



Deutsche Bank AG, Pakistan Operations
(Incorporated in the Federal Republic of
Germany with limited liability)

Financial statements
for the period ended
31 March 2025

Deutsche Bank AG, Pakistan Operations
(Incorporated in the Federal Republic of Germany with limited liability)
Condensed Interim Statement of Financial Position
As at 31 March 2025

		31 March 2025	31 December 2024
	<i>Note</i>	(Un-audited)	(Audited)
		----- Rupees in '000 -----	
ASSETS			
Cash and balances with treasury banks	6	12,724,785	13,698,435
Balances with other banks	7	2,163,593	1,977,797
Lendings to financial institutions	8	27,111,338	44,982,510
Investments	9	8,897,586	1,993,678
Advances	10	9,380,965	2,993,065
Property and Equipment	11	587,887	616,268
Right-of-use assets	12	318,152	332,002
Intangible assets		-	-
Deferred tax assets	13	223,049	290,360
Other assets	14	3,574,905	2,318,183
		64,982,260	69,202,299
LIABILITIES			
Bills payable	15	1,149,348	806,811
Borrowings		-	-
Deposits and other accounts	16	38,695,196	44,938,069
Lease Liabilities	17	440,637	448,092
Subordinated debt		-	-
Deferred tax liabilities		-	-
Other liabilities	18	9,222,726	8,291,103
		49,507,907	54,484,075
NET ASSETS		15,474,353	14,718,224
REPRESENTED BY			
Head office capital account		9,693,189	9,297,617
Reserves		-	-
Surplus / (Deficit) on revaluation of assets	19	(2,659)	656
Unremitted profit		5,783,824	5,419,951
		15,474,354	14,718,224
CONTINGENCIES AND COMMITMENTS	20		

The annexed notes 1 to 35 form an integral part of these condensed interim financial statements.

Chief Country Officer
Pakistan

Chief Financial Officer
Pakistan

Deutsche Bank AG, Pakistan Operations

(Incorporated in the Federal Republic of Germany with limited liability)

Condensed Interim Profit and Loss Account (Un-audited)

For three months period ended 31 March 2025

	Note	Three months period ended 31 March 2025	Three months period ended 31 March 2024	Three months period ended 31 March 2025	Three months period ended 31 March 2024
----- Rupees in '000 -----					
Mark-up / return / interest earned	21	1,466,077	2,285,770	1,466,077	2,285,770
Mark-up / return / interest expensed	22	469,278	664,594	469,278	664,594
Net mark-up / interest income		996,799	1,621,176	996,799	1,621,176
NON MARK-UP / INTEREST INCOME					
Fee and commission income	23	142,200	129,021	142,200	129,021
Dividend income		-	-	-	-
Foreign exchange income		173,917	278,500	173,917	278,500
Income / (loss) from derivatives		-	-	-	-
Gain on securities	24	-	(24,729)	-	(24,729)
Other (loss) / income	25	45	(1,197)	45	(1,197)
Total non-markup / interest Income		316,162	381,595	316,162	381,595
Total Income		1,312,961	2,002,771	1,312,961	2,002,771
NON MARK-UP / INTEREST EXPENSES					
Operating expenses	26	334,826	484,240	334,826	484,240
Workers Welfare Fund		19,979	30,466	19,979	30,466
Other charges	27	-	-	-	-
Total non-markup / interest expenses		354,805	514,706	354,805	514,706
Profit before credit loss allowance		958,156	1,488,065	958,156	1,488,065
Credit loss reversal and write offs - net	28	6,056	4,756	6,056	4,756
Extra ordinary / unusual items		-	-	-	-
PROFIT BEFORE TAXATION		964,212	1,492,821	964,212	1,492,821
Taxation	29	(600,339)	(838,975)	(600,339)	(838,975)
PROFIT AFTER TAXATION		363,873	653,846	363,873	653,846

The annexed notes 1 to 35 form an integral part of these condensed interim financial statements.

Chief Country Officer
Pakistan

Chief Financial Officer
Pakistan

Deutsche Bank AG, Pakistan Operations

(Incorporated in the Federal Republic of Germany with limited liability)

Condensed Interim Statement of Comprehensive Income (Un-audited)

For three months period ended 31 March 2025

	Three months period ended 31 March 2025	Three months period ended 31 March 2024	Three months period ended 31 March 2025	Three months period ended 31 March 2024
	------(Rupees in '000)-----			
Profit after taxation for the period	363,873	653,846	363,873	653,846
Other comprehensive income				
Items that may be reclassified to profit and loss account in subsequent periods:				
Movement in surplus / (deficit) on revaluation of investments - net of tax	(3,315)	4,584	(3,315)	4,584
Items that will not be reclassified to profit and loss account in subsequent periods:				
Remeasurement gain on defined benefit obligations - net of tax	-	-	-	-
Total comprehensive income for the period	360,558	658,430	360,558	658,430

The annexed notes 1 to 35 form an integral part of these condensed interim financial statements.

