



Industrial and Commercial Bank of China Limited - Pakistan Branches

Second Quarter Financial Statements  
for the Period Ended  
June 30, 2025

## INDEPENDENT AUDITOR'S REVIEW REPORT

To the Chief Executive officer of Industrial and Commercial Bank of China Limited - Pakistan Branches

### Report on Review of Interim Financial Statements

#### Introduction

We have reviewed the accompanying condensed interim statement of financial position of **Industrial And Commercial Bank Of China Limited - Pakistan Branches** (the Branches) as at **30 June 2025** and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim cash flow statement and notes to the condensed interim financial statements for the six-months' period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review.

#### Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

#### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

#### Other Matter Paragraph

Pursuant to the requirement of section 237 (1) (b) of the Companies Act, 2017, only cumulative figures for the half year, presented in the second quarter accounts are subject to a limited scope review by statutory auditors of the Branches. Accordingly, the figures of the condensed interim profit and loss account and condensed interim statement of comprehensive income for the three-month period ended 30 June 2025 and 30 June 2024 have not been subject to limited scope review by us.

The engagement partner on the review resulting in this independent auditor's review report is Omer Chughtai.



Chartered Accountants

Place: Karachi

Date: 28 August 2025

UDIN: RR202510120PI3QsmJZ9

AC2/AR/035/25  
28 August 2025

The Chief Executive Officer  
Industrial and Commercial Bank of China Limited - Pakistan Branches (the Branches)  
Karachi

Dear Sir

**DRAFT CONDENSED INTERIM FINANCIAL STATEMENTS  
(UN-AUDITED) FOR THE SIX-MONTHS PERIOD ENDED 30 JUNE 2025**

We are pleased to enclose three copies of the draft condensed interim financial statements of the Branches for the above period, together with our draft review report thereon initialed by us only for identification purposes.

We shall be pleased to sign and issue our review report, in its present or amended form, after:

- a) the condensed interim financial statements have been signed by you and Head of Finance; and
- b) we have received representation letter duly signed by you and Head of Finance of the Branches.

**1. RESPONSIBILITIES OF THE MANAGEMENT AND AUDITORS IN RELATION TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**

The responsibility for preparation and presentation of interim financial information in accordance with the approved accounting standards is primarily that of the Branches' management. This includes maintenance of adequate accounting records and internal controls, the selection and application of accounting policies, safeguarding of the assets of the Branches and prevention and detection of frauds and irregularities. The review of interim financial information does not relieve the management of its responsibilities.

We have conducted the half-yearly review of the interim financial information of the Branches in accordance with the International Standard on Review Engagements 2410. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion. Our responsibility is to express a conclusion on this interim financial information based on our review.



## 2. OTHER MATTERS

We have been informed by the management that there were no contingencies and commitments and transactions with the related parties during the half year other than those disclosed in the condensed interim financial statements.

We have been informed by the management that there were no subsequent events having an impact on amounts and / or disclosure in the condensed interim financial statements.

We have been informed by the management of the Branches that there have been no instances of frauds or irregularities during the period, other than those disclosed to us by the management, that could have an effect on the condensed interim financial statements of the Branches.

## 3. INDEPENDENCE

Listed in 'Annexure A' are Ernst & Young's key firm-wide policies and processes to maintain independence and objectivity.

We confirm that in our professional judgment, the Firm is independent within the meaning of regulatory and professional requirements and the objectivity of the audit engagement partner and audit staff has not been compromised.

We place on record our appreciation of the co-operation and courtesy extended to us by the management during the course of our review.

Yours faithfully



OC:AR:MA.

**INDUSTRIAL AND COMMERCIAL BANK OF CHINA LIMITED - PAKISTAN BRANCHES**  
**REVIEW OF THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE HALF YEAR ENDED 30 JUNE 2025**  
(to be read with our letter reference AC2/AR/035/25 dated 28 August 2025)

Ernst & Young LLP (EY) has policies and procedures that instil professional values as part of Firm culture and ensures the highest standards of objectivity, independence and integrity are maintained. Listed below are some of the key policies and processes in place within EY for maintaining objectivity and independence:

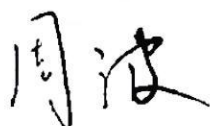
<b>Financial Interests</b>	<p>Our Partners and client facing (technical) staff are prohibited from investing in any audit client around the world.</p> <p>Our partners and staff are required to confirm their compliance each year with our Firm's independence policies. We track this compliance through a worldwide investment tracking system.</p>
<b>Training</b>	Our partners and staff are required to undergo regular mandatory training on our independence and ethical policies and processes.
<b>Consultation</b>	The Firm requires that the audit team consult with a panel of experienced partners on complex accounting and auditing matters.
<b>Non-audit Services</b>	<p>Our audit engagement partners must approve any non-audit services offered to their clients. This allows them to:</p> <ul style="list-style-type: none"> <li>▪ ensure the objectives of the proposed engagement are not inconsistent with the objectives of the audit of the financial statements;</li> <li>▪ identify and assess any related threats to our objectivity; and</li> <li>▪ assess the effectiveness of available safeguards to eliminate such threats or reduce them to an acceptable level.</li> </ul> <p>Where no satisfactory safeguards exist, we do not carry out the non-audit service.</p>
<b>Ethics</b>	Our <u>global code of conduct</u> provides an ethical framework on which we base our decisions and our actions—as individuals and as members of our global organisation.

*myh*

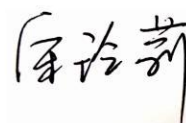
**INDUSTRIAL AND COMMERCIAL BANK OF CHINA LIMITED - PAKISTAN BRANCHES**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**As at June 30, 2025**

		(Un-audited) June 30, 2025	(Audited) December 31, 2024
	Note	----- (Rupees in '000) -----	
<b>ASSETS</b>			
Cash and balances with treasury banks	6	71,851,735	76,916,819
Balances with other banks	7	17,839,730	47,033,228
Lendings to financial institutions	8	167,617,615	478,661,524
Investments	9	757,537,168	729,107,823
Advances	10	371,160,021	365,624,885
Property and Equipment	11	550,241	583,270
Right of use assets	12	425,894	396,657
Intangible assets	13	45,737	23,839
Deferred tax assets	14	1,247,390	660,672
Other assets	15	4,670,198	16,432,020
<b>Total Assets</b>		<b>1,392,945,729</b>	<b>1,715,440,737</b>
<b>LIABILITIES</b>			
Bills payable	16	1,286,205	1,889,296
Borrowings	17	619,651,401	941,477,718
Deposits and other accounts	18	581,630,831	510,453,097
Lease liabilities	19	283,155	271,876
Subordinated debt		-	-
Deferred tax liabilities		-	-
Other liabilities	20	25,038,799	109,986,064
<b>Total Liabilities</b>		<b>1,227,890,391</b>	<b>1,564,078,051</b>
<b>NET ASSETS</b>		<b>165,055,338</b>	<b>151,362,686</b>
<b>REPRESENTED BY</b>			
Head office capital account - net	21	42,564,675	41,782,500
Reserves		-	-
Surplus on revaluation of assets	22	1,196,319	1,633,933
Unremitted profit		121,294,344	107,946,253
		<b>165,055,338</b>	<b>151,362,686</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	23		

The annexed notes 1 to 38 form an integral part of these financial statements.



