



[Subsidiary of Habib Bank AG Zurich]

HABIB METROPOLITAN BANK LTD.

[Subsidiary of Habib Bank AG Zurich]

Consolidated Accounts for the quarter
ended 31 March 2026
(Un-audited)

CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2026

	Note	31 March 2026 (Un-Audited)	31 December 2025 (Audited)
Rupees in '000			
ASSETS			
Cash and balances with treasury banks	7	89,497,915	89,075,960
Balances with other banks	8	2,547,622	13,571,386
Lendings to financial institutions	9	53,661,015	45,950,890
Investments	10	934,715,543	859,675,397
Advances	11	567,078,859	551,696,111
Property and equipment	12	17,719,465	17,644,748
Right-of-use assets	13	9,302,911	9,016,711
Intangible assets	14	618,800	692,789
Deferred tax assets	15	3,746,267	-
Other assets	16	113,348,472	104,358,100
Total Assets		1,792,236,869	1,691,682,092
LIABILITIES			
Bills payable	17	26,604,948	29,736,142
Borrowings	18	346,225,730	298,634,511
Deposits and other accounts	19	1,188,227,627	1,118,287,222
Lease liabilities	20	11,701,802	11,313,588
Subordinated debt		-	-
Deferred tax liabilities	15	-	4,677,042
Other liabilities	21	91,746,763	94,959,176
Total Liabilities		1,664,506,870	1,557,607,681
NET ASSETS		127,729,999	134,074,411
REPRESENTED BY			
Share capital		10,478,315	10,478,315
Reserves		40,073,763	39,583,458
Surplus on revaluation of assets - net of tax	22	9,560,793	16,541,636
Unappropriated profit		62,213,537	62,271,555
		122,326,408	128,874,964
Non-controlling interest		5,403,591	5,199,447
		127,729,999	134,074,411
CONTINGENCIES AND COMMITMENTS			
	23		

The annexed notes 1 to 41 form an integral part of these consolidated condensed interim financial statements.

FUZAIL ABBAS Chief Financial Officer	KHURRAM SHAHZAD KHAN President & Chief Executive Officer	RASHID AHMED JAFER Director	MOHOMED BASHIR Director	MOHAMEDALI R. HABIB Chairman
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CONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)

FOR THE QUARTER ENDED 31 MARCH 2026

	Note	31 March 2026	31 March 2025
Rupees in '000			
Mark-up / return / interest earned	25	40,123,576	42,780,468
Mark-up / return / interest expensed	26	(24,366,705)	(24,704,956)
Net mark-up / interest income		15,756,871	18,075,512
NON MARK-UP / INTEREST INCOME			
Fee and commission income	27	2,834,373	2,851,059
Dividend income		425,660	269,115
Foreign exchange income		2,212,816	2,019,127
Income / (loss) from derivatives		-	-
Gain on securities - net	28	468,928	250,722
Net gain / (loss) on derecognition of financial assets measured at amortised cost		-	-
Other income	29	10,614	60,945
Total non mark-up / interest income		5,952,391	5,450,968
Total Income		21,709,262	23,526,480
NON MARK-UP / INTEREST EXPENSES			
Operating expenses	30	11,155,077	9,300,457
Workers' welfare fund		218,278	267,468
Other charges	31	877	16,580
Total non-mark-up / interest expenses		(11,374,232)	(9,584,505)
Profit before credit loss allowance		10,335,030	13,941,975
Credit loss allowance and write offs - net	32	304,104	(678,331)
PROFIT BEFORE TAXATION		10,639,134	13,263,644
Taxation	33	(5,497,360)	(7,019,911)
PROFIT AFTER TAXATION		5,141,774	6,243,733
PROFIT ATTRIBUTABLE TO:			
Equity shareholders of the holding company		4,914,596	6,078,651
Non-controlling interest		227,178	165,082
		5,141,774	6,243,733
Rupees			
BASIC AND DILUTED EARNINGS PER SHARE	34	4.69	5.80

The annexed notes 1 to 41 form an integral part of these consolidated condensed interim financial statements.

FUZAIL ABBAS
Chief Financial Officer

KHURRAM SHAHZAD KHAN
President &
Chief Executive Officer

RASHID AHMED JAFER
Director

MOHOMED BASHIR
Director

MOHAMEDALI R. HABIB
Chairman

CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE QUARTER ENDED 31 MARCH 2026

	31 March 2026	31 March 2025
	Rupees in '000	
Profit after taxation	5,141,774	6,243,733
Other comprehensive income		
Items that may be reclassified to profit and loss account in subsequent periods:		
Effect of translation of net investment in an offshore branch - net of tax	1,364	308
Movement in deficit on revaluation of debt securities measured at FVOCI - net of tax	(5,591,220)	(1,411,706)
	(5,589,856)	(1,411,398)
Items that will not be reclassified to profit and loss account in subsequent periods		
Remeasurement gain / (loss) on defined benefit obligations - net of tax	170,954	(139,543)
Movement in (deficit) / surplus on revaluation of equity securities measured at FVOCI - net of tax	(1,317,175)	31,055
Movement in surplus on revaluation of property and equipment - net of tax	-	25,924
Movement in surplus / (deficit) on revaluation of non-banking assets - net of tax	-	-
	(1,146,221)	(82,564)
Total comprehensive income	(1,594,303)	4,749,771
Equity shareholders of the holding company	(1,798,447)	4,582,810
Non-controlling interest	204,144	166,961
	(1,594,303)	4,749,771

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FUZAIL ABBAS
Chief Financial Officer

KHURRAM SHAHZAD KHAN
President &
Chief Executive Officer

RASHID AHMED JAFER
Director

MOHOMED BASHIR
Director

MOHAMEDALI R. HABIB
Chairman

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

FOR THE QUARTER ENDED 31 MARCH 2026

	Reserves						Surplus / (deficit) on revaluation		Un- appropriated profit	Sub total	Non- controlling interest	Total	
	Share capital	Exchange translation reserve	Share premium	Statutory reserve	Merger reserve	Special reserve	Revenue reserve	Investments					Property, equipment/ Non-banking assets
	Rupees in '000												
Balance as at 31 December 2024 (Audited)	10,478,315	11,360	2,550,985	32,423,813	31,002	340,361	1,500,000	7,498,341	6,872,955	54,342,480	116,049,612	4,843,038	120,892,650
Impact of adoption of IFRS - 9 as at 1 January 2025 - net of tax	-	-	-	-	-	-	-	31,462	-	-	31,462	-	31,462
Balance as at 1 January 2025 (Audited)	10,478,315	11,360	2,550,985	32,423,813	31,002	340,361	1,500,000	7,529,803	6,872,955	54,342,480	116,081,074	4,843,038	120,924,112
Profit after taxation for the period	-	-	-	-	-	-	-	-	-	6,078,651	6,078,651	165,082	6,243,733
Other comprehensive income - net of tax	-	-	-	-	-	-	-	-	-	-	-	-	-
Effect of translation of net investment in an offshore branch - net of tax	-	308	-	-	-	-	-	-	-	-	308	-	308
Movement in deficit on revaluation of debt securities measured at FVOCI - net of tax	-	-	-	-	-	-	-	(1,411,706)	-	-	(1,411,706)	-	(1,411,706)
Remeasurement loss on defined benefit obligations - net of tax	-	-	-	-	-	-	-	-	-	(137,040)	(137,040)	(2,503)	(139,543)
Movement in surplus on revaluation of equity securities measured at FVOCI - net of tax	-	-	-	-	-	-	-	26,673	-	-	26,673	4,382	31,055
Movement in surplus on revaluation of property & equipment- net of tax	-	-	-	-	-	-	-	-	25,924	-	25,924	-	25,924
Total comprehensive income	-	308	-	-	-	-	-	(1,385,033)	25,924	(137,040)	(1,495,841)	1,879	(1,493,962)
Gain on sale of equity investments - FVOCI	-	-	-	-	-	-	-	(205,917)	-	205,917	-	-	-
Transfer to statutory reserve	-	-	-	605,352	-	-	-	-	-	-	(605,352)	-	-
Transfer from surplus on revaluation of assets to unappropriated profit - net of tax	-	-	-	-	-	-	-	-	(37,691)	37,691	-	-	-
Transactions with owners, recorded directly in equity													
Final cash dividend (Rs. 4.50 per share) for the year ended 31 December 2024	-	-	-	-	-	-	-	-	-	(4,715,242)	(4,715,242)	-	(4,715,242)
Balance as at 31 March 2025 (Un-Audited)	10,478,315	11,668	2,550,985	33,029,165	31,002	340,361	1,500,000	5,938,853	6,861,188	55,207,105	115,948,642	5,009,999	120,958,641

