - liability related				
Additions / renewals of leases	-	159,816	-	252,365
Markup expense	-	60,200	-	49,557
Off-setting of receivable	-	-	-	-
Interim dividends for the year 31 December 2023	-	-	1,503,000	-
Final dividend for the year ended 31 December 2023	-	-	1,500,000	-
Final dividend for the year ended 31 December 2024	1,500,000	-	-	-
Interim dividends for the year 31 March 2025	750,000	-	-	-
Interim dividends for the year 30 June 2025	750,000	-	-	-
Interim dividends for the year 30 September 2025	750,000	-	-	-
	3,750,000	220,015	3,003,000	301,922
Balance as at December 31	2,250,000	323,105	3,003,000	318,805

31. STAFF STRENGTH

	-----Number-----	
Permanent	3,157	2,760
On contract	415	373
	3,572	3,133

31.1 In addition to the above, 1 (2024: Nil) employee of an outsourcing services company was assigned to the Bank as at the end of the year to perform services other than guarding and janitorial services.

32. NUMBER OF BRANCHES

	2025	2024
	Number	
As at January 1 2025	82	72
Opened during the year	18	10
Closed during the year	-	-
As at Decemeber 31, 2025	100	82

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

- 74 Independent Auditor's Reports
- 82 Financial Statements & Notes

Shareholder overview

33. DEFINED BENEFIT PLAN**33.1 General description**

The Bank operates an unfunded gratuity scheme for all its permanent employees. The actuarial valuation is carried out using the projected unit credit method. Actuarial gains and losses for defined benefit plan are recognised in statement of comprehensive income when they occur.

33.2 Principal actuarial assumptions

The actuarial valuations were carried out as at 31 December 2025 using the following significant assumptions:

	2025	2024
	----- Per annum -----	
Discount rate	11.00%	12.25%
Salary increase rate	11.00%	12.25%
Mortality rates assumed	SLIC 2001-2005	SLIC 2001-2005
	Setback 1 Year	Setback 1 Year

33.3 Movement in defined benefit obligations

	----- (Rupees in '000) -----	
Obligations at the beginning of the year	1,063,897	636,490
Current service cost	161,976	115,157
Interest cost	124,268	93,749
Benefits paid	(75,936)	(45,849)
Re-measurement loss	87,948	264,349
Obligations at the end of the year	1,362,153	1,063,897

33.4 Charge for defined benefit plans**33.4.1 Cost recognised in profit and loss**

Current service cost	161,976	115,157
Net interest on defined benefit liability	124,268	93,749
	286,243	208,906

33.4.2 Re-measurements recognised in OCI during the year

Financial assumptions	(5,393)	72,788
Experience adjustment	93,342	191,561
Total re-measurements recognised in OCI	87,948	264,349

33.5 Sensitivity analysis

Sensitivity analysis has been performed by varying one assumption keeping all other assumptions constant and calculating the impact on the present value of the defined benefit obligations under the employee benefit scheme. The increase / (decrease) in the present value of defined benefit obligations as a result of change in each assumption is summarized below:

	2025	2024
	----- (Rupees in '000) -----	
1% increase in discount rate	(1,244,069)	(967,925)
1% decrease in discount rate	1,483,084	1,145,686
1% increase in expected rate of salary increase	1,486,363	1,148,313
1% decrease in expected rate of salary increase	(1,239,018)	(964,006)

33.6 Expected charge / (reversal) for the next financial year

	350,386	280,498
--	---------	---------

33.7 Maturity profile

	Years	
The weighted average duration of the present value of the defined benefit	9	8

33.8 The significant risk associated with the employee benefit scheme are as follows:**Inflation risk**

The risk that the final salary at the time of cessation of service is greater than what we assumed. Since the benefit is calculated on the final salary (which will closely reflect inflation and other macroeconomic factors), the benefit amount increases as salary increases.

Mortality Risk

The risk that the actual mortality experience is different than the assumed mortality. This effect is more pronounced in schemes where the age and service distribution is on the higher side.

Withdrawal Risk

The risk of actual withdrawals experience is different from assumed withdrawal probability. The significance of the withdrawal risk varies with the age, service and the entitled benefits of the beneficiary.