Chief Executive Officer



Head of Finance (A)



**INDUSTRIAL AND COMMERCIAL BANK OF CHINA LIMITED - PAKISTAN BRANCHES**  
**CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS ACCOUNT (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED JUNE 30, 2025**

		Quarter ended		Six Month Period Ended	
		June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
	Note	----- (Rupees in '000) -----			
Mark-up / return / interest earned	24	28,000,329	56,422,542	67,513,520	111,065,114
Mark-up / return / interest expensed	25	16,087,958	42,299,387	31,670,912	83,765,680
Net mark-up / interest income		11,912,371	14,123,155	35,842,608	27,299,434

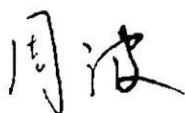
**NON MARK-UP / INTEREST INCOME**

Fee and commission income	26	510,045	820,672	1,301,256	1,738,904
Dividend income		-	-	-	-
Foreign exchange income		4,328,938	(711,167)	3,822,068	6,179,622
Income / (Loss) from derivatives		-	-	-	-
Gain / (Loss) on securities		-	-	-	-
Net gains/(loss) on derecognition of financial assets measured at amortised cost		-	-	-	-
Other income	27	492	-	2,874	218
Total non-markup / interest income		4,839,475	109,505	5,126,198	7,918,744
Total income		16,751,846	14,232,660	40,968,806	35,218,178

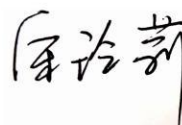
**NON MARK-UP / INTEREST EXPENSES**

Operating expenses	28	809,014	597,700	1,355,398	1,133,989
Workers welfare fund	29	319,696	272,196	793,108	681,290
Other charges		-	-	-	-
Total non-markup / interest expenses		1,128,710	869,896	2,148,506	1,815,279
Profit before provisions		15,623,136	13,362,764	38,820,300	33,402,899
Credit loss (reversal of provision) / allowance and write offs	30	(9,397)	(25,137)	(65,319)	19,669
PROFIT BEFORE TAXATION		15,632,533	13,337,627	38,885,619	33,383,230
Taxation	31	(9,788,388)	(5,395,238)	(19,681,045)	(14,035,264)
PROFIT AFTER TAXATION		5,844,145	7,942,389	19,204,574	19,347,966

The annexed notes 1 to 38 form an integral part of these financial statements.



Chief Executive Officer

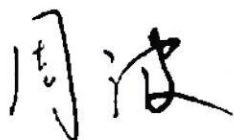



Head of Finance (A)

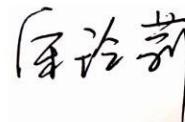
**INDUSTRIAL AND COMMERCIAL BANK OF CHINA LIMITED - PAKISTAN BRANCHES**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED JUNE 30, 2025**

	Quarter Ended		Six Month Period Ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
	----- (Rupees in '000) -----			
Profit after taxation for the year	5,844,145	7,942,389	19,204,574	19,347,966
<b>Other comprehensive income</b>				
<b>Items that may be reclassified to profit and loss account in subsequent year:</b>				
Movement in surplus on revaluation of investments - net of deferred tax - FVOCI	(1,603,675)	2,728,575	(437,614)	1,237,465
<b>Items that will not be reclassified to profit and loss account in subsequent periods</b>	-	-	-	-
<b>Total comprehensive income</b>	<u>4,240,470</u>	<u>10,670,964</u>	<u>18,766,960</u>	<u>20,585,431</u>

The annexed notes 1 to 38 form an integral part of these financial statements.



Chief Executive Officer

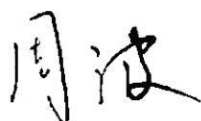
Head of Finance (A)



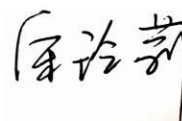
**INDUSTRIAL AND COMMERCIAL BANK OF CHINA LIMITED - PAKISTAN BRANCHES**  
**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED JUNE 30, 2025**

	Head office capital account	Surplus / (Deficit) on revaluation of assets	Unremitted profit	Total
	(Rupees in '000)			
<b>Balance as at January 01, 2024 - as restated</b>	42,279,105	(120,167)	79,206,833	121,365,771
<b>Total comprehensive income for the six months period ended June 30, 2024 (un-audited)</b>				
Profit after taxation	-	-	19,347,966	19,347,966
Other comprehensive income - net of tax	-	1,237,465	-	1,237,465
	-	1,237,465	19,347,966	20,585,431
<b>Transactions with owners, recorded directly in equity</b>				
Exchange adjustments on revaluation of capital	(527,925)	-	-	(527,925)
Profit Remittances made to head office	-	-	(2,266,998)	(2,266,998)
<b>Balance as at June 30, 2024 (un-audited)</b>	41,751,180	1,117,298	96,287,801	139,156,279
<b>Total comprehensive income for the six months period ended December 31, 2024 - (un-audited)</b>				
Profit after taxation for the six months period ended December 31, 2024	-	-	13,909,217	13,909,217
Other comprehensive income - net of tax	-	516,635	16,233	532,868
	-	516,635	13,925,450	14,442,085
<b>Transactions with owners, recorded directly in equity</b>				
Exchange adjustments on revaluation of capital	31,320	-	-	31,320
Profit Remittances made to head office	-	-	(2,266,998)	(2,266,998)
<b>Balance as at December 31, 2024 - audited</b>	41,782,500	1,633,933	107,946,253	151,362,686
<b>Total comprehensive income for the six months period ended June 30, 2025 (un-audited)</b>				
Profit after taxation	-	-	19,204,574	19,204,574
Other comprehensive loss - net of tax	-	(437,614)	-	(437,614)
	-	(437,614)	19,204,574	18,766,960
<b>Transactions with owners, recorded directly in equity</b>				
Exchange adjustments on revaluation of capital	782,175	-	-	782,175
Profit Remittances made to head office	-	-	(5,856,483)	(5,856,483)
<b>Balance as at June 30, 2025 - un-audited</b>	<u>42,564,675</u>	<u>1,196,319</u>	<u>121,294,344</u>	<u>165,055,338</u>

The annexed notes 1 to 38 form an integral part of these financial statements.



Chief Executive Officer

Head of Finance (A)

**INDUSTRIAL AND COMMERCIAL BANK OF CHINA LIMITED - PAKISTAN BRANCHES**  
**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED JUNE 30, 2025**

	June 30, 2025	June 30, 2024
Note	----- (Rupees in '000) -----	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	38,885,619	33,383,230
Adjustments:		
Depreciation on Property and Equipment	49,776	41,475
Depreciation on right of use assets	87,611	77,915
Amortisation	8,275	6,599
Financial charges on leased assets	21,340	19,159
Charge for defined benefit plan	-	3,780
Credit loss (reversal of provision) / allowance and write offs	(65,319)	19,669
Provision for workers' welfare fund	793,108	681,290
	894,791	849,887
	39,780,410	34,233,117
<b>(Increase) / decrease in operating assets</b>		
Lendings to financial institutions	311,043,909	129,396,982
Advances	(5,486,040)	1,022,868
Others assets	11,763,842	2,686,262
	317,321,711	133,106,112
<b>Increase / (decrease) in operating liabilities</b>		
Bills payable	(603,091)	1,190,176
Borrowings from financial institutions	(321,826,317)	(29,870,491)
Deposits	71,177,734	173,036,950
Other liabilities	(84,147,143)	(5,197,112)
	(335,398,817)	139,159,523
	21,703,304	306,498,752
Contribution in gratuity fund	(1,847)	(6,723)
Income tax paid	(21,568,341)	(17,024,357)
<b>Net cash generated from operating activities</b>	133,116	289,467,672
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Net Investments in securities classified as FVOCI	(29,065,201)	(262,441,447)
Net investments in amortized cost securities	(85,595)	(236,430)
Investments in Property and Equipment	(16,747)	(27,485)
Investment in intangible assets	(30,173)	-
<b>Net cash used in investing activities</b>	(29,197,716)	(262,705,362)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Translation gain on revaluation of capital	782,175	(527,925)
Payment of lease liability against right of use assets	(126,909)	(150,854)
Profit Remittances made to head office	(5,856,483)	(2,266,998)
<b>Net cash used in financing activities</b>	(5,201,217)	(2,945,777)
<b>(Decrease) / Increase in cash and cash equivalents</b>	(34,265,817)	23,816,533
Cash and cash equivalents at beginning of the year	123,960,847	80,535,568
<b>Cash and cash equivalents at end of the year</b>	89,695,030	104,352,101

32

The annexed notes 1 to 38 form an integral part of these financial statements.

周波

Chief Executive Officer

myh

陈玲新

Head of Finance (A)

**INDUSTRIAL AND COMMERCIAL BANK OF CHINA LIMITED - PAKISTAN BRANCHES**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED JUNE 30, 2025**

**1. STATUS AND NATURE OF BUSINESS**

The Pakistan branches of Industrial and Commercial Bank of China Limited ("the Branches") have commenced their operations in Pakistan with effect from August 18, 2011. Industrial and Commercial Bank of China Limited ('Head office') is incorporated in the People's Republic of China.