	Reserves						Surplus / (deficit) on revaluation		Un-appropriated profit	Sub total	Non-controlling interest	Total	
	Share capital	Exchange translation reserve	Share premium	Statutory reserve	Merger reserve	Special reserve	Revenue reserve	Investments					Property, equipment/ Non-banking assets
	Rupees in '000												
Profit after taxation for the period	-	-	-	-	-	-	-	-	16,584,764	16,584,764	330,537	16,915,301	
Other comprehensive income - net of tax	-	-	-	-	-	-	-	-	-	-	-	-	
Effect of translation of net investment in an offshore branch - net of tax	-	(1,837)	-	-	-	-	-	-	-	(1,837)	-	(1,837)	
Movement in surplus on revaluation of debt securities measured at FVOCI - net of tax	-	-	-	-	-	-	1,390,422	-	-	1,390,422	-	1,390,422	
Remeasurement gain / (loss) on defined benefit obligations - net of tax	-	-	-	-	-	-	-	-	103,304	103,304	(3,950)	99,354	
Movement in surplus on revaluation of equity securities measured at FVOCI - net of tax	-	-	-	-	-	-	2,283,478	-	-	2,283,478	12,920	2,296,398	
Movement in surplus / (deficit) on revaluation of property & equipment - net of tax	-	-	-	-	-	-	-	-	-	-	-	-	
Movement in surplus on revaluation of non-banking asset - net of tax	-	-	-	-	-	-	-	477,760	-	477,760	-	477,760	
Total comprehensive income	-	(1,837)	-	-	-	-	3,681,900	477,760	103,304	4,261,127	8,970	4,270,097	
Gain on sale of equity investments - FVOCI	-	-	-	-	-	-	(302,900)	-	302,900	-	-	-	
Transfer to statutory reserve	-	-	-	2,153,116	-	-	-	-	(2,153,116)	-	-	-	
Transfer from surplus on revaluation of assets to unappropriated profit - net of tax	-	-	-	-	-	-	-	(115,165)	115,165	-	-	-	
Transactions with owners, recorded directly in equity													
Interim cash dividend (Rs. 2.50 per share) for the quarter ended 31 March 2025	-	-	-	-	-	-	-	-	(2,619,579)	(2,619,579)	-	(2,619,579)	
Interim cash dividend (Rs. 2.50 per share) for the quarter ended 30 June 2025	-	-	-	-	-	-	-	-	(2,619,579)	(2,619,579)	-	(2,619,579)	
Interim cash dividend (Rs. 2.50 per share) for the quarter ended 30 September 2025	-	-	-	-	-	-	-	-	(2,619,579)	(2,619,579)	-	(2,619,579)	
Profit distribution by First Habib Modaraba (Rs. 2.25 per certificate) for the period ended 30 June 2025	-	-	-	-	-	-	-	-	-	-	(210,891)	(210,891)	
Disposal of shares	-	-	-	-	(31,002)	-	-	-	(29,830)	(60,832)	60,832	-	
Balance as at 31 December 2025 (Audited)	10,478,315	9,831	2,550,985	35,182,281	-	340,361	1,500,000	9,317,853	7,223,783	62,271,555	128,874,964	5,199,447	134,074,411
Impact of adoption of IFRS 9 as at 1 January 2026 (note 3.1)	-	-	-	-	-	-	-	-	-	(34,868)	(34,868)	-	(34,868)
Balance as at 1 January 2026 - as restated	10,478,315	9,831	2,550,985	35,182,281	-	340,361	1,500,000	9,317,853	7,223,783	62,236,687	128,840,096	5,199,447	134,039,543

	Reserves						Surplus / (deficit) on revaluation			Sub total	Non-controlling interest	Total	
	Share capital	Exchange translation reserve	Share premium	Statutory reserve	Merger reserve	Special reserve	Revenue reserve	Investments	Property, equipment/ Non-banking assets				Un-appropriated profit
	Rupees in '000												
Profit after taxation for the period	-	-	-	-	-	-	-	-	-	4,914,596	4,914,596	227,178	5,141,774
Other comprehensive income - net of tax													
Effect of translation of net investment in an offshore branch - net of tax	-	1,364	-	-	-	-	-	-	-	-	1,364	-	1,364
Movement in deficit on revaluation of debt securities measured at FVOCI - net of tax	-	-	-	-	-	-	-	(5,591,220)	-	-	(5,591,220)	-	(5,591,220)
Remeasurement gain / (loss) on defined benefit obligations - net of tax	-	-	-	-	-	-	-	-	-	181,740	181,740	(10,786)	170,954
Movement in deficit on revaluation of equity securities measured at FVOCI - net of tax	-	-	-	-	-	-	-	(1,304,926)	-	-	(1,304,926)	(12,248)	(1,317,174)
Movement in surplus / (deficit) on revaluation of property & equipment - net of tax	-	-	-	-	-	-	-	-	-	-	-	-	-
Movement in surplus / (deficit) on revaluation of non-banking asset - net of tax	-	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income	-	1,364	-	-	-	-	-	(6,896,146)	-	181,740	(6,713,042)	(23,034)	(6,736,076)
Gain on sale of equity investments - FVOCI	-	-	-	-	-	-	-	(47,005)	-	47,005	-	-	-
Transfer to statutory reserve	-	-	-	488,941	-	-	-	-	-	(488,941)	-	-	-
Transfer from surplus on revaluation of assets to unappropriated profit - net of tax	-	-	-	-	-	-	-	-	(37,692)	37,692	-	-	-
Transactions with owners, recorded directly in equity													
Final cash dividend (Rs. 4.50 per share) for the year ended 31 December 2025	-	-	-	-	-	-	-	-	-	(4,715,242)	(4,715,242)	-	(4,715,242)
Balance as at 31 March 2026 (Un-Audited)	10,478,315	11,195	2,550,985	35,671,222	-	340,361	1,500,000	2,374,702	7,186,091	62,213,537	122,326,408	5,403,591	127,729,999

The annexed notes 1 to 41 form an integral part of these consolidated condensed interim financial statements.

FUZAIL ABBAS
Chief Financial Officer

KHURRAM SHAHZAD KHAN
President &
Chief Executive Officer

RASHID AHMED JAFER
Director

MOHOMED BASHIR
Director

MOHAMEDALI R. HABIB
Chairman

CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

FOR THE QUARTER ENDED 31 MARCH 2026

	Note	31 March 2026	31 March 2025
		Rupees in '000	
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before taxation		10,639,134	13,263,644
Less: Dividend income		(425,660)	(269,115)
		10,213,474	12,994,529
Adjustments			
Net mark-up / interest income (excluding mark-up on lease liability against right-of-use assets)		(16,104,796)	(18,387,356)
Depreciation on property and equipment	30	763,076	671,442
Depreciation on right-of-use assets	30	984	-
Depreciation on non-banking assets	30	431,116	384,978
Amortisation	30	97,515	69,501
Mark-up on lease liability against right-of-use assets	26	347,925	311,844
Credit loss allowance (excluding write offs or recoveries)	32	(295,149)	779,706
Gain on sale of property and equipment - net		(7,876)	(21,297)
Loss on termination of right-of-use-assets - net		135	-
Unrealized loss on FVTPL securities	28	669,688	30,647
Provision against workers' welfare fund		218,278	267,468
Provision against compensated absences		56,360	23,819
Provision against defined benefit plan		98,507	92,437
		(13,724,237)	(15,776,811)
		(3,510,763)	(2,782,282)
(Increase) / decrease in operating assets			
Lendings to financial institutions		(7,709,734)	1,408,613
Securities classified as FVTPL		(42,360,816)	(2,746,845)
Advances		(12,814,425)	(129,536,677)
Other assets (excluding dividend, non-banking assets and advance taxation)		(1,318,233)	1,901,112
		(64,203,208)	(128,973,797)
Increase / (decrease) in operating liabilities			
Bills payable		(3,131,194)	(6,823,365)
Borrowings from financial institutions		48,304,376	4,351,040
Deposits and other accounts		69,940,405	84,360,162
Other liabilities (excluding current taxation)		(6,912,605)	4,205,837
		108,200,982	86,093,674
		40,487,011	(45,662,405)
		(6,144)	(10,019)
Payment against compensated absences		(6,144)	(10,019)
Contribution to the defined benefit plan		(127,488)	(125,000)
Mark-up / Interest received		34,072,511	32,881,880
Mark-up / Interest paid		(25,331,092)	(26,335,695)
Income tax paid		(5,292,547)	(11,068,519)
		43,802,251	(50,319,758)
Net cash flow generated from / (used in) operating activities		43,802,251	(50,319,758)
CASH FLOWS FROM INVESTING ACTIVITIES			
Net investments in amortized cost securities		(2,086,293)	(657,153)
Net Investments in securities classified as FVOCI		(45,680,932)	56,393,881
Dividend received		425,660	269,115
Investments in property and equipment		(838,058)	(611,405)
Investments in intangible assets		(23,526)	-
Proceeds from sale of property and equipment		8,283	32,097
Effect of translation of net investment in an offshore branch		(165)	308
		(48,195,031)	55,426,843
Net cash flow (used in) / generated from investing activities		(48,195,031)	55,426,843
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		(4,818,871)	(4,799,838)
Payment of lease liability against right-of-use assets		(677,878)	(600,024)
		(5,496,749)	(5,399,862)
Net cash flow used in financing activities		(5,496,749)	(5,399,862)
Decrease in cash and cash equivalents			
Cash and cash equivalents at the beginning of the period		(9,889,529)	(292,777)
		94,336,543	86,852,153
Cash and cash equivalents at the end of the period		84,447,014	86,559,376

The annexed notes 1 to 41 form an integral part of these consolidated condensed interim financial statements.

FUZAIL ABBAS	KHURRAM SHAHZAD KHAN	RASHID AHMED JAFER	MOHOMED BASHIR	MOHAMEDALI R. HABIB
Chief Financial Officer	President & Chief Executive Officer	Director	Director	Chairman

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE QUARTER ENDED 31 MARCH 2026

1. STATUS AND NATURE OF BUSINESS

The Group comprises of Habib Metropolitan Bank Limited (the holding company), Habib Metropolitan Financial Services Limited, Habib Metropolitan Modaraba Management Company (Private) Limited and HABIBMETRO Exchange Services Limited (wholly owned subsidiary companies) and First Habib Modaraba (managed by Habib Metropolitan Modaraba Management Company (Private) Limited).