The Landscape of Progress

Turning strategy into impact

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

74 Independent Auditor's Reports

- **82 Financial Statements & Notes**

Shareholder overview

34. COMPENSATION OF DIRECTORS AND KEY MANAGEMENT PERSONNEL**34.1 Total Compensation Expense**

2025			
Items	Non-Executive Directors	President / CEO*	Key Management Personnel
	----- (Rupees in '000) -----		
Fees and allowances etc.	6,300	-	-
Managerial remuneration			
i) Fixed	-	24,187	97,034
ii) Variable			
a) Cash bonus / awards	-	2,310	12,430
Rent & house maintenance	-	-	36,209
Medical	-	-	123
Conveyance	-	-	4,351
Others	-	-	-
Total	6,300	26,497	150,147
Number of persons	3	1	12
2024			
Items	Non-Executive Directors	President / CEO*	Key Management Personnel
	----- (Rupees in '000) -----		
Fees and allowances etc.	4,500	-	-
Managerial remuneration			
i) Fixed	-	34,004	73,522
ii) Variable			
a) Cash bonus / awards	-	2,310	8,457
Rent & house maintenance	-	-	24,702
Medical	-	-	136
Conveyance	-	-	178
Others	-	-	2,894
Total	4,500	36,314	109,889
Number of persons	2	1	13

* This includes compensation for the outgoing Chief Executive and The Chief Executive is entitled to free use of a Bank maintained car.

The term "Key Management Personnel" means the following functional responsibilities:

- (a) Key executives as defined in the Prudential Regulations for Microfinance Banks
- (b) Any executive or key executive reporting to person, which is acting as second to CEO, by whatever name called, and including the Chief Operating Officer (COO) and Deputy Managing Director.
- (c) For the purpose of these disclosures key executive under (a) will also include executives who have direct reporting line to the President / CEO or BoD or its committees.

For the purpose of these disclosures, the terms Directors/ Executive Directors/ Non-Executive Directors and CEO have same meaning as defined in Prudential Regulations (PRs) for MFBS.

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

74 Independent Auditor's Reports

- 82 Financial Statements & Notes

Shareholder overview

35. FAIR VALUE MEASUREMENTS

Fair value is an amount for which an asset can be exchanged, or liability settled, between knowledgeable willing parties in arm's length transaction. Consequently, differences may arise between the carrying values and the fair values estimates.

35.1 Fair value of financial assets

The Bank measures fair values using the following fair value hierarchy that reflects the significance of the inputs use 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 analyzes 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:

	2025			Total
	Level 1	Level 2	Level 3	
	------(Rupees in '000)-----			
Off-balance sheet financial instruments - measured at fair value				
Forward exchange foreign contracts - Purchase	-	11,364,175	-	11,364,175
	2024			
	Level 1	Level 2	Level 3	Total
	------(Rupees in '000)-----			
Off-balance sheet financial instruments - measured at fair value				
Forward exchange foreign contracts - Purchase	-	6,827,290	-	6,827,290

Valuation techniques used in determination of fair valuation of financial instruments within level 2 and level 3

Item	Valuation approach and input used
Forward foreign exchange contracts	The fair values of forward foreign exchange contracts are determined using forward pricing calculations.

36. RELATED PARTY TRANSACTIONS

The Bank has related party relationships with its shareholders, key management personnel and directors.

Remuneration of key management personnel are in accordance with the terms of their employment. Other transactions are at agreed terms.

Balances and transactions with related parties are summarised as follows:

	2025			2024		
	Parent	Directors	Key management personnel	Parent	Directors	Key management personnel
Other Liabilities						
Management fee payable	-	-	-	-	-	-
Dividend payable	2,250,000	-	-	3,003,000	-	-
Expense						
Total compensation expense	-	-	176,644	-	-	146,203
Directors' fees and allowances	-	6,300	-	-	4,500	-
Management fee expense	-	-	-	17,068	-	-
Other information						
Dividend declared	3,750,000	-	-	3,003,000	-	-
Dividend paid	4,503,000	-	-	1,486,187	-	-

The Landscape of Progress**Turning strategy into impact****Our Governance Compass****Driving Social & Environmental Change****Financial Foundations**