The Pakistan branches presently operate through three branches (December 31, 2024: three branches) in Pakistan and are engaged in banking activities permissible under the Banking Companies Ordinance, 1962. The registered office of the Branches is located at 15th Floor, Ocean Tower, Block 9, Clifton, Karachi.

The credit rating provided by Moody's Investor Services Inc. to ICBC branches is A1 (December 31, 2024: A1) for long-term and P1 (December 31, 2024: P1) for short-term with stable outlook.

**2 BASIS OF PRESENTATION**

These financial statements have been prepared in conformity with the format of financial statements prescribed by the State Bank of Pakistan (SBP) vide its BPRD Circular No. 02 dated Feb 09, 2023.

**2.1 STATEMENT OF COMPLIANCE**

These condensed interim financial statements have been prepared on the format prescribed by the SBP under Second Schedule of the Banking Companies Ordinance, 1962 as defined under Section 34 of the said Ordinance which has been revised vide BPRD Circular No. 02 dated February 09, 2023 and in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. These comprise of:

- International Accounting Standard (IAS) 34, interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Banking Companies Ordinance, 1962 and the Companies Act, 2017; and
- Directives issued by the State Bank of Pakistan (SBP) and the Securities and Exchange Commission of Pakistan (SECP).
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan, as are notified under the Companies Act, 2017;

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

The SBP has deferred the applicability of International Accounting Standard (IAS) 40, 'Investment Property' for Banking Companies in Pakistan through BSD Circular Letter 10 dated 26 August 2002 till further instructions. Further, the SECP has deferred the applicability of International Financial Reporting Standard (IFRS) 7 'Financial Instruments: Disclosures' through its notification S.R.O 411(I)/2008 dated 28 April 2008. During the period, the SECP has notified vide S.R.O. 742(I)/2025 dated 16 April 2025 that IFRS 7 'Financial Instruments: Disclosures' will be applicable for the preparation of financial statements of banks from annual reporting period beginning on or after January 01, 2026. Accordingly, the requirements of these standards have not been considered in the preparation of these condensed interim financial statements.

These condensed interim financial statements do not include all the information and disclosures required in the audited annual financial statements, and should be read in conjunction with the audited annual financial statements for the year ended 31 December 2024.

**2.2 Standards, interpretations and amendments to accounting and reporting standards as applicable in Pakistan that are effective in the current period**

The Branches has adopted the following amendments to the approved accounting and reporting standards which became effective for the current period:

**Amendments to approved accounting standards**

Lack of exchangeability – Amendments to IAS 21

The adoption of the above amendment to accounting standard did not have any material effect on the Branches' financial statements.



## 2.3 Standards, interpretations and amendments to published accounting and reporting standards as applicable in Pakistan that are not yet effective in the current period

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:

Amendments	Effective date (annual periods beginning on or after)
Amendments to the Classification and Measurement of Financial Instruments — Amendments to IFRS 9 and IFRS 7	01 January 2026
Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7	01 January 2026
IFRS 18 - Presentation and Disclosures in the financial statements	01 January 2026
Annual improvements to IFRS Accounting Standards	01 January 2026
IFRS 19 - Subsidiaries without Public Accountability: Disclosures	01 January 2027

The above standards and amendments are not expected to have any material impact on the Bank's financial statements in the period of initial application.

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

Standard	IASB Effective date (annual periods beginning on or after)
IFRS 1 First-time Adoption of International Financial Reporting Standards	January 01, 2004
IFRS 18 Presentation and Disclosure in Financial Statements	January 01, 2026
IFRS 19 Subsidiaries without Public Accountability: Disclosures	January 01, 2027

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

## 3. BASIS OF MEASUREMENT

### 3.1 Accounting Convention

The Significant accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those applied in the preparation of the audited annual financial statements of the Branches for the year ended December 31, 2024.

### 3.2 Functional and presentation currency

The basis for accounting estimates adopted in the preparation of this condensed interim financial statements is the same as that applied in the preparation of the financial statements for the year ended December 31, 2024.

### 3.3 Critical accounting estimates and judgments


The basis and the methods used for critical accounting estimates and judgements adopted in these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Bank for the year ended December 31, 2024.

## 4. MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those applied in the preparation of the audited annual financial statements of the Bank for the year ended December 31, 2024.

## 5. FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies adopted by the Branches are consistent with those disclosed in the annual financial statements of the Branches for the year ended 31 December 2024.



## 6. CASH AND BALANCES WITH TREASURY BANKS

CASH AND BALANCES WITH TREASURY BANKS		(Un-audited) June 30, 2025	(Audited) December 31, 2024
	Note	----- (Rupees in '000) -----	
In hand			
Local currency		320,356	239,062
Foreign currency		-	112,720
		320,356	351,782
With State Bank of Pakistan in			
Local currency current account	6.1	27,568,831	33,667,897
Foreign currency current account	6.2	43,172,497	42,131,243
Foreign currency deposit account (non-remunerative)	6.3	205,729	201,949
Foreign currency deposit account (remunerative)	6.4	584,322	563,948
		71,531,379	76,565,037
Cash and bank with treasury banks		71,851,735	76,916,819

- 6.1** This represents cash reserve requirement maintained with the State Bank of Pakistan (SBP) under Section 22 of the Banking Companies Ordinance, 1962. This section requires the Branches to maintain a reserve in the current account opened with the SBP at a sum not less than such percentage of its demand and time liabilities in Pakistan as may be prescribed by the SBP.
- 6.2** This includes capital maintained with SBP in accordance with the requirements of Section 13 of Banking Companies Ordinance, 1962 amounting to USD 150 million (December 31, 2024: USD 150 million) and US \$ settlement account maintained with the State Bank of Pakistan.
- 6.3** This represents cash reserve of 6% required to be maintained with the SBP on FE-25 deposits as specified in DMMD Circular No. 08 dated April 17, 2020.
- 6.4** This represents special cash reserve of 10% required to be maintained with the SBP on FE-25 deposits as specified in DMMD Circular No. 08 dated April 20, 2020. Profit rates on these deposits are fixed by SBP on a monthly basis. These carry mark-up at rate of 3.32% (December 31, 2024: 3.53%).

		(Un-audited) June 30, 2025	(Audited) December 31, 2024
7. BALANCES WITH OTHER BANKS	Note	----- (Rupees in '000) -----	
In Pakistan			
In current accounts		394	397
Outside Pakistan			
In current accounts	7.1 & 7.2	17,842,901	47,043,631
		17,843,295	47,044,028
Less: Credit loss allowance held against balances with other banks		(3,565)	(10,800)
Cash and balances with treasury banks - net of credit loss allowance		17,839,730	47,033,228

- 7.1** This includes amount held in Automated Investment Plans. The Bank is entitled to earn interest from the correspondent banks at agreed upon rates when the balance exceeds a specified amount.
- 7.2** This includes balance of Rs 8,560 million (2024: Rs 32,958 million) held with ICBC branches and Head Office outside Pakistan.

		(Un-audited) June 30, 2025	(Audited) December 31, 2024
8. LENDINGS TO FINANCIAL INSTITUTIONS	Note	----- (Rupees in '000) -----	
Repurchase agreement lendings (Reverse Repo)	8.1	167,617,615	478,661,524

- 8.1** These represent repurchase agreement lendings with SBP and local banks at mark-up rates ranging from 10.00% to 11.10% per annum (December 31, 2024: 12.95% to 13.6% per annum), and are due to mature latest by July 2025 (December 31, 2024: January 2025).