1.1 Holding Company

Habib Metropolitan Bank Limited (the Bank) was incorporated in Pakistan on 3 August 1992, as a public limited company, under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and is engaged in commercial banking and related services. Its shares are listed on the Pakistan Stock Exchange. The Bank operates 563 (31 December 2025: 562) branches, including 244 (31 December 2025: 243) Islamic banking branches, an offshore branch (Karachi Export Processing Zone branch) and 1 (31 December 2025:1) sub branch in Pakistan. The Bank is a subsidiary of Habib Bank AG Zurich - Switzerland (the holding company with 51% shares in the Bank) which is incorporated in Switzerland.

1.2 Subsidiary Companies

1.2.1 Habib Metropolitan Financial Services Limited - 100% holding

Habib Metropolitan Financial Services Limited was incorporated in Pakistan on 28 September 2007 as a public limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The registered office of the subsidiary company is located at 1st Floor, GPC 2, Block 5, Kehkashan Clifton, Karachi. The subsidiary company is a corporate member of the Pakistan Stock Exchange Limited and engaged in equity brokerage services.

1.2.2 Habib Metropolitan Modaraba Management Company (Private) Limited - 100% holding

Habib Metropolitan Modaraba Management Company (Private) Limited (Modaraba management company) was incorporated in Pakistan on 01 June 2015 as a private limited under the Companies Ordinance, 1984 (now Companies Act, 2017) and Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980. The registered office of the subsidiary company is located at 6th Floor, HBZ Plaza, I.I. Chundrigar Road, Karachi. The Company is the Modaraba Management Company of First Habib Modaraba.

1.2.3 HABIBMETRO Exchange Services Limited - 100% holding

HABIBMETRO Exchange Services Limited, a wholly owned subsidiary of Habib Metropolitan Bank Limited, is incorporated in Pakistan with the objective of dealing in foreign exchange and facilitating remittances. The Company has its registered office at Ground Floor Al Manzoor Building, I.I. Chundrigar Road, Karachi.

1.2.4 First Habib Modaraba - 14.43% holding

First Habib Modaraba (FHM) is a perpetual, multi-purpose modaraba having its registered office at 6th Floor, HBZ Plaza, I.I. Chundrigar Road, Karachi. It is listed on the Pakistan Stock Exchange and engaged in the business of leasing (Ijarah), Musharaka, Murabaha financing and other related business.

2. BASIS OF PRESENTATION

2.1 These consolidated condensed interim financial statements represent financial statements of the Group. The unconsolidated financial statements of the Bank and its subsidiary companies are being separately issued.

2.2 Statement of Compliance

These consolidated 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 for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34 "Interim Financial Reporting" issued by the IFRS 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 (ICAP), 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 the State Bank of Pakistan (SBP) and the Securities and Exchange Commission of Pakistan (SECP) from time to time.

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 the IFRS or IFAS, 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 through BSD Circular Letter No. 10 dated August 26, 2002 till further instructions. Further, the SECP has deferred the applicability of International Financial Reporting Standard (IFRS) 7, 'Financial Instruments: Disclosures' on banks through its notification S.R.O 411(I)/2008 dated April 28, 2008. The SBP through BPRD Circular No. 04 of 2015 dated February 25, 2015 has deferred the applicability of Islamic Financial Accounting Standard for Profit and Loss Sharing on Deposits (IFAS-3) issued by the ICAP and notified by the SECP, vide their SRO No. 571 of 2013 dated June 12, 2013 for Institutions offering Islamic Financial Services (IFS). Accordingly, the requirements of these standards have not been considered in the preparation of these consolidated condensed interim financial statements.

The SBP through BPRD Circular No. 1 of 2025 dated January 22, 2025 has allowed Islamic banking institutions to follow Islamic Financial Accounting Standards (IFAS) 1 & 2 where applicable and continue existing accounting practices for other Islamic products until further instructions.

The disclosures and presentation made in these consolidated condensed interim financial statements are based on a format prescribed by the SBP vide BPRD Circular Letter No. 2 dated February 09, 2023 and IAS 34, Interim Financial Reporting. They do not include all the disclosures required for annual financial statements, and these consolidated condensed interim financial statements should be read in conjunction with the audited consolidated financial statements of the Group for the year ended 31 December 2025.

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

There are certain new and amended standards, interpretations and amendments that are mandatory for the Group's accounting periods beginning on or after January 1, 2026 but are considered not to be relevant or do not have any material effect on the Group's operations and therefore not detailed in these consolidated condensed interim financial statements.

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

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Group's accounting periods beginning on or after January 1, 2026 but are considered not to be relevant or do not have any material effect on the Group's operations.

Following standards, amendments and interpretations with respect to the accounting and reporting standards would be effective from the dates mentioned below against the respective standards, amendments or interpretations:

Standards, interpretations of and amendments to:	Effective date (annual periods beginning on or after)
Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 & IFRS 7	1 January 2026
IFRS S1 - General Requirements for Disclosure of Sustainability - related Financial Information	1 January 2026
IFRS S2 - Climate - related Disclosures	1 January 2026
Amendments to IFRS 10 and IAS 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2026
Presentation and Disclosure in Financial Statements - IFRS 18	1 January 2027
Amendments to IAS 21 - Hyperinflationary presentation currency	1 January 2026

The above amendments are not expected to have any material impact on the consolidated condensed interim financial statements of the Group.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in preparation of these consolidated condensed interim financial statements are consistent with those as applied in the preparation of consolidated annual financial statements of the Group for the year ended December 31, 2025 except for requirements of IFRS 9 relating to recognition of markup / return earned and markup / return expensed under effective interest rate as explained in note 3.1.

3.1 Change in accounting policy

IFRS 9 'Financial Instruments' – Markup / return earned and Markup / return expensed

The Group adopted IFRS 9 – Financial Instruments effective January 1, 2024, except for certain relaxations and extensions granted by the State Bank of Pakistan (SBP) from time to time. The effects of these relaxations and extensions were incorporated in the Group's audited financial statements for the years ended December 31, 2024 and 2025, using the modified retrospective approach, as permitted under IFRS 9.

Further, vide SBP instruction BPRD/RPD/822456/25 dated January 22, 2025, the Group was allowed an extension for the application of the Effective Interest Rate (EIR) method up to December 31, 2025. Accordingly, during the current period, the Group has applied the EIR method to the relevant financial instruments outstanding as at January 1, 2026. The cumulative impact arising from the application of EIR amounting to Rs. 34,868 thousand, net of tax, has been recognized as an adjustment to opening equity, with corresponding adjustments to deferred markup income under other liabilities and deferred tax assets.

4. BASIS OF MEASUREMENT

These consolidated condensed interim financial statements have been prepared under the historical cost convention except for certain property and equipment and non banking assets acquired in satisfaction of claims which are stated at revalued amounts; certain investments and derivative contracts which have been marked to market and are carried at fair value, obligation in respect of staff retirement benefits and lease liability which have been carried at present value and right of use of assets which are initially measured at an amount equal to corresponding lease liabilities (adjusted for any lease payment and costs) and depreciated over respective lease term.

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The basis for accounting estimates adopted in the preparation of these consolidated condensed interim financial statements are the same as that applied in the preparation of the consolidated audited financial statements for the year ended 31 December 2025.

6. FINANCIAL RISK MANAGEMENT

The financial risk management policies adopted by the Group are consistent with those disclosed in the consolidated audited financial statements for the year ended 31 December 2025.

	Note	31 March 2026 (Un-Audited)	31 December 2025 (Audited)
Rupees in '000			
7. CASH AND BALANCES WITH TREASURY BANKS			
In hand			
Local currency		17,946,679	13,170,491
Foreign currencies		1,347,472	1,569,548
		<u>19,294,151</u>	<u>14,740,039</u>
With State Bank of Pakistan in			
Local currency current accounts		41,585,084	45,337,177
Foreign currencies current accounts		3,861,477	3,192,545
Foreign currencies deposit accounts			
- cash reserve account		7,429,545	8,015,602
- deposit account - special cash reserve		13,867,960	14,633,400
		<u>66,744,066</u>	<u>71,178,724</u>
With National Bank of Pakistan in			
Local currency current accounts		3,534,143	3,218,028
Local currency deposit accounts		52,761	67,225
		<u>3,586,904</u>	<u>3,285,253</u>
National Prize Bonds		6,120	7,410
Less: Credit loss allowance held against cash and balances with treasury banks		(133,326)	(135,466)
Cash and balances with treasury banks - net of credit loss allowance		<u>89,497,915</u>	<u>89,075,960</u>
8. BALANCES WITH OTHER BANKS			
In Pakistan			
In current accounts		79,631	69,485
In deposit accounts		552,073	4,326
		<u>631,704</u>	<u>73,811</u>
Outside Pakistan			
In current accounts		1,917,459	13,497,853
In deposit accounts		-	-
Less: Credit loss allowance held against balances with other banks		(1,541)	(278)
Balances with other banks - net of credit loss allowance		<u>2,547,622</u>	<u>13,571,386</u>
9. LENDINGS TO FINANCIAL INSTITUTIONS			
Call / clean money lendings	9.3	13,957,665	2,801,231
Repurchase agreement lendings (reverse repo)		29,603,400	10,000,000
Musharaka placements		10,100,000	33,150,000
Less: Credit loss allowance held against lendings to financial institutions		(50)	(341)
Lendings to financial institutions - net of credit loss allowance		<u>53,661,015</u>	<u>45,950,890</u>
9.1 Particulars of lendings - Gross			
In foreign currency - unsecured		13,957,665	2,801,231
In local currency - secured		39,703,400	43,150,000
		<u>53,661,065</u>	<u>45,951,231</u>

		31 March 2026 (Un-Audited)		31 December 2025 (Audited)	
		Lendings	Credit loss allowance held	Lendings	Credit loss allowance held
		Rupees in '000			
9.2	Lendings to FIs - Particulars of credit loss allowance				
	Domestic				
	Performing Stage 1	39,703,400	28	43,150,000	341
	Under performing Stage 2	-	-	-	-
	Non-performing Stage 3				
	Substandard	-	-	-	-
	Doubtful	-	-	-	-
	Loss	-	-	-	-
	Total Domestic	39,703,400	28	43,150,000	341
	Overseas				
	Performing Stage 1	13,957,665	22	2,801,231	-
	Under performing Stage 2	-	-	-	-
	Non-performing Stage 3				
	Substandard	-	-	-	-
	Doubtful	-	-	-	-
	Loss	-	-	-	-
	Total Overseas	13,957,665	22	2,801,231	-
	Total	53,661,065	50	45,951,231	341

9.3 These foreign currency lendings carry mark-up rate ranging from 3.77% to 3.85% (31 December 2025: 5.60% to 5.65%) per annum and are due to mature latest by 01 April 2026 (31 December 2025: 16 February 2026).