Chief Country Officer
Pakistan

Chief Financial Officer
Pakistan

Deutsche Bank AG, Pakistan Operations

(Incorporated in the Federal Republic of Germany with limited liability)

Condensed Interim Statement of Changes in Equity (Un-audited)

For three months period ended 31 March 2025

	Head office capital account	Deficit on revaluation of investments	Unremitted profit	Total
	------(Rupees in '000) -----			
Balance as at 01 January 2024	9,984,045	(5,366)	5,390,124	15,368,803
Change in accounting policy as at January 01, 2024 - note 3.1.2	-	-	5,588	5,588
Balance as at 01 January 2024 - as restated	9,984,045	(5,366)	5,395,712	15,374,391
Profit after taxation for the three months period ended 31 March 2024	-	-	653,846	653,846
Other comprehensive income - net of tax	-	4,584	-	4,584
	-	4,584	653,846	658,430
Transactions with owners, recorded directly in equity				
Exchange adjustments on revaluation of capital	(382,719)	-	-	(382,719)
Remittance made to Head office	-	-	(1,017,835)	(1,017,835)
	(382,719)	-	(1,017,835)	(1,400,554)
Opening balance as at 01 April 2024	9,601,326	(782)	5,031,723	14,632,267
Profit after taxation for the three months period ended 31 December 2024	-	-	1,806,707	1,806,707
Other comprehensive income - net of tax	-	1,438	3,287	4,725
	-	1,438	1,809,994	1,811,432
Transactions with owners, recorded directly in equity				
Exchange adjustments on revaluation of capital	(303,709)	-	-	(303,709)
Remittance made to Head office	-	-	(1,421,766)	(1,421,766)
	(303,709)	-	(1,421,766)	(1,725,475)
Balance as at 01 January 2025 - as reported	9,297,617	656	5,419,951	14,718,224
Profit after taxation for the three months period ended 31 March 2025	-	-	363,873	363,873
Other comprehensive income - net of tax	-	(3,315)	-	(3,315)
	-	(3,315)	363,873	360,558
Transactions with owners, recorded directly in equity				
Exchange adjustments on revaluation of capital	395,572	-	-	395,572
Remittance made to Head office	-	-	-	-
	395,572	-	-	395,572
Balance as at 31 March 2025	9,693,189	(2,659)	5,783,824	15,474,354

The annexed notes 1 to 35 form an integral part of these condensed interim financial statements.

Chief Country Officer
Pakistan

Chief Financial Officer
Pakistan

Deutsche Bank AG, Pakistan Operations
(Incorporated in the Federal Republic of Germany with limited liability)
Condensed Interim Cash Flow Statement (Un-audited)
For three months period ended 31 March 2025

	Note	31 March 2025	31 March 2024
----- (Rupees in '000) -----			
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		964,212	1,492,821
Adjustments for:			
Depreciation		47,701	49,603
Reversals in ECLs		(6,056)	(4,756)
(Loss) / gain on disposal of Property and equipment - net	25	(611)	25,926
Finance costs of lease liability		14,789	15,368
		55,823	86,141
		1,020,035	1,578,962
(Increase) / decrease in operating assets			
Lendings to financial institutions		17,871,172	(5,802,679)
Net investments in FVTPL securities		-	(9,601,144)
Advances		(6,605,091)	4,707,428
Others assets (excluding advance taxation)		(1,357,526)	(241,099)
		9,908,555	(10,937,494)
Decrease / (increase) in operating liabilities			
Bills payable		342,537	378,715
Borrowings from financial institutions		-	-
Deposits and other accounts		(6,242,874)	(2,815,631)
Other liabilities		1,432,733	1,081,498
		(4,467,604)	(1,355,418)
Income tax paid		(706,126)	(1,039,574)
Net cash used in operating activities		5,754,860	(11,753,524)
CASH FLOW FROM INVESTING ACTIVITIES			
Net investments in FVOCI securities		(6,910,816)	12,302,486
Investments in Property and equipment		(5,469)	11,749
Proceeds from sale of Property and equipment		611	346
Net cash generated from investing activities		(6,915,674)	12,314,581
CASH FLOW FROM FINANCING ACTIVITIES			
Payment of lease liabilities		(22,244)	(20,222)
Remittance made to Head office		-	(1,017,835)
Net cash used in financing activities		(22,244)	(1,038,057)
Effects of exchange rate changes on cash and cash equivalents		395,573	(382,719)
Increase in cash and cash equivalents during the period		(787,485)	(859,719)
Cash and cash equivalents at beginning of the period		15,676,233	16,738,495
Cash and cash equivalents at end of the period		14,888,748	15,878,776

The annexed notes 1 to 35 form an integral part of these condensed interim financial statements.

Chief Country Officer
Pakistan

Chief Financial Officer
Pakistan

1. STATUS AND NATURE OF BUSINESS

Deutsche Bank AG is a foreign banking company incorporated in the Federal Republic of Germany with limited liability. Its operations in Pakistan are carried out through two branches located at Karachi and Lahore ('the Pakistan Operations'). The Pakistan Operations are engaged in banking business as described in the Banking Companies Ordinance, 1962.

2 BASIS OF PRESENTATION

2.1 STATEMENT OF COMPLIANCE

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards 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;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan, as are notified under the Companies Act, 2017;
- Provisions of and directives issued under the Banking Companies Ordinance, 1962 and the Companies Act, 2017; and
- Directives issued by State Bank of Pakistan (SBP) and the Securities and Exchange Commission of Pakistan (SECP).