- 74 Independent Auditor's Reports
- 82 Financial Statements & Notes

Shareholder overview

	2025(Rupees in '000).....	2024(Rupees in '000).....
37. CAPITAL ADEQUACY RATIO		
Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	10,268,079	10,240,947
Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier 1 (CET 1) Capital	8,676,795	8,532,934
Eligible Additional Tier 1 (ADT 1) Capital	-	-
Total Eligible Tier 1 Capital	8,676,795	8,532,934
Eligible Tier 2 Capital	193,778	167,914
Total Eligible Capital (Tier 1 + Tier 2)	8,870,573	8,700,848
Risk Weighted Assets (RWAs):		
Credit Risk	38,649,626	28,385,897
Operational Risk	1,515,825	1,517,376
Total	40,165,450	29,903,273
Common Equity Tier 1 Capital Adequacy ratio	21.60%	28.54%
Tier 1 Capital Adequacy Ratio	22.09%	29.10%
Total Capital Adequacy Ratio	22.09%	29.10%

As per amendments in Prudential Regulation (R-1) issued vide BPRD Circular No. 10 of 2015 dated 03 June 2015, the minimum capital requirement (MCR) for Microfinance Banks operating at national level is Rs. 1 billion. In line with the SBP requirements, the Bank's eligible capital for MCR purposes includes paid up share capital net of losses and balance in share premium reserve.

The Bank is required to maintain Capital Adequacy Ratio (CAR) equivalent to at least 15% of its risk weighted assets.

For Capital adequacy calculation, the Bank has adopted Standardised Approach for credit risk related exposures and operational risk.

38. FINANCIAL RISK MANAGEMENT

38.1 Interest / mark-up rate risk

Interest rate risk is the risk that the value of the financial instrument will fluctuate due to changes in the market interest rates. The Bank's interest rate exposure is low due to the short-term nature of the majority of business transactions. Optimization of yield is achieved through the Bank's investment strategy which aims at attaining a balance between yield and liquidity under the strategic guidance of Asset and Liability Management Committee (ALCO).

Effective yield / interest rate %	2025 Exposed to yield / interest risk				
	Total	Upto one month	One month to six month	Over six month to one year	Over one year to five years
 (Rupees)				
Assets					
Cash and balances with treasury banks	9.50%	4,295	4,295	-	-
Balances with other Banks and NBFIs	5% to 11%	4,735,708	4,735,708	-	-
Investment	9.91%	624,316	-	624,316	-
Advances	53.67%	32,860,451	267,568	8,835,176	23,637,208
		38,224,770	5,007,572	9,459,492	23,637,208
Liabilities					
Borrowings	10.24% to 20.52%	27,992,794	60,364	2,800,773	3,055,834
Lease liability against right-of-use assets	9.00% to 23.00%	241,597	-	-	-
On balance sheet gap		9,990,379	4,947,208	6,658,719	20,581,374
					(22,196,923)

Effective yield/ interest rate %	2024 Exposed to yield / interest risk				
	Total	Upto one month	One month to six month	Over six month to one year	Over one year to five years
 (Rupees)				
Assets					
Cash and balances with treasury banks	5.00%	4,666	4,666	-	-
Balances with other Banks and NBFIs	13.25 to 19.00%	1,847,719	1,847,719	-	-
Advances	43.74% to 53.67%	24,820,480	207,231	6,908,202	17,703,866
		26,672,865	2,059,616	6,908,202	17,703,866
Liabilities					
Borrowings	10.00%-20.00%	13,522,111	217,500	2,607,243	1,578,500
Lease liability against right-of-use assets	8.70% to 23.00%	318,805	-	-	5,303
On balance sheet gap		12,831,949	1,842,116	4,300,959	16,120,062
					(9,431,188)

Above workings have been prepared on the basis of the earlier of repricing or contractual maturity of the instruments.

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

- 74 Independent Auditor's Reports
- 82 Financial Statements & Notes

Shareholder overview

38.2 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Bank's credit risk is primarily attributable to its advances, other receivable and balances at banks. The credit risk on liquid funds is limited because the counter parties are banks with reasonably high credit ratings. The Bank has an effective loan disbursement and recovery monitoring system which allows it to evaluate borrowers' credit worthiness and identify potential problem loans. A provision for loan losses is maintained as required by IFRS 9 along with SBP application instruction. Investments, if any, are made in government securities.