- 8.2** There is no credit loss allowance in lending as at June 30, 2025. *myb*

	(Un-audited)				(Audited)			
	June 30, 2025		December 31, 2024		June 30, 2025		December 31, 2024	
INVESTMENTS	Cost / Amortised cost	Credit Loss Allowance / Provision	Surplus/ (Deficit)	Carrying Value	Cost / Amortised cost	Credit Loss Allowance / Provision	Surplus/ (Deficit)	Carrying Value
Investments by type:	-----FVOCI-----				-----FVOCI-----			
Federal Government Securities	750,074,945	-	2,482,341	752,557,286	721,009,744	-	3,203,792	724,213,536
	-----Amortised Cost-----				-----Amortised Cost-----			
Federal Government Securities	4,979,882	-	-	4,979,882	4,894,287	-	-	4,894,287
<b>Total Investments</b>	<b>755,054,827</b>	<b>-</b>	<b>2,482,341</b>	<b>757,537,168</b>	<b>725,904,031</b>	<b>-</b>	<b>3,203,792</b>	<b>729,107,823</b>

9.2 There is no credit loss allowance in value of investments as at June 30, 2025.

9.3 The market value of securities classified as amortised cost as at June 30, 2025 amounted to Rs. 5,398 million (December 31, 2024: Rs. 4,669 million).

9.4 Investments include certain approved / government securities which are held by the Branches to comply with the Statutory Liquidity Requirement determined on the basis of the Branches' demand and time liabilities as set out under section 29 of the Banking Companies Ordinance, 1962.

## 10. ADVANCES

	Performing		Non Performing		Total	
	(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)
	June 30, 2025	December 31, 2024	June 30, 2025	December 31, 2024	June 30, 2025	December 31, 2024
Loans, cash credits, running finances, etc. Advances - gross	----- (Rupees in '000) -----	----- (Rupees in '000) -----	----- (Rupees in '000) -----	----- (Rupees in '000) -----	----- (Rupees in '000) -----	----- (Rupees in '000) -----
	371,190,072	365,704,032	-	-	371,190,072	365,704,032
Credit loss allowance against advances						
-Stage 1	(29,288)	(76,095)	-	-	(29,288)	(76,095)
-Stage 2	(763)	(3,052)	-	-	(763)	(3,052)
-Stage 3	-	-	-	-	-	-
	(30,051)	(79,147)	-	-	(30,051)	(79,147)
Advances - net	371,160,021	365,624,885	-	-	371,160,021	365,624,885

27/12



	(Un-audited) June 30, 2025	(Audited) December 31, 2024
	----- (Rupees in '000) -----	
<b>10.1 Particulars of advances (gross)</b>		
In local currency	2,718,492	3,589,032
In foreign currency	368,471,580	362,115,000
	<u>371,190,072</u>	<u>365,704,032</u>

**10.2** No advances have been placed under non-performing / Stage 3 status as at June 30, 2025 (December 31, 2024: Nil).

	(Un-audited) June 30, 2025	
	----- Rupees in '000 -----	
<b>10.3 Particulars of credit loss allowance against advances</b>	<b>Stage 3</b>	<b>Stage 1 &amp; 2</b>
		<b>Total</b>
Opening balance	-	79,147
Exchange adjustments	-	-
Charge for the year	-	-
Reversals	-	(49,096)
	-	30,051
Amounts written off	-	-
Other movements	-	-
Closing balance	-	30,051

	(Audited) December 31, 2024	
	----- Rupees in '000 -----	
<b>Particulars of credit loss allowance against advances</b>	<b>Stage 3</b>	<b>Stage 1 &amp; 2</b>
		<b>Total</b>
Opening balance	-	14,716
Exchange adjustments	-	-
Charge for the year	-	64,431
Reversals	-	-
	-	79,147
Amounts written off	-	-
Other movements	-	-
Closing balance	-	79,147

	(Un-audited) June 30, 2025			
	----- Rupees in '000 -----			
<b>10.4 Advances - Particulars of credit loss allowance</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
Opening balance	76,095	3,052	-	79,147
New Advances	-	-	-	-
Advances derecognised or repaid	(46,807)	(2,289)	-	(49,096)
Transfer to stage 1	-	-	-	-
Transfer to stage 2	-	-	-	-
Transfer to stage 3	-	-	-	-
Amounts written off / charged off	-	-	-	-
Changes in risk parameters	-	-	-	-
Other movements (including FX adjustments)	-	-	-	-
Closing balance	29,288	763	-	30,051

	(Audited) December 31, 2024			
	----- Rupees in '000 -----			
<b>Particulars of credit loss allowance against advances</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
Opening balance	58,803	-	-	58,803
Impact of adoption of IFRS 9:	(58,803)	-	-	(58,803)
Reversal of general provision	6,075	8,641	-	14,716
Recognition of expected credit losses (ECL)	6,075	8,641	-	14,716
Opening balance - restated	-	-	-	-
New Advances	(2,613)	(4,455)	-	(7,068)
Advances derecognised or repaid	49,039	(1,134)	-	47,905
Transfer to stage 1	-	-	-	-
Transfer to stage 2	-	-	-	-
Transfer to stage 3	-	-	-	-
Changes in risk parameters (PDs/LGDs/EADs)	46,426	(5,589)	-	40,837
Closing balance	23,594	-	-	23,594
	76,095	3,052	-	79,147

cyfr

10.5 Advances - Category of classification				(Un-audited)		(Audited)	
				June 30, 2025		December 31, 2024	
Domestic		Note	Outstanding	Credit loss	Outstanding	Credit loss	
			amount	allowance Held	amount	allowance Held	
----- (Rupees in '000) -----							
Performing	Stage 1		370,670,598	(29,288)	364,936,769	(76,095)	
Underperforming	Stage 2		519,474	(763)	767,263	(3,052)	
		10.5.1	371,190,072	(30,051)	365,704,032	(79,147)	

10.5.1 This includes PKR 368,472 million (December 31, 2024: PKR 362.12 million), which comprises a foreign currency commercial loan facility of RMB 9.3 billion extended to the Ministry of Finance, Government of Pakistan. In reference to SBP letter No. SBPHOK-BPRD-BRD-ICB-898582 dated April 16, 2025, the credit loss allowance has been relaxed under SBP guidelines.

11. Property and equipment		Note	(Un-audited)	(Audited)
			June 30, 2025	December 31, 2024
			(Rupees in '000)	
Property and equipment		11.1	550,241	583,270
			(Un-audited)	
			June 30, 2025	June 30, 2024
			(Rupees in '000)	
11.1 Additions to property and equipment				
Furniture and fixture			522	-
Electrical office and computer equipment			18,820	27,485
Total			19,342	27,485
11.2 Disposal of property and equipment				
Furniture and fixture			1,637	-
Electrical office and computer equipment			86	-
Total			1,723	-

12. Right-of-use assets		Note	(Un-audited)	(Audited)
			June 30, 2025	December 31, 2024
			(Rupees in '000)	
Right-of-use assets		12.1	425,894	396,657

		(Un-audited)			(Audited)		
12.1 Right-of-use assets		June 30, 2025			December 31, 2024		
		Property	Vehicles	Total	Property	Vehicles	Total
		(Rupees in '000)					
At January 1,							
Cost		685,505	6,691	692,196	403,931	6,691	410,622
Accumulated Depreciation		(288,848)	(6,691)	(295,539)	(125,714)	(6,691)	(132,405)
Net book value		396,657	-	396,657	278,217	-	278,217
Additions during the year		116,848	-	116,848	281,574	-	281,574
Deletions during the year		-	-	-	-	-	-
Depreciation for the year		(87,611)	-	(87,611)	(163,134)	-	(163,134)
Cost		802,353	6,691	809,044	685,505	6,691	692,196
Accumulated Depreciation		(376,459)	(6,691)	(383,150)	(288,848)	(6,691)	(295,539)
Net Carrying amount		425,894	-	425,894	396,657	-	396,657

13 INTANGIBLE ASSETS		Note	(Un-audited)	(Audited)
			June 30, 2025	December 31, 2024
			(Rupees in '000)	
Computer software		13.1	45,737	23,839
			Un-audited	
			June 30, 2025	June 30, 2024
			(Rupees in '000)	
13.1 Additions to intangible asset - Computer Software			30,173	-

13.2 There were no disposals made during the period ended June 30, 2025.

myh

14 Deferred tax assets

**Deductible Temporary Differences on:**

Workers' welfare fund  
Credit loss allowance/ provision held against financial assets

**Taxable Temporary Differences on**

Property and Equipment  
Intangible  
Liabilities against assets - Lease  
Surplus on revaluation of investments