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

SBP has deferred the applicability of IAS 40, 'Investment Property' for Banking Companies in Pakistan through BSD Circular Letter No. 10 dated 26 August 2002 till further instructions. SECP has deferred the applicability of IFRS 7 'Financial Instruments: Disclosures' through its notification S.R.O 411 (I) / 2008 dated 28 April 2008. Accordingly, the requirements of these standards have not been considered in the preparation of these financial statements.

- 2.2** The disclosures made in these condensed interim financial statements have been limited based on the format prescribed by the SBP vide BPRD Circular Letter No.2 dated February 09, 2023 and IAS34, Interim Financial Reporting. They do not include all the information and disclosures required in preparation of audited annual financial statements, and should be read in conjunction with the audited financial statements of the Pakistan Operations for the year ended December 31, 2024.

2.3 Credit Ratings

The credit rating provided by Standard & Poor's on 16 December 2024 is A for long-term and A-1 for short-term, rating by Fitch on 25 October 2024 is A- for long-term and F2 for short-term; and rating by Moody's on 30 January 2025 is A1 for long-term.

2.4 Standards, interpretations and amendments to accounting and reporting standards as applicable in Pakistan that are effective in the

As directed by SBP via BPRD Circular letter no. 7 of 2023, IFRS 9, Financial Instruments is effective for periods beginning on or after January 1, 2024. Except for the implementation of IFRS 9 in Pakistan (refer note 3.1), the Pakistan Operations expects that amendments to existing accounting and reporting standards are either considered not relevant or do not have any significant impact on its financial statements in the period of initial application.

2.5 Standards, interpretations of and amendments to approved accounting standards that are not yet effective in the current period

There are various amendments to accounting and reporting standards as applicable in Pakistan that are not yet effective. These are not likely to have a material effect on these financial statements.

3 MATERIAL ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the condensed interim financial statements are consistent with those applied in the preparation of the annual financial statements of the Pakistan Operations for the year ended 31 December 2024, except as disclosed in note 3. and 3.2.

3.1 Changes in reporting format

The SBP vide BPRD Circular No. 2 dated February 09, 2023 specified the new format for interim financial statements of banking companies. The new format has revised the disclosure requirements of the Pakistan Operations for the half year ended June 30, 2024 which has resulted in additional disclosures relating to IFRS 9 and reclassification of Right-of-use assets and Lease liabilities on the face of Statement of Financial Position out of Property and equipment and Other liabilities, respectively in these financial statements.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

Significant judgements made by the management in applying the accounting policies and the key sources of estimation uncertainty were the same as those applied in the annual financial statements of the Pakistan Operations for the year ended 31 December 2024.

5 FINANCIAL RISK MANAGEMENT

The Pakistan Operations continue to follow its current policies for managing credit, liquidity and market risks as disclosed in the annual financial statement for the period ended 31 December 2024.

6 CASH AND BALANCES WITH TREASURY BANKS

	Note	31 March 2025	31 December 2024
		----- (Rupees in '000) -----	
In hand			
Local currency		29,808	28,960
Foreign currency		17,613	17,432
		<u>47,421</u>	<u>46,392</u>
With State Bank of Pakistan in			
Local currency current account	6.1	2,408,458	3,788,613
Foreign currency current account	6.2	196,606	195,473
Foreign currency deposit account			
Special cash reserve account	6.3	350,981	344,963
Local US Dollar collection account	6.4	28,500	28,335
Foreign currency capital account		9,693,189	9,297,617
		<u>12,677,734</u>	<u>13,655,001</u>
With National Bank of Pakistan in			
Local currency current account		-	-
		<u>12,725,155</u>	<u>13,701,393</u>
Less: Credit loss allowance held against cash and balances with treasury banks	6.5	(370.00)	(2,957.76)
Cash and balances with treasury banks - net of credit loss allowance		<u>12,724,785</u>	<u>13,698,435</u>

6.1 This represents current account maintained with SBP that includes requirements of section 22 (Cash Reserve Requirement) of the Banking Companies Ordinance, 1962 at a sum not less than such percentage of its demand and time liabilities in Pakistan as may be prescribed by SBP.

6.2 This represents statutory cash reserve in the current account maintained with SBP under the requirements of SBP.

6.3 This represents statutory cash reserve maintained against foreign currency deposits mobilized under FE 25 Circular No. 20 of 2021 issued by the SBP. Profit rates on these deposits are fixed by SBP on a monthly basis and were 3.31% to 3.33% p.a during the period (31 December 2024: 3.53% to 4.35% p.a during 2024).

6.4 This represents US Dollar settlement account opened with the SBP in accordance with FE Circular No. 2 of 2004.

6.5 Balances with treasury banks are classified as Stage 2.

7 BALANCES WITH OTHER BANKS

	Note	31 March 2025	31 December 2024
		----- (Rupees in '000) -----	
In Pakistan			
Current account		1,000	1,000
Outside Pakistan			
Current account			
Interbranch	7.1	2,162,593	1,972,923
Others		-	3,875
		<u>2,162,593</u>	<u>1,976,798</u>
		<u>2,163,593</u>	<u>1,977,798</u>
Less: Credit loss allowance held against balances with other banks	7.2	0	(1)
Balances with other banks - net of credit loss allowance		<u>2,163,593</u>	<u>1,977,797</u>

7.1 This includes Rs. 1,993 million with Deutsche Bank New York, Rs. 154 million with Deutsche Bank Frankfurt and various others (31 December 2023: Rs. 1,770 million with Deutsche Bank New York, Rs. 200 million with Deutsche Bank Frankfurt, Rs. 164 million with Deutsche Bank Hong Kong and various others).