38.2.1 Exposure to credit risk

Credit risk of the Bank arises principally from bank balances, advances, and other assets.

In summary, the maximum exposure to credit risk as at 31 December was as follows:

	Note	2025		2024	
		Financial assets	Maximum exposure	Financial assets	Maximum exposure
(Rupees)					
Cash and balances with banks	4 & 5	5,943,382	4,740,036	2,550,772	1,859,906
Advances	6	33,115,880	33,115,880	25,074,619	25,074,619
Other assets	12	1,695,189	1,695,189	1,039,068	1,039,068
		40,755,051	39,551,105	28,664,458	27,973,592

38.2.2 Bank balances

The analysis below summarises the credit quality of the Bank's balances below:

Bank	2025		2024	
	Long term	Short term	Amount (Rupees in '000)	Amount (Rupees in '000)
United Bank Limited	AAA	A-1+	314,941	1,066,728
MCB Bank Limited	AAA	A-1+	1,282	1,150
National Bank of Pakistan	AAA	A-1+	1,008,425	6,405
Habib Bank Limited	AAA	A-1+	1,949	1,752
Standard Chartered Bank (Pakistan) Limited	AAA	A-1+	355,887	394,186
Bank of Punjab	AA+	A1+	13	84
Pak Oman Investment Company Limited	AA+	A1+	148,000	106,000
Habib Metropolitan Bank Limited	AA+	A1+	2,247,448	262,512
JS Bank Limited	AA	A-1+	151,152	-
Pak Libya Holding Co.	AA	A1+	1,500,000	-
Soneri Bank Limited	AA-	A1+	-	36
Allied Bank Limited	AAA	A1+	32,244	21,052
			5,761,341	1,859,906

The above ratings are based on latest evaluations by PACRA and JCR-VIS.

38.3 Operational risk

Operational risk is recognized as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. To mitigate this risk, the Bank has established a dedicated Risk Division responsible for implementing and regularly reviewing the effectiveness of its Enterprise-wide Risk Management framework, policies, and processes. The division formulates and enforces comprehensive risk management policies for assessing, quantifying, and monitoring operational risks, ensuring that appropriate systems, plans, and procedures are in place. It also ensures that sufficient resources, both technical and human, are allocated to operational risk management, with staff possessing the necessary expertise. Additionally, the division assesses and monitors risks such as AML/CFT, legal, regulatory, and operational risks, advising the Board on risk appetite, strategy, and regulatory developments. The division actively oversees the design and implementation of a compliance risk management program and ensures the regular review and approval of risk assessment processes, timely monitoring of large exposures, and taking corrective actions in case of material breaches, thereby minimizing operational risk within the Bank. Quarterly reports are presented to the senior management.

38.4 Liquidity risk

Liquidity risk is the risk that the Bank will not be able to raise funds to meet its commitments. At present, the bank is not exposed to this risk as there is sufficient cash placed with various commercial banks at the year end.

The Assets and Liability Management Committee (ALCO) of the Bank is responsible for the oversight of liquidity management and meets on a monthly basis or more frequently, if required. The Bank's approach to liquidity management is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking sustained damage to business franchises. A centralized approach is adopted, based on an integrated framework incorporating an assessment of all material known and expected cash flows and the availability of collateral which could be used to secure additional funding if required. The framework entails careful monitoring and control of the daily liquidity position, and regular liquidity stress testing under a variety of scenarios. These encompass both normal and stressed market conditions, including general market crises and the possibility that access to markets could be impacted by a stress event affecting some part of the Bank's business.

The Landscape of Progress**Turning strategy into impact****Our Governance Compass****Driving Social & Environmental Change****Financial Foundations**