(Un-audited) June 30, 2025			
At January 1, 2025	Recognised in profit and (loss)	Recognised in SOCI/ SOCE	At June 30, 2025
(Rupees in '000)			
2,129,198	372,243	-	2,501,441
144,332	(35,563)	-	108,769
2,273,530	336,680	-	2,610,210
(40,489)	21,181	-	(19,308)
(2,510)	117	-	(2,393)
-	(55,097)	-	(55,097)
(1,569,859)	-	283,837	(1,286,022)
(1,612,858)	(33,799)	283,837	(1,362,820)
660,672	302,881	283,837	1,247,390

**Movement of deferred tax during the year**

**Deductible Temporary Differences on:**

Workers' welfare fund  
Credit loss allowance/ provision held against financial assets

**Taxable Temporary Differences on**

Property and Equipment  
Intangible  
(Surplus) / deficit on revaluation of investments

(Audited) December 31, 2024				
At January 1, 2024	Impact of adoption of IFRS 9	Recognised in profit and (loss)	Recognised in SOCI/ SOCE	At December 31, 2024
(Rupees in '000)				
1,518,598	-	610,600	-	2,129,198
-	26,749	117,583	-	144,332
1,518,598	26,749	728,183	-	2,273,530
(32,081)	-	(8,408)	-	(40,489)
(11,132)	-	8,622	-	(2,510)
115,454	-	-	(1,685,313)	(1,569,859)
72,241	-	214	(1,685,313)	(1,612,858)
1,590,839	26,749	728,397	(1,685,313)	660,672

15. OTHER ASSETS

Income / mark-up accrued in local currency  
Income / mark-up accrued in foreign currencies  
Advances, deposits, advance rent and other prepayments  
Mark to market gain on forward foreign exchange contracts  
Acceptances  
Receivable from defined benefit plan  
Others

Less: Credit loss allowance / provision held against other assets

(Un-audited) June 30, 2025	(Audited) December 31, 2024
(Rupees in '000)	
477,037	529,499
46,059	2,656,137
51,296	71,112
4,053,733	13,128,301
15,368	22,284
26,729	24,881
594	597
4,670,816	16,432,811
(618)	(791)
4,670,198	16,432,020

16. BILLS PAYABLE

In Pakistan

17. BORROWINGS

**Unsecured**

Call borrowings

17.1	619,651,401	941,477,718
------	-------------	-------------

17.1 This represents foreign currency borrowings from ICBC branches outside Pakistan at mark-up rates ranging from 1.62% to 5.72% per annum (December 31, 2024: 1.5% to 6.3% per annum) maturing upto September 12, 2025 (December 31, 2024: upto September 12, 2025).

18. DEPOSITS AND OTHER ACCOUNTS

**Customers**

Current deposits  
Savings deposits  
Term deposits  
Others

**Financial Institutions**

Current deposits  
Savings deposits

(Un-audited) June 30, 2025			(Audited) December 31, 2024		
In Local Currency	In Foreign currencies	Total	In Local Currency	In Foreign currencies	Total
(Rupees in '000)					
79,103,105	3,676,112	82,779,217	44,090,668	4,093,685	48,184,353
324,612,905	934,028	325,546,933	443,981,648	1,193,051	445,174,699
136,589,694	-	136,589,694	10,931,861	-	10,931,861
30,958,618	-	30,958,618	1,783,848	-	1,783,848
571,264,322	4,610,140	575,874,462	500,788,025	5,286,736	506,074,761
22,278	5,729,105	5,751,383	32,745	4,339,386	4,372,131
4,986	-	4,986	6,205	-	6,205
27,264	5,729,105	5,756,369	38,950	4,339,386	4,378,336
571,291,586	10,339,245	581,630,831	500,826,975	9,626,122	510,453,097

mylv

- 18.1 This includes deposits amounting to PKR. 482 million as at June 30, 2025, eligible to be covered under insurance arrangements as per the requirement of Deposit Protection Corporation Act, 2016 (the Act), and DPC Circular No. 04 of 2018. The Bank is liable to pay annual premium, on quarterly basis, to the Deposit Protection Corporation (a subsidiary company of State Bank of Pakistan) at the rate of 0.16% on eligible deposits as of December 31 of each preceding calendar year.

		(Un-audited) June 30, 2025	(Audited) December 31, 2024
	Note	----- (Rupees in '000) -----	
<b>19. LEASE LIABILITY</b>			
Lease Liabilities	19.1	<u>283,155</u>	<u>271,876</u>
<b>19.1 Lease Liabilities</b>			
Outstanding amount at the start of the period / year		271,876	133,017
Additions during the period / year		-	281,573
Payment made during the period / year		(9,040)	(181,219)
Interest expense		20,319	38,505
Outstanding amount at the end of the period / year	19.2	<u>283,155</u>	<u>271,876</u>
<b>19.2 Contractual maturity of lease liabilities</b>			
Short-term lease liabilities - within one year		262,312	148,368
Long-term lease liabilities - 1 to 5 years		20,843	123,508
Later than one year and upto five years			
Total lease liabilities		<u>283,155</u>	<u>271,876</u>
Interest Rate		<u>7.52% to 16.34%</u>	<u>7.27% to 16.13%</u>
Renewal Options		<u>No</u>	<u>No</u>
Escalation clauses		<u>Yes</u>	<u>Yes</u>
<b>20. OTHER LIABILITIES</b>			
Mark-up / return / interest payable in local currency		7,026,994	35,956,945
Mark-up / return / interest payable in foreign currency		4,055,555	14,602,199
Performance bonus payable		1,015,573	1,361,207
Unearned commission income		561,683	513,627
Accrued expenses		17,887	21,479
Current taxation (provisions less payments)		1,590,499	3,174,915
Acceptances		15,368	22,284
Mark to market loss on forward foreign exchange contracts		3,143,404	48,460,640
Workers' welfare fund		5,138,410	4,345,302
Withholding tax payable		88,109	283,765
Clearing and settlements		2,314,454	1,167,022
Credit loss allowance against off-balance sheet obligations	20.1	66,093	74,908
Others		4,770	1,771
		<u>25,038,799</u>	<u>109,986,064</u>
<b>20.1 Credit loss allowance against off-balance sheet obligations</b>			
Opening balance at the start of the period / year		74,908	-
Impact of adoption of IFRS 9		-	94,263
Opening balances - restated		74,908	94,263
Charge for the period / year		-	994
Reversals		(8,815)	(20,349)
		(8,815)	(19,355)
Closing balance at the end of period / year		<u>66,093</u>	<u>74,908</u>

47/6

## 21. HEAD OFFICE CAPITAL ACCOUNT

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

### Capital held as:

Interest free deposit in approved foreign exchange

i) Remitted from Head Office (USD 150 million)	6.2	41,782,500	42,279,105
ii) Revaluation surplus / (deficit) allowed by the State Bank of Pakistan		782,175	(496,605)
		<u>42,564,675</u>	<u>41,782,500</u>

21.1 Interest free deposit in approved foreign exchange capital account amounts to USD 150 million (December 31, 2024: USD 150 million).