10. INVESTMENTS

10.1 Investments by type

		31 March 2026 (Un-Audited)				31 December 2025 (Audited)			
		Cost / amortised cost	Credit loss allowance	Surplus / (deficit)	Carrying value	Cost / amortised cost	Credit loss allowance	Surplus / (deficit)	Carrying value
		Rupees in '000							
	FTPL								
	Federal Government securities	74,608,036	-	(159,196)	74,448,840	32,219,761	-	105,026	32,324,787
	Non-Government debt securities	1,997,165	-	(3,917)	1,993,248	1,997,423	-	(5,346)	1,992,077
	Mutual funds	-	-	-	-	-	-	-	-
	Real estate investment trust units	1,743,285	-	1,584,755	3,328,040	1,770,486	-	1,984,463	3,754,949
		78,348,486	-	1,421,642	79,770,128	35,987,670	-	2,084,143	38,071,813
	FVOCI								
	Federal Government securities	709,070,660	-	198,657	709,269,317	663,529,790	-	11,846,864	675,376,654
	Shares	7,253,982	-	4,719,366	11,973,348	6,851,251	-	7,555,324	14,406,575
	Mutual funds	427,457	-	(35,441)	392,016	592,199	-	3,771	595,970
	Non-Government debt securities	3,494,446	(414,644)	-	3,079,802	3,494,446	(414,700)	-	3,079,746
		720,246,545	(414,644)	4,882,582	724,714,483	674,467,686	(414,700)	19,405,959	693,458,945
	Amortised Cost								
	Federal Government securities	130,230,932	-	-	130,230,932	128,144,639	-	-	128,144,639
	Total investments	928,825,963	(414,644)	6,304,224	934,715,543	838,599,995	(414,700)	21,490,102	859,675,397

31 March 2026	31 December 2025
(Un-Audited)	(Audited)
———— Rupees in '000 ————	

10.1.1 Investments given as collateral against repo borrowings

The market value of investments given as collateral against borrowings is as follows:

Federal Government securities

Market treasury bills	3,022,859	2,912,934
Pakistan investment bonds	<u>233,294,907</u>	<u>181,798,076</u>
	<u>236,317,766</u>	<u>184,711,010</u>

10.2 Credit loss allowance for diminution in value of investments

Opening balance	414,700	426,154
Charge for the period / year	-	-
Reversal for the period / year	(56)	(11,454)
Net reversal for the period / year	(56)	(11,454)
Reversal on disposal	-	-
Investment written off	-	-
Closing balance	<u>414,644</u>	<u>414,700</u>

10.3 Particulars of credit loss allowance against debt securities

Category of classification	31 March 2026 (Un-Audited)		31 December 2025 (Audited)	
	Outstanding amount	Credit loss allowance held	Outstanding amount	Credit loss allowance held
	———— Rupees in '000 ————			
Performing Stage 1	3,080,000	198	3,080,000	254
Underperforming Stage 2	-	-	-	-
Non-performing Stage 3				
Substandard	-	-	-	-
Doubtful	-	-	-	-
Loss	<u>414,446</u>	<u>414,446</u>	<u>414,447</u>	<u>414,446</u>
	414,446	414,446	414,447	414,446
Total	<u>3,494,446</u>	<u>414,644</u>	<u>3,494,446</u>	<u>414,700</u>

10.4 The market value of federal Government securities classified at amortised cost is Rs. 132,176,583 thousand (31 December 2025: 131,607,541 thousand).

11. ADVANCES

	Performing / Under Performing		Non Performing		Total	
	31 March 2026 (Un-Audited)	31 December 2025 (Audited)	31 March 2026 (Un-Audited)	31 December 2025 (Audited)	31 March 2026 (Un-Audited)	31 December 2025 (Audited)
	Rupees in '000					
Loans, cash credits, running finances, etc.	331,314,043	315,897,047	18,936,694	19,020,911	350,250,737	334,917,958
Islamic financing and related assets	187,956,290	183,018,601	3,623,808	3,294,627	191,580,098	186,313,228
Bills discounted and purchased	51,676,489	57,182,825	3,250,485	5,529,373	54,926,974	62,712,198
Advances - gross	570,946,822	556,098,473	25,810,987	27,844,911	596,757,809	583,943,384
Credit loss allowance against advances						
Stage 1	(444,301)	(246,757)	-	-	(444,301)	(246,757)
Stage 2	(3,883,913)	(4,572,812)	-	-	(3,883,913)	(4,572,812)
Stage 3	-	-	(25,350,736)	(27,427,704)	(25,350,736)	(27,427,704)
	(4,328,214)	(4,819,569)	(25,350,736)	(27,427,704)	(29,678,950)	(32,247,273)
Advances - net of credit loss allowance	566,618,608	551,278,904	460,251	417,207	567,078,859	551,696,111

11.1 Particulars of advances - gross

	31 March 2026 (Un-Audited)	31 December 2025 (Audited)
	Rupees in '000	
In local currency	503,988,036	487,403,266
In foreign currencies	92,769,773	96,540,118
	596,757,809	583,943,384

11.2 Advances include Rs. 25,810,987 thousand (31 December 2025: Rs. 27,844,911 thousand) which have been placed under non-performing / Stage 3 status as detailed below:

	31 March 2026 (Un-Audited)		31 December 2025 (Audited)	
	Non-performing loans	Credit loss allowance	Non-performing loans	Credit loss allowance
	Rupees in '000			
Other asset especially mentioned	267,702	118,332	302,729	150,945
Substandard	135,367	47,599	103,417	49,634
Doubtful	430,467	136,165	119,741	63,824
Loss	24,977,451	25,048,640	27,319,024	27,163,301
	25,810,987	25,350,736	27,844,911	27,427,704

11.3 Particulars of credit loss allowance against advances

	31 March 2026 (Un-Audited)			31 December 2025 (Audited)		
	Stage 3	Stage 1 & 2	Total	Stage 3	Stage 1 & 2	Total
	Rupees in '000					
Opening balance	27,427,704	4,819,569	32,247,273	24,408,347	6,066,242	30,474,589
Charge for the period / year	909,341	1,150,813	2,060,154	5,260,164	2,852,305	8,112,469
Reversals for the period / year	(2,986,309)	(1,642,168)	(4,628,477)	(2,240,807)	(4,098,978)	(6,339,785)
Net charge / (reversal) for the period / year	(2,076,968)	(491,355)	(2,568,323)	3,019,357	(1,246,673)	1,772,684
Amount written off	-	-	-	-	-	-
Closing balance	25,350,736	4,328,214	29,678,950	27,427,704	4,819,569	32,247,273

11.4 Consideration of forced sales value (FSV) for the purposes of provisioning against non-performing loans

During the current period, the Group decided to not to avail the benefit of Forced Sales Value (FSV) against non-performing loans, as available under BSD Circular No. 1 of 21 October 2011 issued by the SBP.

11.5 Advances - Particulars of credit loss allowance

	31 March 2026 (Un-Audited)			31 December 2025 (Audited)		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
	Rupees in '000					
11.5.1 Opening balance	246,757	4,572,812	27,427,704	1,450,792	4,615,450	24,408,347
New advances	357,501	404,237	498,379	118,116	2,669,648	1,070,496
Advances derecognised or repaid	(49,442)	(1,429,047)	(2,823,013)	(575,998)	(2,533,499)	(2,240,807)
Transfer to stage 1	16,798	(16,798)	-	1,661	(1,661)	-
Transfer to stage 2	(4,677)	4,677	-	(71,579)	71,579	-
Transfer to stage 3	(2,741)	(52,363)	55,104	(591,081)	(427,738)	1,018,819
	317,439	(1,089,294)	(2,269,530)	(1,118,881)	(221,671)	(151,492)
Amounts written off / charged off	-	-	-	-	-	-
Changes in risk parameters	(119,895)	400,395	192,562	(85,154)	179,033	3,170,849
Closing balance	444,301	3,883,913	25,350,736	246,757	4,572,812	27,427,704

	31 March 2026 (Un-Audited)		31 December 2025 (Audited)	
	Outstanding amount	Credit loss allowance held	Outstanding amount	Credit loss allowance held
	Rupees in '000			