- 74 Independent Auditor's Reports
- 82 Financial Statements & Notes

Shareholder overview

38.5 Assets and liabilities - based on contractual maturity

		2025							
		Total	Upto 1 Month	Over 1 to 3Months	Over 3 to 6 Months	Over 6 to 12 Months	Over 1 to 2 years	Over 2 to 5 years	Over 5 Years
		(Rupees in '000)							
Assets									
Cash and balances with treasury banks	1,191,066	1,191,066	-	-	-	-	-	-	-
Balances with other Banks and NBFIs	4,752,917	4,752,917	-	-	-	-	-	-	-
Investments	624,316	-	-	-	624,316	-	-	-	-
Advances	32,860,451	267,668	1,731,202	7,103,974	23,637,208	48,986	71,512	-	
Property and Equipment	506,813	-	-	-	0	92,394	414,419	-	
Right-of-use assets	380,492	-	33	257	2,863	9,396	153,908	214,034	
Intangible assets	264,220	-	-	-	459	208,358	44,700	10,703	
Deferred tax assets	1,326,664	-	-	-	-	-	1,326,664	-	
Other assets	1,692,153	1,692,153	-	-	-	-	-	-	
	43,599,090	7,903,703	1,731,235	7,104,231	24,264,846	359,134	2,011,204	224,737	
Liabilities									
Borrowings	27,671,654	60,364	542,000	2,258,773	3,055,834	3,870,562	17,884,122	-	
Lease Liabilities	323,105	-	25	197	2,196	7,267	148,708	164,711	
Deferred grant	318,147	-	-	-	-	318,147	-	-	
Other liabilities	4,991,983	-	-	4,991,983	-	-	-	-	
	33,304,889	60,364	542,025	7,250,953	3,058,030	4,195,976	18,032,830	164,711	
Net assets	10,294,202	7,843,340	1,189,210	(146,722)	21,206,816	(3,836,842)	(16,021,627)	60,026	
Share capital	1,500,000								
Reserves	1,725,748								
Unappropriated profit	7,043,311								
	10,269,059								
		2024							
		Total	Upto 1 Month	Over 1 to 3Months	Over 3 to 3 Months	Over 6 to 12 Months	Over 1 to 2 years	Over 2 to 5 years	Over 5 Years
		(Rupees in '000)							
Assets									
Cash and balances with treasury banks	697,327	697,327	-	-	-	-	-	-	
Balances with other MFBs / banks / NBFIs	1,853,501	1,853,501	-	-	-	-	-	-	
Advances	24,820,480	206,650	1,455,974	5,504,334	17,652,340	1,181	-	-	
Property and Equipment	416,973	1,049	1,342	354	26,156	164,010	224,062	-	
Right-of-use assets	353,311	-	-	-	6,346	5,620	220,253	121,094	
Intangible assets	290,825	-	-	-	-	1,246	91,988	197,591	
Deferred tax assets	1,421,633	-	-	-	-	-	1,421,633	-	
Other assets	972,058	972,058	-	-	-	-	-	-	
	30,826,107	3,730,585	1,457,316	5,504,688	17,684,842	172,057	1,957,934	318,685	
Liabilities									
Borrowings	13,522,111	217,500	352,452	2,265,620	1,578,500	3,552,267	5,555,772	-	
Lease liabilities	318,805	-	-	-	5,303	4,697	184,076	124,729	
Other liabilities	6,744,246	-	-	6,744,246	-	-	-	-	
	20,585,162	217,500	352,452	9,009,866	1,583,804	3,556,963	5,739,848	124,729	
Net assets	10,240,946	3,513,085	1,104,864	(3,505,177)	16,101,038	(3,384,906)	(3,781,914)	193,956	
Share capital	1,500,000								
Reserves	954,749								
Unappropriated profit	7,786,197								
	10,240,946								

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

- 74 Independent Auditor's Reports
- 82 Financial Statements & Notes

Shareholder overview

39. Market risk

Market risk is the risk of changes in market conditions that may adversely impact the value of assets or liabilities, following a negative impact on earnings. Market risk mainly arises from trading activities carried out by Treasury like borrowing, Investments and client facilitating activities. To effectively manage Market Risk, a comprehensive Risk Management Policy, encompassing market risk management, has been developed and approved by the Risk Management Division. This policy outlines the relevant risk metrics, control measures, and strategies used for proactive management of market risk.

40. NON - ADJUSTING EVENTS AFTER BALANCE SHEET DATE

The Board of Directors have proposed a final dividend for the year ended 31 December 2025 of Rs. 666.67 (2024: Rs. 1000) per share, amounting to Rs. 1,000,005,000 (2024: Rs. 1,500,000,000) at their meeting held on March 09, 2026. This is in addition to Rs. 1,500 per share already declared during the year bringing the total dividend for the year to Rs. 2,166.67 per share (2024: Rs. 2,002 per share). The final appropriation is expected to be approved by the shareholders in forthcoming Annual General Meeting. These financial statements do not include the effect of this appropriation which will be accounted for in the financial statements for the year ending 31 December 2026.