7.2 Balances with other banks besides Interbranch are classified as Stage 1

8 LENDINGS TO FINANCIAL INSTITUTIONS

	Note	31 March 2025	31 December 2024
		----- (Rupees in '000) -----	
Repurchase agreement lendings (Reverse Repo)	8.1	27,111,338	44,982,510

8.1 Reverse repo transaction has been made with State Bank of Pakistan and commercial bank at a rate of 11.00% and 11.95% p.a respectively (2024: 21.00%) maturing by 11 April, 2025. The market value of these securities at 31 March 2025 amounted to Rs. 27,853 million (2024: Rs. 23,186 million).

9 INVESTMENTS

	31 March 2025				31 December 2024			
	Cost / Amortised cost	Credit loss allowance	Surplus / (Deficit)	Carrying Value	Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value
9.1 Investments by type:	----- (Rupees in '000) -----							
FVOCI								
-Treasury bills	8,903,127	-	(5,541)	8,897,586	1,992,312	-	1,366	1,993,678
	8,903,127	-	(5,541)	8,897,586	1,992,312	-	1,366	1,993,678
AFS								
-Treasury bills	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Total Investments	8,903,127	-	(5,541)	8,897,586	1,992,312	-	1,366	1,993,678

10 ADVANCES

	Performing		Non Performing		Total	
	31 March 2025	31 December 2024	31 March 2025	31 December 2024	31 March 2025	31 December 2024
----- (Rupees in '000) -----						
Loans, cash credits, running finances, etc.	9,381,431	2,993,671	30,885	30,885	9,412,316	3,024,556
Bills discounted and purchased	-	-	65,626	65,626	65,626	65,626
Advances - gross	9,381,431	2,993,671	96,511	96,511	9,477,942	3,090,182
Credit loss allowance against advances						
-Stage 1	(466)	(606)	-	-	(466)	(606)
-Stage 2	-	-	-	-	-	-
-Stage 3	-	-	(96,511)	(96,511)	(96,511)	(96,511)
	(466)	(606)	(96,511)	(96,511)	(96,977)	(97,117)
Advances - net of credit loss allowance	9,380,965	2,993,065	-	-	9,380,965	2,993,065

	31 March 2025	31 December 2024
10.1 Particulars of advances (gross)	----- (Rupees in '000) -----	----- (Rupees in '000) -----
In local currency	9,412,316	3,024,556
In foreign currencies	65,626	65,626
	9,477,942	3,090,182

10.2 Advances include Rs.96,511 (December 31, 2023: Rs. 96,511) which have been placed under non-performing / Stage 3 status as detailed below:-

Category of Classification		31 March 2025		31 December 2024	
		Non performing loans	Credit loss allowance	Non performing loans	Credit loss allowance
----- Rupees in '000 -----					
Domestic					
Loss	Stage 3	96,511	96,511	96,511	96,511

10.3 Particulars of credit loss allowance against advances

	31 March 2025				31 December 2024		
	Stage 1	Stage 2	Stage 3	Total	General	Specific	Total
----- Rupees in '000 -----							
Opening balance	606	-	96,511	97,117	7,998	96,511	104,509
Impact of adoption of IFRS 9	-	-	-	-	(5,316)	-	(5,316)
Charge for the period / year	-	-	-	-	-	-	-
Reversals	(140)	-	-	(140)	(2,076)	-	(2,076)
Closing balance	466	-	96,511	96,977	606	96,511	97,117

10.4 Advances - Particulars of credit loss allowance

	31 March 2025		
	Stage 1	Stage 2	Stage 3
----- Rupees in '000 -----			
10.4.1 Opening balance	606	-	96,511
Impact of adoption of IFRS 9	-	-	-
New Advances	(140)	-	-
	466	-	96,511

10.4.2 Advances - Category of classification

		31 March 2025	
		Outstanding amount	Credit loss allowance Held
Performing	Stage 1	9,381,431	(466)
Underperforming	Stage 2	-	-
Non-Performing	Stage 3	-	-
Loss		96,511	(96,511)
		9,477,942	(96,977)