		(Un-audited) June 30, 2025	(Audited) December 31, 2024
22. SURPLUS / (DEFICIT) ON REVALUATION OF ASSETS	Note	----- (Rupees in '000) -----	
Surplus on revaluation of Investment at FVOCI - Debt	9	2,482,341	3,203,792
Deferred tax on surplus on revaluation of Investment at FVOCI - Debt	14	(1,286,022)	(1,569,859)
		<u>1,196,319</u>	<u>1,633,933</u>

## 23. CONTINGENCIES AND COMMITMENTS

Guarantees  
Commitments

23.1	341,467,645	365,400,497
23.2	2,608,236,712	3,272,291,324
	<u>2,949,704,357</u>	<u>3,637,691,821</u>

### 23.1 Guarantees:

Financial guarantees  
Performance guarantees  
Other guarantees

563,251	563,251
156,297,430	159,859,090
184,606,964	204,978,156
<u>341,467,645</u>	<u>365,400,497</u>

### 23.2 Commitments:

Documentary credits and short-term trade-related transactions

- Letters of credit (including LC confirmations)

Commitments in respect of:

- Forward foreign exchange contracts

	27,648,580	19,435,176
23.2.1	2,580,588,132	3,252,856,148
	<u>2,608,236,712</u>	<u>3,272,291,324</u>

#### 23.2.1 Commitments in respect of forward foreign exchange contracts

Purchase  
Sale

1,288,796,298	1,606,753,805
1,291,791,834	1,646,102,343
<u>2,580,588,132</u>	<u>3,252,856,148</u>

The Bank utilises foreign exchange instruments to meet the needs of its customers and as part of its asset and liability management activity to hedge its own exposure to currency risk. At year end, all foreign exchange contracts have a remaining maturity of less than one year.

myh

**24. MARK-UP / RETURN / INTEREST EARNED**

		(Un-audited)	
		June 30, 2025	June 30, 2024
		----- (Rupees in '000) -----	
On:			
Loans and advances	24.1	5,861,496	16,235,718
Investments		42,444,876	62,963,875
Lendings to financial institutions		18,984,259	31,614,420
Balances with other banks		222,889	251,101
		<u>67,513,520</u>	<u>111,065,114</u>

**24.1** This includes PKR 5,640 million (June 30, 2024: PKR 15,154 million) interest earned from loan to Ministry of Finance, Pakistan.

**25. MARK-UP / RETURN / INTEREST EXPENSED**

		(Un-audited)	
		June 30, 2025	June 30, 2024
		----- (Rupees in '000) -----	
On:			
Deposits		10,329,648	29,378,980
Borrowings	25.1	14,120,591	28,277,191
Cost of foreign currency swaps against foreign currency deposits / borrowings		7,199,333	26,090,350
Finance charges on lease liability against right of use asset		21,340	19,159
		<u>31,670,912</u>	<u>83,765,680</u>

**25.1 Borrowings**

Call Borrowings from ICBC Head office and branches	25.1.1	14,115,276	28,277,191
Securities sold under repurchase agreements		5,315	-
		<u>14,120,591</u>	<u>28,277,191</u>

**25.1.1** This includes PKR 4,055 Million (June 30, 2024: PKR 11,395 Million) on borrowings from ICBC group to facilitate lending to Ministry of Finance, Pakistan.

		(Un-audited)	
		June 30, 2025	June 30, 2024
		----- (Rupees in '000) -----	
<b>26 FEE &amp; COMMISSION INCOME</b>			
Branch banking customer fees		3,774	4,409
Card related fees (debit cards)		73	90
Investment banking fees		206,134	147,284
Commission on trade		252,514	92,188
Commission on guarantees		480,314	563,720
Commission on remittances including home remittances		20,951	25,119
Credit related fees	26.1	337,496	906,094
		<u>1,301,256</u>	<u>1,738,904</u>

**26.1** This relates to arrangement fee on loan to Ministry of Finance, Pakistan.



		(Un-audited)	
		June 30, 2025	June 30, 2024
		----- (Rupees in '000) -----	
<b>27. OTHER INCOME</b>			
Recovered from employees against waiver of notice period		<u>2,874</u>	<u>218</u>
<b>28. OPERATING EXPENSES</b>			
Total compensation expense		758,796	780,396
<b>Property expense</b>			
Rent & taxes	1,901	13,449	
Insurance	-	133	
Utilities cost	8,314	7,835	
Security (including guards)	12,558	15,744	
Repair & maintenance (including janitorial charges)	19,669	14,192	
Depreciation	7,325	15,180	
Depreciation on right-of-use assets	87,611	77,915	
	<u>137,378</u>	<u>144,448</u>	
<b>Information technology expenses</b>			
Software maintenance	478	11,355	
Hardware maintenance	1,103	1,015	
Depreciation	2,526	5,609	
Amortisation	8,275	6,599	
Insurance	-	7	
Network and connectivity charges	2,650	9,537	
	<u>15,032</u>	<u>34,122</u>	
<b>Other operating expenses</b>			
Legal & professional charges	6,104	2,553	
Outsourced services costs	56,998	31,003	
Travelling & conveyance	21,203	17,722	
Insurance	1,433	1,924	
NIFT clearing charges	180,259	790	
Fees and subscription	26,352	67,241	
Repair & maintenance	11,632	4,209	
Depreciation	39,925	20,686	
Training & development	5,174	1,743	
Postage & courier charges	1,495	2,929	
Communication	71,759	4,855	
Stationery, printing and low value consumables	2,923	5,090	
Marketing, advertisement & publicity	6,959	50	
Commission expense	3,795	4,316	
Deposit protection premium	869	642	
Auditor remuneration	2,139	-	
Entertainment expense	3,844	6,159	
Others	1,329	3,111	
	<u>444,192</u>	<u>175,023</u>	
	<u>1,355,398</u>	<u>1,133,989</u>	
<b>29. WORKERS' WELFARE FUND</b>			
Charge during the year		<u>793,108</u>	<u>681,290</u>

my h

	(Un-audited)	
	June 30, 2025	June 30, 2024
<b>30. CREDIT LOSS ALLOWANCE AND WRITE OFFS / (REVERSAL OF PROVISION)</b>	----- (Rupees in '000) -----	
Balances with other banks	(7,235)	5,834
Loans & advances	(49,096)	34,693
Other assets	(173)	(509)
Off balance sheet items	(8,815)	(20,349)
	<u>(65,319)</u>	<u>19,669</u>
<b>31. TAXATION</b>		
Current	20,050,839	14,418,216
Prior years	(66,913)	-
Deferred	(302,881)	(382,952)
	<u>19,681,045</u>	<u>14,035,264</u>

**31.1** With reference to FBR letter no.C.No.1(51)R&S/(2017/30679-R dated February 23, 2023 and sub rule 4 of Rule 8 of seventh schedule of Income Tax Ordinance, 2001, profit on debt on the Bank's commercial foreign currency commercial loan facility to Ministry of Finance, Government of Pakistan is exempt from all taxes but limited to Income Tax, Super Tax and withholding taxes.

**31.2** The returns of income tax have been filed up to tax year 2024. The return for the year 2024 (tax year 2025) will be due for filing by September 30,2025.

	(Un-audited) June 30, 2025	(Un-audited) June 30, 2024
	----- (Rupees in '000) -----	
<b>32. CASH AND CASH EQUIVALENTS</b>		
Cash and balances with treasury banks	71,851,735	62,608,345
Balances with other banks	17,843,295	41,743,756
	<u>89,695,030</u>	<u>104,352,101</u>

### **33. FAIR VALUE MEASUREMENTS**

The fair value of quoted securities other than those classified as held to maturity, is based on quoted market price. Quoted securities classified as held to maturity are carried at cost. The fair value of unquoted debt securities, fixed term loans, other assets, other liabilities, fixed term deposits and borrowings cannot be calculated with sufficient reliability due to the absence of a current and active market for these assets and liabilities and reliable data regarding market rates for similar instruments.

In the opinion of the management, the fair value of the remaining financial assets and liabilities are not significantly different from their carrying values since these are either short-term in nature or, in the case of customer loans and deposits, are frequently repriced.

#### **33.1 Fair value of financial assets**

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

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

*myh*

**33.2** The table below analysis 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:

	(Un-audited)			
	June 30, 2025			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
	----- (Rupees in '000) -----			
<b>On balance sheet financial instruments</b>				
<b>Financial assets measured at fair value</b>				
Investments				
Federal Government Securities (FVOCI)	-	752,557,286	-	752,557,286
<b>Financial assets - disclosed but not measured at fair value</b>				
Investments				
Federal Government Securities (Amortised Cost)	-	5,398,000	-	5,398,000
	<u>-</u>	<u>757,955,286</u>	<u>-</u>	<u>757,955,286</u>
<b>Off-balance sheet financial instruments</b>				
<b>- measured at fair value</b>				
Forward purchase and sale of foreign exchange contracts	<u>-</u>	<u>(2,085,207)</u>	<u>-</u>	<u>(2,085,207)</u>
	(Audited)			
	December 31			
	2024			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
	----- (Rupees in '000) -----			
<b>On balance sheet financial instruments</b>				
<b>Financial assets - measured at fair value</b>				
Investments				
Federal Government Securities (FVOCI)	-	724,213,536	-	724,213,536
<b>Financial assets - disclosed but not measured at fair value</b>				
Investments				
Federal Government Securities (Amortised Cost)	-	4,668,990	-	4,668,990
	<u>-</u>	<u>728,882,526</u>	<u>-</u>	<u>728,882,526</u>
<b>Off-balance sheet financial instruments</b>				
<b>- measured at fair value</b>				
Forward purchase and sale of foreign exchange contracts	<u>-</u>	<u>(74,680,877)</u>	<u>-</u>	<u>(74,680,877)</u>

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

**(a) Financial instruments in level 2**

Financial instruments included in level 2 comprise of Market Treasury Bills, Pakistan Investment Bonds and forward foreign exchange contracts.