41. GENERAL

41.1 The comparative information have been re-arranged and reclassified for comparison purposes.

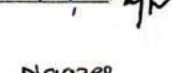




41.2 Captions, as per format prescribed by SBP, in respect of which there are no amounts, have not been reproduced in these financial statements, except for the captions of the statement of financial position and profit and loss account.

41.3 Figures have been rounded off to the nearest thousand rupees, unless otherwise specified.

42. 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

MARCH 09 2026 *gk*

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

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

74 Independent
Auditor's Reports

- 82 Financial Statements
& Notes

Shareholder overview



SHAREHOLDER OVERVIEW

[The Landscape of Progress](#)

[Turning strategy into impact](#)

[Our Governance Compass](#)

[Driving Social & Environmental Change](#)

[Financial Foundations](#)

• [Shareholder overview](#)

[111](#) Pattern of Shareholding

[112](#) AGM Notice & Forms

Shahida Bibi produces 700-800 bangles daily, managing her business with support from ASA MFB.

Pattern of Shareholding

Shareholding Pattern of the company

As on 31 December 2025

List of shareholders of ASA Microfinance Bank (Pakistan) Limited

Authorized Capital:
PKR 1,500,000,000

Total Paid up Capital:
PKR 1,500,000,000

Name of Shareholders	Existing Shareholding (As at 31/12/24)		New Shareholding		Total Equity (As on 31/12/25)	
	No. of Shares	Amount PKR	No. of Shares	Amount PKR	No. of Shares	Amount PKR
ASA International Holding	1,499,992	1,499,992,000			1,499,992	1,499,992,000
CMI International Holding	4	4,000			4	4,000
CMI (Catalyst Microfinance Investors)	4	4,000			4	4,000
Total	1,500,000	1,500,000,000	-	-	1,500,000	1,500,000,000

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

Shareholder overview

- [111](#) Pattern of Shareholding
- [112](#) AGM Notice & Forms



09 March 2026

NOTICE OF THE 19th ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 19th Annual General Meeting of ASA Microfinance Bank (Pakistan) Limited will be held on 30th March 2026 at 2:00 PM (PST) at the Head Office of the Company at 7th Floor, NICL Building, Abbasi Shaheed Road, Shahrah-e-Faisal, Karachi, Pakistan (physical and virtual meeting) to transact the following business:

No.	Agenda Item	Materials
1.	To review and approve the agenda	<i>For Approval</i>
2.	To confirm minutes of the Annual General Meeting held on March 27, 2025.	<i>For Approval Annex I</i>
3.	To review, consider and adopt the Annual Audited Financial Statements of the Bank for the year ended December 31, 2025, together with the Auditors' Report and Directors' Report thereon.	<i>For Approval Annex II</i>
4.	To approve Final Dividend Payment to the Shareholders for the year 2025	<i>For Approval Annex III</i>
5.	To appoint the external auditors of the Bank and fix their remuneration for the year 2026	<i>For Approval Annex IV</i>
6.	To transact any other business with the permission of the Chair	
7.	Closing of Shareholders Meeting	

By the order of the Board,

Aziz T. Kapadia
Company Secretary

AGM Notice and Forms

The Annual General Meeting (AGM) is conducted in accordance with

- Companies Act, 2017
- SECP Regulations
- Articles of Association

All statutory notices, proxy forms, and resolutions are issued in compliance with legal requirements.

The Landscape of Progress

Turning strategy into impact

Our Governance Compass

Driving Social & Environmental Change

Financial Foundations

Shareholder overview

111 Pattern of Shareholding

- 112 AGM Notice & Forms



“ Our success is built on the courage of women

Naazer Minhaj
President & CEO



ASA Microfinance Bank Pakistan Ltd

ASA Microfinance Bank (Pakistan) Limited.

7th Floor, NICL Building, Abbasi Shaheed Road, Karachi, Pakistan

www.pakistan.asa-international.com | 111-ASA-PAK | LinkedIn: ASA Microfinance Bank Pakistan