11	PROPERTY AND EQUIPMENT	Note	31 March	31 December
			2025	2024
			----- Rupees in '000 -----	
	Capital work-in-progress	11.1	11,110	6,228
	Property and equipment		576,777	610,040
			<u>587,887</u>	<u>616,268</u>
11.1	Capital work-in-progress			
	Advances to suppliers		<u>11,110</u>	<u>6,228</u>
12	RIGHT-OF-USE ASSETS			
	Buildings			
	At 01 January			
	Cost		494,434	494,434
	Accumulated Depreciation		(162,432)	(107,048)
	Net Carrying amount at 01 January		<u>332,002</u>	<u>387,386</u>
	Depreciation Charge for the period / year		(13,850)	(55,384)
	Net Carrying amount at the end of the period / year		<u>318,152</u>	<u>332,002</u>
13	DEFERRED TAX ASSETS			
	Deductible Temporary Differences on			
	- Deficit on revaluation of investments		2,883	(710)
	- Accelerated tax depreciation		(11,848)	66,296
	- Provision against advances, off balance sheet etc.		-	(440)
	- Workers' Welfare Fund		289,985	279,596
			<u>277,431</u>	<u>344,742</u>
	Taxable Temporary Differences on			
	- Post retirement employee benefits		(54,382)	(54,382)
			<u>(54,382)</u>	<u>(54,382)</u>
			<u>223,049</u>	<u>290,360</u>
14	OTHER ASSETS			
	Income / Mark-up accrued in local currency		156,179	186,046
	Income / Mark-up accrued in foreign currency		-	22,665
	Advances, deposits, advance service charges / rent and other prepayments		269,173	40,534
	Advance taxation (payments less provisions)		1,522,566	1,345,877
	Receivable from defined benefit plan		93,184	93,184
	Branch adjustment account		-	(1,950)
	Branch adjustment account		(268)	
	Marked to market gains on forward foreign exchange contracts		-	2
	Acceptances		1,390,813	494,463
	Others		147,932	142,036
			<u>3,579,579</u>	<u>2,322,857</u>
	Less: Credit loss allowance held against other assets	14.1	(4,674)	(4,674)
			<u>3,574,905</u>	<u>2,318,183</u>
14.1	Credit loss allowance held against other assets			
	Advances, deposits, advance rent & other prepayments		<u>4,674</u>	<u>4,674</u>
15	BILLS PAYABLE			
	In Pakistan		<u>1,149,348</u>	<u>806,811</u>

16 DEPOSITS AND OTHER ACCOUNTS

	31 March 2025			31 December 2024		
	In Local Currency	In Foreign currencies	Total	In Local Currency	In Foreign currencies	Total
	----- Rupees in '000 -----					
Customers						
Non-Remunerative						
Current deposits	14,741,939	2,752,251	17,494,190	19,202,426	2,616,410	21,818,836
Others	1,186,524	-	1,186,524	841,031	-	841,031
Remunerative						
Savings deposits	10,871,520	66	10,871,586	14,870,752	66	14,870,818
Term deposits	9,140,000	-	9,140,000	7,405,000	-	7,405,000
	35,939,983	2,752,317	38,692,300	42,319,209	2,616,476	44,935,685
Financial Institutions						
Non-remunerative deposits - inter branch	2,896	-	2,896	2,384	-	2,384
	<u>35,942,879</u>	<u>2,752,317</u>	<u>38,695,196</u>	<u>42,321,593</u>	<u>2,616,476</u>	<u>44,938,069</u>

17 LEASE LIABILITIES

	Note	31 March 2025	31 December 2024
Outstanding amount at the start of the year		448,092	468,322
Lease payments including interest		(22,244)	(80,889)
Interest expense		14,789	60,659
Outstanding amount at the end of the year		<u>440,637</u>	<u>448,092</u>

Liabilities Outstanding

Not later than one year	23,305	24,048
Later than one year and upto five years	217,971	201,416
Over five years	199,360	222,629
Total at the year end	<u>440,636</u>	<u>448,092</u>

18 OTHER LIABILITIES

	31 March 2025	31 December 2024
	----- Rupees in '000 -----	
Mark-up/ Return/ Interest payable in local currency	304,588	14,025
Mark-up/ Return/ Interest payable in foreign currency	-	-
Unearned commission and income on bills discounted	37,959	33,384
Accrued expenses	413,889	703,466
Acceptances	1,390,813	494,463
Dividends received for Custodial clients	608,564	24,417
Payable to Deutsche Bank Singapore	-	6,195
Unremitted head office expenses	5,843,042	6,222,039
Credit loss allowance against off-balance sheet obligations	793	4,120
Workers Welfare Fund	557,662	537,683
Others	65,416	251,311
	<u>9,222,726</u>	<u>8,291,103</u>

18.1 Credit loss allowance against off-balance sheet obligations

Opening balance	4,120	6,121
Impact of adoption of IFRS 9	-	(272)
Charge for the period / year	-	-
Reversals	(3,328)	(1,729)
	<u>(3,328)</u>	<u>(1,729)</u>
Closing balance	<u>793</u>	<u>4,120</u>

19 SURPLUS / (DEFICIT) ON REVALUATION OF ASSETS

Deficit on revaluation of:		
- FVOCI securities - debt	(5,541)	1,366
- Available for sale securities	-	-
Deferred tax on deficit on revaluation of:		
- FVOCI securities - debt	2,882	(710)
- Available for sale securities	-	-
	<u>(2,659)</u>	<u>656</u>

20 CONTINGENCIES AND COMMITMENTS

	31 March 2025	31 December 2024
	----- Rupees in '000 -----	
-Guarantees	20.1 13,592,867	13,643,792
-Commitments	20.2 23,311,294	31,724,185
	<u>36,904,161</u>	<u>45,367,977</u>

20.1 Guarantees

Financial guarantees	13,592,867	13,643,792
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20.2 Commitments

Documentary credits and short-term trade-related transactions		
- letters of credit	5,962,035	4,908,132
Commitments in respect of:		
- forward foreign exchange contracts	20.2.1 -	92,545
- forward lending	20.2.2 17,349,259	26,723,507
Commitments for acquisition of:		
- operating fixed assets	-	-
Forward sale of investments	-	-
	23,311,294	31,724,185

20.2.1 Commitments in respect of forward foreign exchange contracts

31 March 2025 31 December 2024
----- Rupees in '000 -----

Purchase	-	92,545
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The maturities of above contracts are spread over a period of six months.