11.5.2 Advances - Category of classification

Domestic

Performing	Stage 1	450,228,441	444,301	441,222,571	246,757
Underperforming	Stage 2	120,718,381	3,883,913	114,875,902	4,572,812
Non-Performing	Stage 3				
Other assets especially mentioned		267,702	118,332	302,729	150,945
Substandard		135,367	47,599	103,417	49,634
Doubtful		430,467	136,165	119,741	63,824
Loss		24,977,451	25,048,640	27,319,024	27,163,301
		25,810,987	25,350,736	27,844,911	27,427,704
Total		596,757,809	29,678,950	583,943,384	32,247,273

	Note	31 March 2026 (Un-Audited)	31 December 2025 (Audited)
Rupees in '000			
12. PROPERTY AND EQUIPMENT			
Capital work-in-progress	12.1	904,299	917,133
Property and equipment		16,815,166	16,727,615
		17,719,465	17,644,748
12.1 Capital work-in-progress			
Civil works	12.1.1	584,992	448,002
Advance to suppliers		319,307	469,131
		904,299	917,133

12.1.1 This represents advance against renovation being carried out at various locations.

	31 March 2026 (Un-Audited)	31 March 2025
Rupees in '000		

12.2 Additions to property and equipment

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

Capital work-in-progress transfer to property and equipment - net

(12,834)

(47,683)

Property and equipment

Freehold land	176,000	-
Freehold building	34,000	-
Furniture and fixture	22,328	52,877
Electrical, office and computer equipment	603,881	517,546
Vehicles	320	4,714
Lease hold improvements	14,446	77,802
	850,975	652,939
Total	838,141	611,256

12.3 Disposal of property and equipment

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

Furniture and fixture	117	242
Electrical, office and computer equipment	290	446
Vehicles	-	10,112
Total	407	10,800

	31 March 2026 (Un-Audited)	31 December 2025 (Audited)
	Rupees in '000	
13. RIGHT-OF-USE ASSETS		
Cost	16,415,525	15,058,181
Accumulated depreciation	(7,398,814)	(6,403,736)
Net carrying amount at January 1	9,016,711	8,654,445
Additions during the period / year	718,167	2,029,416
Modification during the period / year	-	12,200
Termination / maturities during the period / year - Cost	(137,601)	(684,272)
Termination / maturities during the period / year - Accumulated Depreciation	136,750	649,502
Depreciation charge for the period / year	(431,116)	(1,644,580)
Closing carrying amount as at the end of the period / year	9,302,911	9,016,711
14. INTANGIBLE ASSETS		
Capital work-in-progress - Computer Software	58,747	141,554
Computer Software	518,453	509,635
Management rights	41,600	41,600
	618,800	692,789
	Computer software	
	31 March 2026 (Un-Audited)	31 March 2025 (Audited)
	Rupees in '000	
14.1 Additions to intangible assets		
Capital work-in-progress - transfer to intangible assets - net	(82,807)	-
Computer Software	106,333	-
	23,526	-
	31 March 2026 (Un-Audited)	31 December 2025 (Audited)
	Rupees in '000	
15. DEFERRED TAX ASSETS / (LIABILITIES)		
Deductible temporary differences on		
- Credit loss allowance for diminution in value of investments	215,635	215,683
- Credit loss allowance against advances	3,508,972	4,369,667
- Credit loss allowance against off-balance sheet obligations	1,566,614	227,026
- Credit loss allowance - Others	306,368	465,816
- Right-of-use assets and related lease liabilities	663,927	667,839
- Deferred mark-up income	34,877	-
- Accelerated tax depreciation	710,061	565,026
- Deferred liability on defined benefit plan	10,148	41,731
- Surplus on revaluation of investments	(2,503,399)	(10,035,935)
- Others	374,705	(11,422)
	4,887,908	(3,494,569)
Taxable temporary differences on		
- Surplus on revaluation of property and equipment	(1,141,641)	(1,182,473)
	3,746,267	(4,677,042)

	Note	31 March 2026 (Un-Audited)	31 December 2025 (Audited)
Rupees in '000			
16. OTHER ASSETS			
Income / mark-up / profit accrued in local currency - net		34,780,191	28,698,774
Income / mark-up / profit accrued in foreign currencies - net		236,388	266,740
Advances, deposits, advance rent and other prepayments		1,249,921	984,014
Advance taxation (payments less provision)		5,162,922	6,165,447
Non-banking assets acquired in satisfaction of claim		3,902,454	3,903,436
Mark-to-market gain on forward foreign exchange contracts		3,270,808	3,025,313
Mark-to-market gain on forward purchase of federal Government security transactions		-	122,190
Acceptances		44,603,669	42,280,823
Receivable against rebate and remittances		5,170,626	4,386,735
Receivable from the SBP against encashment of Government securities		8,316	10,317
Stationery and stamps on hand		429,213	393,740
Receivable from 1Link		5,101,959	4,846,526
Prepaid employment benefit		5,989,115	6,525,898
Others		1,473,526	1,089,474
		111,388,064	102,699,427
Credit loss allowance / provision held against other assets	16.1	(612,463)	(914,198)
Other Assets (Net of credit loss allowance / provision)		110,775,601	101,785,229
Surplus on revaluation of non-banking assets acquired in satisfaction of claims		2,572,871	2,572,871
Other assets - Total		113,348,472	104,358,100
16.1 Credit loss allowance / provision held against other assets			
Claims receivable against fraud and forgeries		574,684	563,043
Acceptances		37,779	351,155
		612,463	914,198
16.1.1 Movement in credit loss allowance / provision held against other assets			
Opening balance		914,198	416,280
Charge for the period / year		-	333,659
Reversal for the period / year		(301,735)	-
Net (reversal) / charge for the period / year		(301,735)	333,659
Transfer in		-	164,259
Closing balance		612,463	914,198

	31 March 2026 (Un-Audited)	31 December 2025 (Audited)
	Rupees in '000	
17. BILLS PAYABLE		
In Pakistan	26,494,153	29,634,183
Outside Pakistan	110,795	101,959
	<u>26,604,948</u>	<u>29,736,142</u>
18. BORROWINGS		
Secured		
Borrowings from the State Bank of Pakistan under:		
Export refinance scheme	35,031,193	42,610,243
Long term financing facility - renewable energy scheme	1,622,968	1,702,102
Long term financing facility	10,955,853	11,814,747
Temporary economic refinance facility	15,526,002	16,290,260
Long term financing facility - for storage of agricultural produce scheme	480,633	516,269
Refinance facility for modernization of SME	202,482	219,118
Refinance facility for combating COVID-19	2,590	2,590
Refinance and credit guarantee scheme for women entrepreneurs	47,923	50,398
	<u>63,869,644</u>	<u>73,205,727</u>
Repurchase agreement borrowings (Repo) - secured	234,791,904	182,762,717
Due against bills rediscounting - secured	-	2,066,279
Total secured	<u>298,661,548</u>	<u>258,034,723</u>
Unsecured		
Certificates of investment	20,832,886	18,705,639
Call borrowing	11,166,132	5,602,462
Musharaka borrowing	7,831,774	7,845,140
Overdrawn nostro accounts	7,733,390	8,446,547
Total Unsecured	<u>47,564,182</u>	<u>40,599,788</u>
Total Borrowings	<u>346,225,730</u>	<u>298,634,511</u>

19. DEPOSITS AND OTHER ACCOUNTS

	31 March 2026 (Un-Audited)			31 December 2025 (Audited)		
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
	Rupees in '000					
Customers						
Current deposits	354,114,723	65,842,628	419,957,351	341,881,250	68,736,399	410,617,649
Savings deposits	359,968,011	16,873,219	376,841,230	364,698,241	14,914,346	379,612,587
Term deposits	154,860,145	81,747,947	236,608,092	98,777,194	92,354,106	191,131,300
Others	33,297,053	4,250	33,301,303	31,094,342	7,461	31,101,803
	902,239,932	164,468,044	1,066,707,976	836,451,027	176,012,312	1,012,463,339
Financial institutions						
Current deposits	9,994,272	1,622,226	11,616,498	2,284,174	173,906	2,458,080
Savings deposits	109,774,835	-	109,774,835	103,077,540	-	103,077,540
Term deposits	105,797	22,521	128,318	265,666	22,597	288,263
Others	-	-	-	-	-	-
	119,874,904	1,644,747	121,519,651	105,627,380	196,503	105,823,883
	<u>1,022,114,836</u>	<u>166,112,791</u>	<u>1,188,227,627</u>	<u>942,078,407</u>	<u>176,208,815</u>	<u>1,118,287,222</u>

	31 March 2026	31 December 2025
	(Un-Audited)	(Audited)
	Rupees in '000	
20. LEASE LIABILITIES		
Opening balance	11,313,588	10,519,685
Addition during the period / year	718,167	2,029,464
Modification during the period / year	-	12,200
Deletion during the period / year	-	(42,144)
Lease payments including interest	(677,878)	(2,532,575)
Interest expense	347,925	1,326,958
Closing balance	<u>11,701,802</u>	<u>11,313,588</u>
20.1. Liabilities Outstanding		
Not later than one year	1,336,127	1,272,107
Later than one year and upto five years	6,178,262	5,948,511
Over five years	4,187,413	4,092,970
Total	<u>11,701,802</u>	<u>11,313,588</u>

Aggregate 12.33% (31 December 2025: 12.35%) is used as discounting factor for the calculation of lease liability.