Item	Valuation technique and input used
Pakistan Investment Bonds	Fair values of Pakistan Investment Bonds are derived using the PKRV rates
Market Treasury Bills	Fair values of Treasury Bills are derived using the PKRV rates.
Forward Foreign Exchange Contracts	The valuation has been determined by interpolating the FX revaluation rates announced by State Bank of Pakistan.

**(b) Financial instruments in level 3**

Currently, no financial instruments are classified in level 3.

eg W

### 34. SEGMENT INFORMATION

#### 34.1 Segment details with respect to business activities

(Un-audited)

June 30, 2025

	Corporate finance	Treasury	Branch Banking	Others	Total
	(Rupees in '000) -----				
<b>June 30, 2025</b>					
<b>Profit &amp; Loss</b>					
Net mark-up / return / profit	(2,567,874)	38,431,822	-	(21,340)	35,842,608
Inter segment revenue - net	2,376,664	(2,376,664)	-	-	-
Non mark-up / return / interest income	3,468,652	1,629,874	24,798	2,874	5,126,198
<b>Total Income</b>	<b>3,277,442</b>	<b>37,685,032</b>	<b>24,798</b>	<b>(18,466)</b>	<b>40,968,806</b>
Segment direct expenses	171,800	1,975,405	1,301	-	2,148,506
<b>Total expenses</b>	<b>171,800</b>	<b>1,975,405</b>	<b>1,301</b>	<b>-</b>	<b>2,148,506</b>
Credit loss (reversal of provision) / allowance and write offs	(58,084)	(7,235)	-	-	(65,319)
<b>Profit before tax</b>	<b>3,163,726</b>	<b>35,716,862</b>	<b>23,497</b>	<b>(18,466)</b>	<b>38,885,619</b>

June 30, 2025

#### Statement of Financial Position

Cash & Bank balances	-	89,691,465	-	-	89,691,465
Investments	-	757,537,168	-	-	757,537,168
Net inter segment lending	578,942,390	-	-	-	578,942,390
Lendings to financial institutions	-	167,617,615	-	-	167,617,615
Advances - performing	371,160,021	-	-	-	371,160,021
- non-performing	-	-	-	-	-
Others	110,851	4,481,346	-	2,347,263	6,939,460
<b>Total Assets</b>	<b>950,213,262</b>	<b>1,019,327,594</b>	<b>-</b>	<b>2,347,263</b>	<b>1,971,888,119</b>
Borrowings	368,471,580	251,179,821	-	-	619,651,401
Deposits & other accounts	581,630,831	-	-	-	581,630,831
Net inter segment borrowing	-	578,942,390	-	-	578,942,390
Others	9,697,811	5,171,286	3,600,659	8,138,403	26,608,159
<b>Total liabilities</b>	<b>959,800,222</b>	<b>835,293,497</b>	<b>3,600,659</b>	<b>8,138,403</b>	<b>1,806,832,781</b>
Equity	-	-	-	165,055,338	165,055,338
<b>Total Equity &amp; liabilities</b>	<b>959,800,222</b>	<b>835,293,497</b>	<b>3,600,659</b>	<b>173,193,741</b>	<b>1,971,888,119</b>
<b>Contingencies &amp; Commitments</b>	<b>369,116,225</b>	<b>2,580,588,132</b>	<b>-</b>	<b>-</b>	<b>2,949,704,357</b>

myb

	(Un-audited) June 30, 2024				
	Corporate finance	Treasury	Branch Banking	Others	Total
	(Rupees in '000)				
June 30, 2024					
Profit & Loss					
Net mark-up / return / profit	3,894,066	23,424,527	-	(19,159)	27,299,434
Inter segment revenue - net	(1,458,770)	1,458,770	-	-	-
Non mark-up / return / interest income	4,402,534	3,486,374	29,618	218	7,918,744
<b>Total Income</b>	<b>6,837,830</b>	<b>28,369,671</b>	<b>29,618</b>	<b>(18,941)</b>	<b>35,218,178</b>
Segment direct expenses	352,258	1,461,495	1,526	-	1,815,279
Inter segment expense allocation	-	-	-	-	-
<b>Total expenses</b>	<b>352,258</b>	<b>1,461,495</b>	<b>1,526</b>	<b>-</b>	<b>1,815,279</b>
Credit loss (reversal of provision) / allowance and write offs	19,669	-	-	-	19,669
<b>Profit before tax</b>	<b>6,465,903</b>	<b>26,908,176</b>	<b>28,092</b>	<b>(18,941)</b>	<b>33,383,230</b>

	(Audited) December 31, 2024				
	Corporate finance	Treasury	Branch Banking	Others	Total
	(Rupees in '000)				

**December 31, 2024**

**Statement of Financial Position**

Cash & Bank balances	-	123,950,047	-	-	123,950,047
Investments	-	729,107,823	-	-	729,107,823
Net inter segment lending	488,151,902	-	-	-	488,151,902
Lendings to financial institutions	-	478,661,524	-	-	478,661,524
Advances - performing	365,624,885	-	-	-	365,624,885
- non-performing	-	-	-	-	-
Others	2,789,817	13,546,404	-	1,760,237	18,096,458
<b>Total Assets</b>	<b>856,566,604</b>	<b>1,345,265,798</b>	<b>-</b>	<b>1,760,237</b>	<b>2,203,592,639</b>
Borrowings	362,115,000	579,362,718	-	-	941,477,718
Deposits & other accounts	491,661,787	-	-	-	491,661,787
Net inter segment borrowing	-	488,151,902	-	-	488,151,902
Others	38,595,437	61,035,166	3,056,318	9,460,315	112,147,236
<b>Total liabilities</b>	<b>892,372,224</b>	<b>1,128,549,786</b>	<b>3,056,318</b>	<b>9,460,315</b>	<b>2,033,438,643</b>
Equity	-	-	-	151,362,686	151,362,686
<b>Total Equity &amp; liabilities</b>	<b>892,372,224</b>	<b>1,128,549,786</b>	<b>3,056,318</b>	<b>160,823,001</b>	<b>2,184,801,329</b>
<b>Contingencies &amp; Commitments</b>	<b>384,835,673</b>	<b>3,252,856,148</b>	<b>-</b>	<b>-</b>	<b>3,637,691,821</b>

34.2 The Branches only have Pakistan Operations and reported as that geographical location.

*my hr*

### 35. RELATED PARTY TRANSACTIONS

The Branches have related party transactions with its Head Office, other ICBC Branches, employee benefit plans and its Directors and Key management personnel.

The Branches enter into transactions with related parties in the ordinary course of business and on substantially the same terms as for comparable transactions with person of similar standing. Contributions to and accruals in respect of staff retirement benefits and other benefit plans are made in accordance with the actuarial valuations / terms of the contribution plan. Remuneration to the executives / officers is determined in accordance with the terms of their appointment.