20.2.2 Commitments in respect of forward lending

These represent commitments that are revocable because these can be withdrawn at the discretion of the bank.

20.3 Other contingent liabilities

The Pakistan Operations has Rs. 549 million as contingent tax liabilities (December 31, 2024: Rs. 549 million). The Commissioner Appeals (CIRA) passed appellate order dated April 12, 2023 filed against the Order-in-Original (ONO) for tax year 2017 dated February 28, 2023 passed under section 177 of the Income Tax Ordinance, 2001. The CIRA remanded back disallowances of head office expenses and depreciation, which had created a contingency of Rs. 357 million, to the officer for examination. Further, the CIRA deleted various other items in the same appellate order in favor of the bank reversing contingencies of Rs. 5 million. Other contingencies majorly include those for tax year 2012, 2013 and 2016. Primarily, these are disallowances made for unrealized exchange losses, mark up interest accrued and interest on loans to employees. The Pakistan Operations is vigorously contesting at different fora and confident that no additional liabilities would arise.

In January 2025, FBR has issued show cause notices to DB for tax year 2019 to 2023 to explain the tax treatment of FX adjustment in Head Office Capital account. DB has responded to these notices and clarified that the treatment of FX adjustment in line with the Seventh Schedule of the Income Tax Ordinance.

21 MARK-UP / RETURN / INTEREST EARNED

Three months period ended **Three months period ended**
31 March 2025 **31 March 2024**
----- Rupees in '000 -----

On:		
Loans and advances	164,809	289,279
Investments	76,986	273,005
Lendings to financial institutions	1,201,900	1,697,270
Balances with banks	17,244	26,207
Others	5,138	9
	1,466,077	2,285,770

21.1 Interest income recognised on:

Financial assets measured at amortised cost	1,389,091	2,012,765
Financial assets measured at FVOCI	76,986	273,005
	1,466,077	2,285,770

22 MARK-UP / RETURN / INTEREST EXPENSED

On:		
Deposits	453,287	649,225
Borrowings	1,202.00	1
Finance cost of lease liability	14,789	15,368
	469,278	664,594

23 FEE & COMMISSION INCOME

Commission on trade	82,368	87,802
Commission on guarantees	15,008	17,676
Commission on cash management	2,205	961
Commission on remittances including home remittances	86	81
Commission on custodial services	42,533	22,501
	142,200	129,021

		Three months period ended 31 March 2025	Three months period ended 31 March 2024
	Note	----- Rupees in '000 -----	
24 GAIN ON SECURITIES			
Realised loss	24.1	-	(24,729)
24.1 Realised loss on:			
Federal Government Securities		-	-
25 OTHER (LOSS) / INCOME			
(Loss) / gain on sale of fixed assets - net		45	(1,197)
Prior years refunds on utilities costs		-	-
Others		-	-
		45	(1,197)
26 OPERATING EXPENSES			
Total compensation expense		181,130	193,670
Property expense			
Rent & taxes		659	366
Insurance		2,997	5,203
Utilities cost		2,582	4,003
Security (including guards)		3,420	2,431
Repair & maintenance (including janitorial charges)		9,684	11,051
Depreciation		14,309	13,460
Depreciation on right-of-use assets		13,846	13,846
		47,497	50,360
Information technology expenses			
Software maintenance		863	1,196
Hardware maintenance		4,620	25,853
Depreciation		9,162	10,813
Network charges		13,201	7,345
		27,846	45,207
Other operating expenses			
Legal & professional charges		2,190	1,935
Outsourced services costs		26,069	21,024
Travelling & conveyance		2,584	1,076
NIFT clearing charges		89	216
Depreciation		10,385	11,484
Training & development		-	20
Postage & courier charges		590	953
Communication		710	1,298
Head office / regional office expenses		28,230	147,665
Stationery & printing		926	1,956
Marketing, advertisement & publicity		417	612
Auditors Remuneration		2,690	2,725
Others		3,473	4,039
		78,353	195,003
		334,826	484,240
27 OTHER CHARGES			
Others		-	-
		-	-
28 REVERSALS OF CREDIT LOSS ALLOWANCE			
Credit loss allowance against loans & advances		(140)	(2,378)
Credit loss allowance against off-balance sheet obligations		(3,328)	(2,378)
Credit loss allowance held against cash and balances with treasury banks		(2,588)	
Credit loss allowance held against balances with other banks		(1)	
Bad debts written off directly		-	-
Recovery of written off / charged off bad debts		-	-
		(6,056)	(4,756)
29 TAXATION			
Current		529,437	766,043
Deferred		70,902	72,932
		600,339	838,975

30 FAIR VALUE MEASUREMENTS

Fair value measurement defines fair value as the price that would be received from the sale of an asset or paid to transfer a liability in an orderly transaction between market participant at the measurement date. The fair value of 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.