	Note	31 March 2026	31 December 2025
		(Un-Audited)	(Audited)
		Rupees in '000	
21. OTHER LIABILITIES			
Mark-up / return / interest payable in local currency		12,326,274	12,995,280
Mark-up / return / interest payable in foreign currencies		839,672	1,482,978
Unearned commission and income on bills discounted		1,079,169	1,071,473
Accrued expenses		4,378,627	3,406,074
Acceptances		44,603,669	42,280,823
Unclaimed dividend		144,569	234,459
Dividend payable		-	13,739
Branch adjustment account		8,956	9,330
Mark-to-market loss on forward purchase of federal Government		10,204	-
Mark-to-market loss on forward foreign exchange contracts		3,416,029	4,428,601
Provision for compensated absences		463,694	413,478
Deferred liability on defined benefit plan		47,025	162,375
Credit loss allowance against off-balance sheet obligations	21.1	3,012,720	436,587
Workers' welfare fund	21.2	6,193,487	5,975,853
Charity fund		207	126
Excise duty payable		3,586	2,676
Locker deposits		1,222,430	1,205,428
Clearing and settlement account		7,522,310	14,832,413
Advance against diminishing musharaka		152,755	152,755
Advance rental for ijarah		23,430	20,354
Security deposits against leases / ijarah		75,125	75,860
Sundry creditors		4,632,977	4,187,524
Deferred grant income		84,900	99,269
Deferred mark-up income		65,293	-
Withholding tax / duties		1,250,361	1,199,912
Others		189,294	271,809
		<u>91,746,763</u>	<u>94,959,176</u>

	31 March 2026 (Un-Audited)	31 December 2025 (Audited)
Rupees in '000		
21.1 Credit loss allowance against off-balance sheet obligations		
Opening balance	436,587	353,883
Charge for the period / year	2,576,133	82,704
Reversal for the period / year	-	-
Net charge for the period / year	2,576,133	82,704
Closing balance	3,012,720	436,587

21.2 Under the Workers' Welfare Ordinance 1971, the Bank is liable to pay workers' welfare fund (WWF) @ 2% of accounting profit before tax or taxable income, whichever is higher. The Bank has made full provision for WWF based on profit for the respective years.

The Supreme Court of Pakistan vide its order dated 10 November 2016 has held that the amendments made in the law introduced by the Federal Government for the levy of WWF were not lawful. The Federal Board of Revenue has filed review petitions against this order which are currently pending.

Legal advice obtained on the matter indicates that consequent to filing of these review petitions the judgement may not currently be treated as conclusive. Accordingly the Bank maintains its provision in respect of WWF.

	Note	31 March 2026 (Un-Audited)	31 December 2025 (Audited)
Rupees in '000			
22. SURPLUS / (DEFICIT) ON REVALUATION OF ASSETS - NET OF TAX			
Surplus / (deficit) on revaluation of			
- Securities measured at FVOCI - Debt	10.1	198,657	11,846,864
- Securities measured at FVOCI - Equity	10.1	4,719,366	7,559,095
- Property and Equipment		5,754,863	5,833,385
- Non-banking assets acquired in satisfaction of claims		2,572,871	2,572,871
		13,245,757	27,812,215
Less: Deferred tax on surplus / (deficit) on revaluation of			
- Securities measured at FVOCI - Debt		103,348	6,160,335
- Securities measured at FVOCI - Equity		2,400,051	3,875,600
- Property and Equipment		1,141,641	1,182,472
- Non-banking assets acquired in satisfaction of claims		-	-
		(3,645,040)	(11,218,407)
		9,600,717	16,593,808
Less: Surplus pertaining to non-controlling interest		(39,924)	(52,172)
Surplus pertaining to equity holder's share		9,560,793	16,541,636

23. CONTINGENCIES AND COMMITMENTS

Guarantees	23.1	173,668,014	166,456,804
Commitments	23.2	889,176,615	844,219,120
Other contingent liabilities	23.3	2,880,338	2,880,338
		1,065,724,967	1,013,556,262

	Note	31 March 2026 (Un-Audited)	31 December 2025 (Audited)
Rupees in '000			
23.1 Guarantees			
Financial guarantees		46,448,036	35,104,991
Performance guarantees		41,776,809	45,403,766
Other guarantees		85,443,169	85,948,047
		<u>173,668,014</u>	<u>166,456,804</u>
23.2 Commitments			
Documentary credits and short-term trade-related transactions:			
Letters of credit		295,142,393	208,094,052
Commitments in respect of:			
Forward foreign exchange contracts	23.2.1	590,383,601	607,256,815
Forward purchase of federal Government security transactions	23.2.2	928,677	26,408,764
Forward lendings	23.2.3	1,605,976	1,904,976
Commitments in respect of:			
Acquisition of property and equipment		1,115,968	554,513
		<u>594,034,222</u>	<u>636,125,068</u>
		<u>889,176,615</u>	<u>844,219,120</u>
23.2.1 Commitments in respect of forward foreign exchange contracts			
Purchase		315,185,821	332,412,173
Sale		275,197,780	274,844,642
		<u>590,383,601</u>	<u>607,256,815</u>
23.2.2 Commitments in respect of forward purchase of federal Government security transactions			
Purchase		928,677	26,408,764
Sale		-	-
		<u>928,677</u>	<u>26,408,764</u>
23.2.3 Commitments in respect of forward lendings			
<p>The Group has made commitments to extend credit in the normal course of its business, but none of these commitments are irrevocable and do not attract any penalty if the facility is unilaterally withdrawn, except for:</p>			
		31 March 2026 (Un-Audited)	31 December 2025 (Audited)
Rupees in '000			
Commitments in respect of syndicate financing		74,976	74,976
Commitments in respect of other financing transactions		1,531,000	1,830,000
		<u>1,605,976</u>	<u>1,904,976</u>

	Note	31 March 2026 (Un-Audited)	31 December 2025 (Audited)
		Rupees in '000	

23.3 Other contingent liabilities

Claims against bank not acknowledged as debt	23.3.1	<u>2,880,338</u>	<u>2,880,338</u>
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23.3.1 These mainly represent counter claims by borrowers for damages. Based on legal advice and internal assessments, management is confident that the matters will be decided in the Group's favour and the possibility of any adverse outcome is remote. Accordingly, no provision has been made in these consolidated condensed interim financial statements.

24. DERIVATIVE FINANCIAL INSTRUMENTS

The Bank deals in derivative financial instruments namely forward foreign exchange contracts and foreign currency swaps with the principal view of hedging the risks arising from its trade business.

As per the Bank's policy, these contracts are reported on their fair value at the statement of financial position date. The gains and losses from revaluation of these contracts are included under "Foreign exchange income". Mark to market gains and losses on these contracts are recorded on the statement of financial position under "other assets / other liabilities".

These products are offered to the holding company's customers to protect from unfavorable movements in foreign currencies. The holding company hedges such exposures in the inter-bank foreign exchange market.

These positions are reviewed on a regular basis by the holding company's Asset and Liability Committee (ALCO).

24.1 Product Analysis

Counter Parties	Forward foreign exchange contracts			
	31 March 2026 (Un-Audited)		31 December 2025 (Audited)	
	Notional Principal	Mark to Market Gain / (Loss)	Notional Principal	Mark to Market Gain / (Loss)
	Rupees in '000			
Banks				
Hedging	459,042,848	1,278,575	448,643,639	412,051
Other Entities				
Hedging	131,340,753	(1,423,796)	158,613,176	(1,815,339)
Total				
Hedging	<u>590,383,601</u>	<u>(145,221)</u>	<u>607,256,815</u>	<u>(1,403,288)</u>

	Note	31 March 2026 (Un-Audited)	31 March 2025
		Rupees in '000	

25. MARK-UP / RETURN / INTEREST EARNED

Loans and advances		13,615,011	15,658,645
Investments	25.1	25,259,678	26,025,954
Lending with financial institutions		1,199,335	1,087,683
Balances with banks		49,552	8,186
		<u>40,123,576</u>	<u>42,780,468</u>

	Note	31 March 2026	31 March 2025
		(Un-Audited)	
		Rupees in '000	
25.1 Interest income (calculated using effective interest rate method) recognised on:			
Financial assets measured at amortised cost;		3,836,867	2,573,655
Financial assets measured at FVTPL; and		1,073,985	1,778,786
Financial assets measured at FVOCI		20,348,826	21,673,513
		<u>25,259,678</u>	<u>26,025,954</u>
26. MARK-UP / RETURN / INTEREST EXPENSED			
Deposits		14,839,131	13,729,346
Borrowings		7,833,052	9,919,881
Cost of foreign currency swaps against foreign currency deposits / borrowings		1,346,597	743,885
Lease liability against right-of-use assets		347,925	311,844
		<u>24,366,705</u>	<u>24,704,956</u>
27. FEE & COMMISSION INCOME			
Branch banking customer fees		379,660	361,477
Credit related fees		24,313	11,661
Card related fees		361,771	312,513
Commission on trade		1,578,530	1,681,274
Commission on guarantees		310,325	304,504
Commission on remittances including home remittances		1,930	33,797
Commission on bancassurance		40,339	43,531
Commission on cash management		54,559	48,355
Investment Banking Fee		37,300	14,973
Others		45,646	38,974
		<u>2,834,373</u>	<u>2,851,059</u>
28. GAIN / (LOSS) ON SECURITIES - NET			
Realised	28.1	1,138,616	281,369
Unrealised - Measured at FVTPL		(669,688)	(30,647)
		<u>468,928</u>	<u>250,722</u>
28.1 Realised gain on:			
Federal Government securities - net		1,136,272	183,394
Real estate investment trust - net		2,344	97,975
		<u>1,138,616</u>	<u>281,369</u>
28.2 Net gain / (loss) on financial assets / liabilities measured at FVTPL:			
Designated upon initial recognition		-	-
Mandatorily measured at FVTPL		(72,941)	260,407
		<u>(72,941)</u>	<u>260,407</u>
Net gain / (loss) on financial assets measured at FVOCI - Debt		541,869	(9,685)
		<u>468,928</u>	<u>250,722</u>