Details of the transactions with related parties during the year and balances with them as at year end are as follows:

	(Un-audited) June 30, 2025				(Audited) December 31, 2024			
	Key management personnel	Head office	Overseas branches / associates	Other related parties	Key management personnel	Head office	Overseas branches / associates	Other related parties
(Rupees in '000)								
<b>Balances with other banks</b>								
In current accounts	-	6,273,443	1,872,526	-	-	32,169,234	788,901	-
		6,273,443	1,872,526			32,169,234	788,901	
<b>Advances</b>								
Opening balance	-	-	-	-	-	-	-	-
Repaid during the year	-	-	-	-	-	-	-	-
Closing balance	-	-	-	-	-	-	-	-
<b>Other Assets</b>								
Interest / mark-up receivable	-	-	-	-	-	-	-	-
Defined benefit asset	-	-	-	-	-	-	-	8,641
Mark to market loss on forward foreign exchange contract	-	-	-	-	-	-	152,352	-
Mark to market gain on Swap forward exchange contracts	-	-	-	-	-	-	26,165	-
Closing balance	-	-	-	-	-	-	178,517	8,641
<b>Borrowings</b>								
Opening balance	-	3,042,768	938,434,950	-	-	-	955,797,554	-
Borrowings during the year	-	89,707,346	2,745,560,972	-	-	29,809,164	2,615,549,644	-
Settled during the year	-	(12,406,746)	(3,163,496,311)	-	-	(26,712,108)	(2,621,643,597)	-
Transfer in / (out) - net	-	2,067,480	16,740,942	-	-	(54,288)	(11,268,651)	-
Closing balance	-	82,410,848	637,240,553	-	-	3,042,768	938,434,950	-
<b>Deposits and other accounts</b>								
Opening balance	-	-	-	-	2,791	1,789	-	97,345
Received during the year	-	-	-	-	585,769	-	-	47,575
Withdrawn during the year	-	-	-	-	(584,828)	-	-	(11,822)
Transfer in / (out) - net	-	-	-	-	2,087	-	-	-
Closing balance	-	-	-	-	5,819	1,789	-	133,098
<b>Other Liabilities</b>								
Interest / mark-up payable	-	18,534	4,054,028	-	2	861	14,599,728	11,121
Mark to market loss on forward foreign exchange contracts	-	-	-	-	-	-	-	-
Mark to market loss on Swap forward exchange contracts	-	-	-	-	-	-	12,902,171	-
Commission received in advance against unfunded exposure	-	-	-	-	-	73,194	-	-
Closing balance	-	18,534	4,054,028	-	2	74,055	27,501,899	11,121
<b>Contingencies and Commitments</b>								
Letter of guarantee	-	-	-	-	-	186,296,991	-	-
Forward exchange contract purchase	-	-	520,435,502	-	-	-	517,888,936	-
Forward exchange contract sale	-	-	519,545,819	-	-	-	531,395,643	-
Swap exchange contract purchase	-	-	-	-	-	-	-	-
Swap exchange contract sale	-	-	-	-	-	-	-	-

	June 30 2025				December 31 2024			
	Key management personnel	Head office	Overseas branches / associates	Other related parties	Key management personnel	Head office	Overseas branches / associates	Other related parties
(Rupees in '000)								
<b>Income</b>								
Mark-up / return / interest earned	-	76,464	1,689	-	-	110,988	1,423	-
Fee & commission income	-	-	-	-	-	240,441	-	-
<b>Expense</b>								
Mark-up / return / interest paid	-	63,921	14,051,355	-	16	11,664	54,997,494	22,587
Compensation expense	-	-	-	-	623,160	-	-	-
Contribution to gratuity fund	-	-	-	-	-	-	-	5,145
Contribution to provident fund	-	-	-	-	-	-	-	7,841

*Signature*



36. CAPITAL ADEQUACY, LEVERAGE RATIO

& LIQUIDITY REQUIREMENTS

Minimum Capital Requirement (MCR):

Paid-up capital (net of losses)

Capital Adequacy Ratio (CAR):

Eligible Common Equity Tier 1 (CET 1) Capital

Eligible Additional Tier 1 (ADT 1) Capital

Total Eligible Tier 1 Capital

Eligible Tier 2 Capital

Total Eligible Capital (Tier 1 + Tier 2)

Risk Weighted Assets (RWAs):

Credit Risk

Market Risk

Operational Risk

Total

Common Equity Tier 1 Capital Adequacy Ratio

Tier 1 Capital Adequacy Ratio

Total Capital Adequacy Ratio

(Un-audited)

June 30,  
2025

(Audited)

December 31,  
2024

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

	42,564,675	41,782,500
	163,813,283	149,704,914
	-	-
	163,813,283	149,704,914
	1,230,552	1,724,671
	165,043,835	151,429,585
	143,972,271	180,602,246
	51,488,094	45,164,163
	105,071,739	105,071,739
	300,532,104	330,838,148
	54.51%	45.25%
	54.51%	45.25%
	54.92%	45.77%

The SBP, through BPRD circular 12, dated March 26, 2020 has provided the following relaxations to banks to enable them to continue providing credit to the real economy:

With effect from December 31, 2019 an additional Capital Conversation Buffer of 2.50% was required to be maintained over and above the minimum required level. However, from March 26, 2020 Capital Conservation Buffer requirement has been reduced from its existing level of 2.50% to 1.50% to reduce the effects of COVID-19.

As at December 31, 2024 the SBP requires to maintain a ratio of total regulatory capital to the risk - weighted assets at or above the required minimum level of 11.5% and maintain Common Equity Tier 1 (CET 1) ratio and Tier 1 ratio of 6.0% and 7.5% respectively.

For capital adequacy calculation, Branches have adopted Simple approach for Credit & Market Risk related exposures and Basic Indicator Approach for Operational Risk.

(Un-audited)

June 30,  
2025

(Audited)

December 31,  
2024

----- (Percentages) -----

Minimum capital requirements prescribed by the SBP

CET1 minimum ratio (%)

Tier 1 minimum ratio (%)

Total capital minimum ratio (%)

9.00%	9.00%
10.50%	10.50%
13.00%	13.00%

Leverage Ratio (LR):

Eligible Tier-1 Capital

Total Exposure

Leverage Ratio

Minimum Requirement (%)

163,813,283	149,704,914
1,429,956,253	1,773,796,132
11.46%	8.44%
3.00%	3.00%

Liquidity Coverage Ratio (LCR):

Total High Quality Liquid Assets

Total Net Cash Outflow

Liquidity Coverage Ratio

Minimum Requirement (%)

1,045,507,435	1,112,304,967
530,731,505	539,641,227
197%	206%
100%	100%

Net Stable Funding Ratio (NSFR):

Total Available Stable Funding

Total Required Stable Funding

Net Stable Funding Ratio

Minimum Requirement (%)

655,362,096	692,717,546
57,119,162	109,554,038
1147%	632%
100%	100%

36.1 With reference to SBP letter No.EPD/ICM/379551/INT/12(36)-2022 dated December 05, 2022, conditions given under Basel III Guidelines for CAR, Leverage Ratio, LCR and NSFR (Issued under BPRD circular # 06 dated August 15, 2013 and BPRD circular # 08 dated June 23, 2016) and the requirement of Foreign Exposure Exposure Limit (FEEL) in accordance with DMMD Circular No. 16 of 2020 dated July 22, 2020, are not applicable on the foreign currency commercial loan facility to Ministry of Finance, Government of Pakistan by the Branches.

The full disclosures on the Capital adequacy, leverage ratio & Liquidity ratio requirements as per SBP instructions issued from time to time are placed on the website. The link to the full disclosure is available at <http://karachi.icbc.com.cn/ICBC/%E6%B5%B7%E5%A4%96%E5%88%86%E8%A1%8C/%E5%8D%A1%E6%8B%89%E5%A5%87%E7%BD%91%E7%AB%99/en/CustomerService1/Downloads/>.

MN

**37 GENERAL**

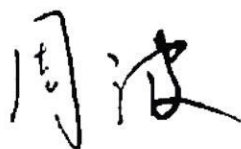
**37.1** Corresponding figures have been re-arranged and re-classified to reflect more appropriate presentation of events and transactions to enhance comparability with the current period's financial statements.

**37.2** The figures in these financial statements have been rounded off to the nearest thousand.

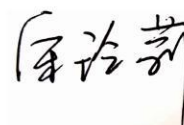
**38. DATE OF AUTHORISATION FOR ISSUE**

These financial statements were authorised for issue on August 28th, 2025 by the Chief Executive Officer and Head of Finance (A).

*myh*



\_\_\_\_\_  
Chief Executive Officer



\_\_\_\_\_  
Head of Finance (A)