30.1 Fair value of financial assets

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

- Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Fair value measurements using input for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

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

31 March 2025				
Fair Value				
Level 1	Level 2	Level 3	Total	
----- (Rupees in '000) -----				
On balance sheet financial instruments				
Financial assets measured at fair value				
Investments				
- Federal Government Securities	-	8,897,586	-	8,897,586
Off-balance sheet financial instruments measured at fair value				
Forward purchase of foreign exchange	-	-	-	-
Forward sale of foreign exchange	-	-	-	-
31 December 2024				
Fair Value				
Level 1	Level 2	Level 3	Total	
----- (Rupees in '000) -----				
On balance sheet financial instruments				
Financial assets measured at fair value				
Investments				
- Federal Government Securities	-	2,493,982	-	2,493,982
Off-balance sheet financial instruments measured at fair value				
Forward purchase of foreign exchange	-	147,257	-	147,257
Forward sale of foreign exchange		556,894		556,894

30.2 Valuation techniques used in determination of fair values:

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

Item	Valuation approach and input used
Forward foreign exchange contracts	The valuation has been determined by interpolating the FX revaluation rates announced by the State Bank of Pakistan.
Market Treasury Bills (MTB)	The fair value of MTBs are derived using PKRV rates.

31 SEGMENT INFORMATION

31.1 Segment Details with respect to Business Activities

DB Pakistan Operations operate under a transfer pricing framework that applies to all businesses and promotes pricing of :

- (i) assets in accordance with their underlying liquidity risk;
- (ii) liabilities in accordance with their funding maturity; and
- (iii) contingent liquidity exposures in accordance with the cost of providing for commensurate liquidity reserves to fund unexpected cash requirements.

Within this transfer pricing framework we allocate funding and liquidity risk costs and benefits to the business units and set financial incentives in line with the liquidity risk guidelines. Transfer prices are subject to liquidity (term) premiums depending on market conditions. Liquidity premiums are set by Treasury and picked up by a segregated liquidity account. The Treasury liquidity account is the aggregator of long- term liquidity costs. The management and cost allocation of the liquidity account is the key variable for transfer pricing funding costs within Deutsche Bank.

Corporate Bank

Corporate Bank provides commercial banking products and services for both corporates and financial institutions worldwide, including domestic and cross-border payments, cash management, international trade finance, depository, custody and related services.

Investment Bank

Global Emerging Markets provides Foreign Exchange services to clients in Pakistan on the back of cross-border payments, international trade, institutional flows and also engages in bond trading.

Infrastructure and Regional Management

It includes all the back office functions which are responsible for providing support services to the businesses. The Treasury business is also a part of Infrastructure and Regional Management.

	Three months period ended 31 March 2025			
	Corporate Bank	Investment Bank	Infrastructure & Regional Management	Total
	----- (Rupees in '000) -----			
Profit & Loss				
Net mark-up / return	(296,291)	(582)	1,293,672	996,799
Inter segment revenue - net	951,629	2,348	(953,977)	-
Non mark-up / return / interest income	178,990	146,863	(9,691)	316,162
Total Income	834,328	148,629	330,004	1,312,961
Segment direct expenses	(178,864)	(25,445)	(150,496)	(354,805)
Inter segment expense allocation	(147,120)	(15,046)	162,166	-
Total expenses	(325,984)	(40,491)	11,670	(354,805)
Reversals / (Provisions)	6,056	-	-	6,056
Profit before tax	508,344	108,138	341,674	964,212
	31 March 2025			
	Corporate Bank	Investment Bank	Infrastructure & Regional Management	Total
	----- (Rupees in '000) -----			
Balance Sheet				
Cash & Bank balances	-	-	14,888,378	14,888,378
Investments	-	-	-	-
Net inter segment lending	77,896,644	-	-	77,896,644
Lendings to financial institutions	-	-	27,111,338	27,111,338
Investments	-	-	8,897,586	8,897,586
Advances - performing	9,381,431	-	-	9,381,431
- non-performing	96,511	-	-	96,511
- provision against advances	(96,977)	-	-	(96,977)
Others	1,708,965	-	2,995,028	4,703,993
Total Assets	88,986,574	-	53,892,330	142,878,904
Borrowings	-	-	-	-
Deposits & other accounts	38,692,300	-	2,896	38,695,196
Net inter segment borrowing	-	-	77,896,644	77,896,644
Others	3,491,272	-	7,321,439	10,812,711
Total liabilities	42,183,572	-	85,220,979	127,404,551
Equity	-	-	15,474,354	15,474,354
Total Equity & liabilities	42,183,572	-	100,695,333	142,878,905
Contingencies & Commitments	36,904,161	-	-	36,904,161