	31 March 2026	31 March 2025
	(Un-Audited)	
	Rupees in '000	
29. OTHER INCOME		
Rent on properties	1,187	9,012
Gain on sale of property and equipment - net	7,876	21,297
Gain on sale of ijarah assets - net	1,686	30,616
Loss on termination of right-of-use-assets - net	(135)	-
Staff notice period and other recoveries	-	20
	10,614	60,945
30. OPERATING EXPENSES		
Total compensation expense	4,501,648	3,891,770
Property expense		
Rent & taxes	84,768	15,848
Insurance	3,083	6,322
Utilities cost	324,194	325,546
Security	334,227	355,416
Repair & maintenance	256,931	323,808
Depreciation on property and equipment	277,708	270,112
Depreciation on right-of-use assets	431,116	384,978
Depreciation on non-banking assets	984	-
	1,713,011	1,682,030
Information technology expenses		
Software maintenance	296,996	384,573
Hardware maintenance	141,432	108,717
Depreciation	220,493	155,151
Amortisation	97,515	69,501
Network charges	153,280	123,489
	909,716	841,431
Other operating expenses		
Directors' fees and allowances	5,968	8,676
Fees and allowances to Shariah Board	10,241	11,090
Legal & professional charges	122,349	77,531
Outsourced services costs	125,508	132,260
Travelling & conveyance	362,605	206,688
NIFT clearing charges	45,939	38,481
Depreciation	264,875	246,179
Training & development	18,920	28,186
Postage & courier charges	48,431	48,359
Communication	199,567	238,319
Subscription	266,512	260,252
Entertainment	59,587	75,521
Repair & maintenance	120,422	74,346
Brokerage & commission	72,831	61,237
Stationery & printing	119,854	112,105
Marketing, advertisement & publicity	795,729	128,837
Management fee	618,825	416,998
Insurance	418,709	382,235
Donations	122,257	131,650
Auditors' Remuneration	20,930	18,628
Security	124,837	121,722
Others	85,806	65,926
	4,030,702	2,885,226
	11,155,077	9,300,457

	Note	31 March 2026 (Un-Audited)	31 March 2025
Rupees in '000			
31. OTHER CHARGES			
Penalties imposed by the SBP		877	16,580
32. CREDIT LOSS ALLOWANCE & WRITE OFFS - NET			
Credit loss allowance against cash and balances with banks		(877)	146,020
Credit loss allowance against lendings to financial institutions		(291)	724
Credit loss allowance for diminution in value of investments	10.2	(56)	(177)
Credit loss allowance against loans & advances	11.3	(2,568,323)	604,716
Credit loss allowance against other assets		(301,735)	75,490
Credit loss allowance against off-balance sheet obligations		2,576,133	(57,067)
Recovery of written off / charged off bad debts		(8,955)	(101,375)
		(304,104)	678,331
33. TAXATION			
Current		6,295,072	5,247,938
Deferred		(797,712)	1,771,973
		5,497,360	7,019,911
34. BASIC AND DILUTED EARNINGS PER SHARE			
Profit after taxation		4,914,596	6,078,651
Number in '000			
Weighted average number of ordinary shares		1,047,831	1,047,831
Rupees			
Basic and diluted earnings per share		4.69	5.80

35. FAIR VALUE MEASUREMENTS

The fair value of quoted securities other than investment those classified as amortised cost, is based on quoted market price. Quoted securities classified as amortised cost are carried at cost. The fair value of unquoted equity securities is determined on the basis of the break-up value of these investments as per their latest available audited financial statements.

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.

The fair value of the remaining financial assets and liabilities are not significantly different from their carrying values since they are either short-term in nature or, in the case of customer advances, deposits and certain long term borrowings are frequently repriced.

35.1 Fair value of financial assets

The Group 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 liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurements using input for the assets or liabilities 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:

On balance sheet financial instruments

	31 March 2026 (Un-Audited)			
	Fair value			
	Level 1	Level 2	Level 3	Total
	Rupees in '000			
Financial assets measured at fair value				
Investments				
Federal Government securities	65,282,500	718,435,657	-	783,718,157
Non Government debt securities	-	5,073,050	-	5,073,050
Shares - Listed companies	11,877,878	-	-	11,877,878
Shares - Unlisted companies	-	-	95,470	95,470
Mutual funds	392,016	-	-	392,016
Real estate investment trust	3,328,040	-	-	3,328,040

Financial assets - disclosed but not measured at fair value

Investments				
Federal Government securities	-	132,176,583	-	132,176,583
	<u>80,880,434</u>	<u>855,685,290</u>	<u>95,470</u>	<u>936,661,194</u>

Off-balance sheet financial instruments measured at fair value

Forward purchase of foreign exchange contracts	-	311,947,698	-	311,947,698
Forward sale of foreign exchange contracts	-	278,290,683	-	278,290,683
Forward purchase of federal Government security transactions	-	918,473	-	918,473

On balance sheet financial instruments

31 December 2025 (Audited)

Fair value			
Level 1	Level 2	Level 3	Total
Rupees in '000			

Financial assets measured at fair value

Investments

Federal Government securities	46,580,000	661,121,441	–	707,701,441
Non Government debt securities	–	5,071,823	–	5,071,823
Shares - Listed companies	14,311,105	–	–	14,311,105
Shares - Unlisted companies	–	–	95,470	95,470
Mutual funds	595,970	–	–	595,970
Real estate investment trust	3,754,949	–	–	3,754,949

Financial assets - disclosed but not measured at fair value

Investments

Federal Government securities		131,607,541	–	131,607,541
	<u>65,242,024</u>	<u>797,800,805</u>	<u>95,470</u>	<u>863,138,299</u>

Off-balance sheet financial instruments measured at fair value

Forward purchase of foreign exchange contracts	–	328,217,866	–	328,217,866
Forward sale of foreign exchange contracts	–	277,635,661	–	277,635,661
Forward purchase of federal Government security transactions	–	26,530,954	–	26,530,954

35.2 Fair value of non-financial assets

31 March 2026 (Un-Audited)

Fair value			
Level 1	Level 2	Level 3	Total
Rupees in '000			

Non-financial assets measured at fair value

– Property and equipment	–	10,667,670	–	10,667,670
– Non-banking assets acquired in satisfaction of claim	–	6,475,325	–	6,475,325
	<u>–</u>	<u>17,142,995</u>	<u>–</u>	<u>17,142,995</u>

31 December 2025 (Audited)

Fair value			
Level 1	Level 2	Level 3	Total
Rupees in '000			

Non-financial assets measured at fair value

- Property and equipment	-	9,864,231	-	9,864,231
- Non-banking assets acquired in satisfaction of claim	-	6,476,307	-	6,476,307
	-	16,340,538	-	16,340,538

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

Federal Government debt securities	The fair value of Government securities are valued using PKRV, PKFRV, PKISRV and PSX rates.
Debt securities other than federal Government securities	The fair value is determined using the prices / rates available on Mutual Funds. Association of Pakistan (MUFAPI) / Reuters website and PSX.
Unquoted equity securities	The fair value which is determined using replacement price determined by the investee company on which the shares can be surrendered.
Forward contracts	The fair values are derived using forward exchange rates applicable to their respective remaining maturities.
Mutual funds	The fair value is determined based on the net asset values published at the close of each business day.

Valuation techniques used in determination of fair values of non-financial assets within level 2

Property and equipment and non-banking assets acquired in satisfaction of claim	<p>Property and equipment and non-banking assets are valued by professionally qualified valuers. The valuation is based on their assessment of the market value of the assets. In determining the valuation for land and building the valuer refers to numerous independent market inquiries from local estate agents / realtors in the vicinity to establish the present market value. The fair valuation of land and building are considered to represent a level 2 valuation based on significant non-observable inputs being the location and condition of the assets.</p> <p>The fair value is subject to change owing to changes in input. However, management does not expect there to be a material sensitivity to the fair value arising from the non-observable inputs.</p>
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36. SEGMENT INFORMATION

36.1. SEGMENT DETAILS WITH RESPECT TO BUSINESS ACTIVITIES

	31 March 2026 (Un-Audited)				
	Trade & Sales	Retail Banking	Commercial Banking	Islamic Banking	Total
	Rupees in '000				
Profit and Loss					
Net mark-up/return/profit	14,118,729	(4,275,330)	1,819,592	4,093,880	15,756,871
Inter segment revenue - net	(10,438,908)	8,402,717	2,036,191	-	-
Non mark-up / return / interest income	1,310,676	860,361	3,335,873	445,481	5,952,391
Total Income	4,990,497	4,987,748	7,191,656	4,539,361	21,709,262
Segment direct expenses	(1,340,788)	(2,169,144)	(1,674,500)	(2,081,834)	(8,318,803)
Inter segment expense allocation	-	(1,248,226)	(1,807,203)	(1,052,537)	(3,055,429)
Total expenses	(1,340,788)	(3,417,370)	(3,481,703)	(3,134,371)	(11,374,232)
Credit loss allowance	92	(42,666)	759,067	(412,389)	304,104
Profit before tax	3,649,801	1,527,712	4,469,020	992,601	10,639,134
Balance Sheet					
Cash and bank balances	2,321,676	19,947,939	52,408,774	17,367,148	92,045,537
Investments - net	753,916,493	-	-	180,799,050	934,715,543
Net inter segment lending	-	383,158,166	129,321,895	-	512,480,061
Lendings to financial institutions	43,561,042	-	-	10,099,973	53,661,015
Advances - performing	-	3,862,905	417,510,783	149,573,134	570,946,822
Advances - non-performing	-	621,853	22,741,189	2,447,945	25,810,987
Credit loss allowance against advances	-	(662,930)	(25,111,253)	(3,904,767)	(29,678,950)
Others	24,588,912	7,368,834	94,195,025	18,583,144	144,735,915
Total assets	824,388,123	414,296,767	691,066,413	374,965,627	2,304,716,930
Borrowings	253,691,426	-	72,584,139	19,950,165	346,225,730
Deposits and other accounts	-	370,132,480	497,110,625	320,984,522	1,188,227,627
Net inter segment borrowing	512,480,061	-	-	-	512,480,061
Others	3,647,147	8,767,264	99,456,193	18,182,909	130,053,513
Total liabilities	769,818,634	378,899,744	669,150,957	359,117,596	2,176,986,931
Net Assets	54,569,489	35,397,023	21,915,456	15,848,031	127,729,999
Equity					127,729,999
Contingencies and commitments	590,383,601	-	411,988,862	63,352,504	1,065,724,967