Three months period ended 31 March 2024				
	Corporate Bank	Investment Bank	Infrastructure & Regional Management	Total
	----- (Rupees in '000) -----			
Profit & Loss				
Net mark-up / return	(355,309)	385	1,976,100	1,621,176
Inter segment revenue - net	1,661,525	(10,970)	(1,650,555)	-
Non mark-up / return / interest income	127,029	269,586	(15,020)	381,595
Total Income	1,433,245	259,001	310,525	2,002,771
Segment direct expenses	(203,776)	(25,950)	(284,980)	(514,706)
Inter segment expense allocation	(207,874)	(44,287)	252,161	-
Total expenses	(411,650)	(70,237)	(32,819)	(514,706)
Reversals / (Provisions)	4,756	-	-	4,756
Profit before tax	1,026,351	188,764	277,706	1,492,821
31 March 2024				
	Corporate Bank	Investment Bank	Infrastructure & Regional Management	Total
	----- (Rupees in '000) -----			
Balance Sheet				
Cash & Bank balances	-	-	15,676,233	15,676,233
Net inter segment lending	-	-	83,425,998	83,425,998
Lendings to financial institutions	-	-	44,982,510	44,982,510
Investments	-	-	1,993,678	1,993,678
Advances - performing	2,993,671	-	-	2,993,671
- non-performing	96,511	-	-	96,511
- provision against advances	(97,117)	-	-	(97,117)
Others	689,335	2	2,867,476	3,556,813
Total Assets	3,682,400	2	148,945,895	152,628,297
Borrowings	-	-	-	-
Deposits & other accounts	44,935,686	-	2,383	44,938,069
Net inter segment borrowing	83,425,994	4	-	83,425,998
Others	1,426,939	-	8,119,067	9,546,006
Total liabilities	129,788,619	4	8,121,450	137,910,073
Head office account (Equity)	-	-	14,718,224	14,718,224
Total Equity & liabilities	129,788,619	4	22,839,674	152,628,297
Contingencies & Commitments	45,275,431	92,545	-	45,367,977

32 RELATED PARTY TRANSACTIONS

Related parties comprise of Head office, other branches of the Bank and employees' retirement benefit funds. The transactions with related parties are conducted under normal course of business at arm's length prices. The Pakistan Operations also provide advances to employees at reduced rate in accordance with their terms of employment. The transactions and balances with related parties, other than those under the terms of employment and those disclosed elsewhere are summarized as follows:

	31 March 2025			31 December 2024		
	Head office and branches	Key management personnel	Other related parties	Head office and branches	Key management personnel	Other related parties
	(Rupees in '000)					
Balances with other banks						
In current accounts	2,156,552	-	-	1,972,886	-	-
Advances						
Opening balance	-	1,657	-	-	10,103	-
Addition during the period	-	-	-	-	-	-
Repaid during the period	-	(195)	-	-	(5,799)	-
Transfer in / (out) - net	-	-	-	-	(2,647)	-
Closing balance	-	1,462	-	-	1,657	-
Other Assets						
Receivable from staff retirement fund	-	-	93,184	-	-	93,184
Borrowings						
Opening balance	-	-	-	-	-	-
Borrowings during the period	-	-	-	-	-	-
Settled during the period	-	-	-	-	-	-
Closing balance	-	-	-	-	-	-
Deposits and other accounts						
Opening balance	2,384	12,824	118,926	496	8,027	9,966
Received during the period	2,079	27,623	721,606	2,908	87,557	1,120,218
Withdrawn during the period	(1,566.99)	(26,070)	(392,005)	(1,019)	(77,618)	(1,011,258)
Transfer in / (out) - net	-	-	-	-	(5,142)	-
Closing balance	2,896	14,377	448,527	2,384	12,824	118,926
Other Liabilities						
Other liabilities	5,843,042	-	-	6,247,340	-	-
Contingencies and Commitments						
Other contingencies	3,855,446	-	-	4,408,304	-	-

	Three months period ended			
	31 March 2025		31 March 2024	
	Head office and branches	Key management personnel	Head office and branches	Key management personnel
	(Rupees in '000)			
Income				
Mark-up / return / interest earned	13,259	10	21,473	33
Expense				
Mark-up / return / interest paid	-	-	-	-
Operating expenses	28,230	15,039	147,665	22,294

31 March	31 December
2025	2024
(Un-audited)	(Audited)
----- (Rupees in '000) -----	

33 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

Minimum Capital Requirement (MCR):

Paid-up capital (net of losses)	15,474,353	14,683,528
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Capital Adequacy Ratio (CAR):

Eligible Common Equity Tier 1 (CET 1) Capital	15,474,353	14,683,528
Eligible Additional Tier 1 (ADT 1) Capital	-	-
Total Eligible Tier 1 Capital	15,474,353	14,683,528
Eligible Tier 2 Capital	1,629	8,340
Total Eligible Capital (Tier 1 + Tier 2)	15,475,982	14,691,868

Risk Weighted Assets (RWAs):

Credit Risk	21,054,644	14,193,709
Market Risk	282,360	132,392
Operational Risk	11,727,729	11,727,729
Total	33,064,733	26,053,830

Common Equity Tier 1 Capital Adequacy Ratio	46.80%	56.36%
Tier 1 Capital Adequacy Ratio	46.80%	56.36%
Total Capital Adequacy Ratio	46.81%	56.39%

Leverage Ratio (LR):

Eligible Tier-1 Capital	15,474,353	14,683,528
Total Exposure	86,869,913	88,213,139
Leverage Ratio	17.81%	16.65%

Liquidity Coverage Ratio (LCR):

Total High Quality Liquid Assets	42,810,218	46,652,850
Total Net Cash Outflow	14,147,919	15,190,865
Liquidity Coverage Ratio	303%	307%

Net Stable Funding Ratio (NSFR):

Total Available Stable Funding	38,836,356	40,037,788
Total Required Stable Funding	17,231,648	12,941,480
Net Stable Funding Ratio	225%	309%

34 GENERAL

34.1 Figures have been rounded off to the nearest thousand rupees unless otherwise stated.

35 DATE OF AUTHORISATION

These condensed interim financial information were authorised for issue on 29 April, 2025.

Chief Country Officer
Pakistan

Chief Financial Officer
Pakistan