31 March 2025 (Un-Audited)

	Trade & Sales	Retail Banking	Commercial Banking	Islamic Banking	Total
	Rupees in '000				
Profit and Loss					
Net mark-up/return/profit	14,967,661	(5,377,612)	3,671,013	4,814,450	18,075,512
Inter segment revenue - net	(12,515,559)	9,385,456	3,130,103	-	-
Non mark-up / return / interest income	2,355,247	345,594	2,239,314	510,813	5,450,968
Total Income	4,807,349	4,353,438	9,040,430	5,325,263	23,526,480
Segment direct expenses	(228,498)	-	-	(1,682,308)	(2,711,467)
Inter segment expense allocation	-	(2,149,485)	(4,723,553)	(800,661)	(6,873,038)
Total expenses	(228,498)	(2,149,485)	(4,723,553)	(2,482,969)	(9,584,505)
Credit loss allowance	(571)	(10,128)	(991,937)	324,305	(678,331)
Profit before tax	4,578,280	2,193,825	3,324,940	3,166,599	13,263,644

31 December 2025 (Audited)

	Trade & Sales	Retail Banking	Commercial Banking	Islamic Banking	Total
	Rupees in '000				
Balance Sheet					
Cash and bank balances	18,872,975	19,021,823	44,182,612	20,569,936	102,647,346
Investments - net	707,782,204	-	-	151,893,193	859,675,397
Net inter segment lending	-	361,185,084	120,582,648	-	481,767,732
Lendings to financial institutions	12,801,016	-	-	33,149,874	45,950,890
Advances - performing	-	11,594,844	398,270,868	146,232,761	556,098,473
Advances - non-performing	-	623,207	25,193,260	2,028,444	27,844,911
Credit loss allowance against advances	-	(606,497)	(28,148,533)	(3,492,243)	(32,247,273)
Others	17,051,797	7,254,819	86,935,581	20,470,151	131,712,348
Total assets	756,507,992	399,073,280	647,016,436	370,852,116	2,173,449,824
Borrowings	198,878,005	-	75,509,790	24,246,716	298,634,511
Deposits and other accounts	-	352,604,651	460,269,382	305,413,189	1,118,287,222
Net inter segment borrowing	481,767,732	-	-	-	481,767,732
Others	18,279,119	9,305,727	88,067,788	25,033,314	140,685,948
Total liabilities	698,924,856	361,910,378	623,846,960	354,693,219	2,039,375,413
Net Assets	57,583,136	37,162,902	23,169,476	16,158,897	134,074,411
Equity					134,074,411
Contingencies and commitments	633,665,579	-	340,441,533	39,449,150	1,013,556,262

37. TRANSACTIONS WITH RELATED PARTIES

The Group has related party relationships with its ultimate parent company, associates, companies with common directorship, key management personnel, directors and employees' retirement benefit plans.

The Group enters 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 in respect of charge for employees' retirement benefits are made in accordance with actuarial valuation and terms of contribution plan. Salaries and allowances of the key management personnel are in accordance with the terms of their employment. Other transactions are at agreed terms.

Details of transactions with related parties during the period are as follows:

	31 March 2026 (Un-Audited)					
	Ultimate parent company	Directors	Key management personnel	Directors	Retirement benefit plans	Total
	Rupees in '000					
Balances with other banks						
In current accounts	49,741	-	-	65,271	-	115,012
Advances						
Opening balance	-	-	321,011	9,513,516	-	9,834,527
Addition during the period	-	-	4,095	12,738,125	-	12,742,220
Repaid during the period	-	-	(22,995)	(15,302,446)	-	(15,325,441)
Closing balance	-	-	302,111	6,949,195	-	7,251,306
Other Assets						
Mark-up / return / interest receivable	-	-	-	13,653	-	13,653
Prepayments / advance deposits / other receivables	936	-	-	15,454	-	16,390
	936	-	-	29,107	-	30,043
Deposits and other accounts						
Opening balance	201,788	1,154,837	363,831	9,440,245	1,504,642	12,665,343
Received during the period	2,150,048	1,687,394	420,270	1,043,224,418	1,245,670	1,048,727,800
Withdrawn during the period	(2,112,703)	(1,487,954)	(354,702)	(1,027,510,823)	(1,038,074)	(1,032,504,256)
Closing balance	239,133	1,354,277	429,399	25,153,839	1,712,239	28,888,887
Other Liabilities						
Mark-up / return / interest payable	-	14,985	-	101,573	76,415	192,973
Management fee payable for technical and consultancy services *	275,280	-	-	-	-	275,280
Other payables	-	955	-	630	38,803	40,388
	275,280	15,940	-	102,203	115,218	508,641
Contingencies and commitments						
Transaction-related contingent liabilities	-	-	-	18,597,231	-	18,597,231
Trade-related contingent liabilities	-	-	-	16,184,194	-	16,184,194
	-	-	-	34,781,425	-	34,781,425

* Management fee is as per the agreement with the ultimate parent company.

31 December 2025 (Audited)

	Ultimate parent company	Directors	Key management personnel	Directors	Retirement benefit plans	Total
	— Rupees in '000 —					
Balances with other banks						
In current accounts	65,299	—	—	112,618	—	177,917
Advances						
Opening balance	—	—	331,041	6,504,983	—	6,836,024
Addition during the year	—	—	47,302	86,787,944	—	86,835,246
Repaid during the year	—	—	(57,332)	(83,779,411)	—	(83,836,743)
Closing balance	—	—	321,011	9,513,516	—	9,834,527
Other Assets						
Mark-up / return / interest receivable	—	—	—	41,867	—	41,867
Prepayments / advance deposits / other receivables	936	—	—	13,354	—	14,290
	936	—	—	55,221	—	56,157
Deposits and other accounts						
Opening balance	231,356	967,344	224,702	5,396,118	2,340,225	9,159,745
Received during the year	10,777,547	3,691,691	1,605,130	3,434,650,149	6,065,042	3,456,789,559
Withdrawn during the year	(10,807,115)	(3,504,198)	(1,466,001)	(3,430,606,021)	(6,900,625)	(3,453,283,960)
Closing balance	201,788	1,154,837	363,831	9,440,246	1,504,642	12,665,344
Other Liabilities						
Mark-up / return / interest payable	—	15,333	6,868	67,445	58,504	148,150
Management fee payable for technical and consultancy services *	—	—	—	—	—	—
Other payables	—	955	—	802	150,719	152,476
	—	16,288	6,868	68,247	209,223	300,626
Contingencies and commitments						
Transaction-related contingent liabilities	—	—	—	17,838,094	—	17,838,094
Trade-related contingent liabilities	—	—	—	6,410,580	—	6,410,580
	—	—	—	24,248,674	—	24,248,674

* Management fee is as per the agreement with the ultimate parent company.

Transactions during the period

	For the period ended 31 March 2026 (Un-Audited)					
	Ultimate parent company	Associates	Key management personnel	Directors	Retirement benefit plans	Total
	Rupees in '000					
Income						
Mark-up / return / interest earned	-	-	3,459	7,551	-	11,010
Fee and commission income	-	23	-	151,018	6	151,047
Rent income	1,404	-	-	2,585	-	3,989
Expense						
Mark-up / return / interest expensed	-	16,010	7,863	179,425	110,436	313,734
Commission / brokerage / bank charges paid	105	-	-	870	-	975
Salaries and allowances	-	-	357,749	-	-	357,749
Directors' fees and allowances	-	5,968	-	-	-	5,968
Charge to defined benefit plan	-	-	-	-	114,100	114,100
Contribution to defined contribution plan	-	-	-	-	126,948	126,948
Insurance premium expenses	-	-	-	10,814	-	10,814
Management fee expense for technical and consultancy services *	588,449	-	-	-	-	588,449

* Management fee is as per the agreement with the ultimate parent company.

Transactions during the period

	For the period ended 31 March 2025 (Un-Audited)					
	Ultimate parent company	Associates	Key management personnel	Directors	Retirement benefit plans	Total
	Rupees in '000					
Income						
Mark-up / return / interest earned	–	–	4,689	46,351	–	51,040
Fee and commission income	–	42	–	184,883	6	184,931
Rent income	1,404	–	–	2,585	–	3,989
Expenses						
Mark-up / return / interest expensed	–	18,295	7,190	117,309	294,081	436,875
Commission / brokerage / bank charges paid	310	–	–	897	–	1,207
Salaries and allowances	–	–	279,114	–	–	279,114
Directors' fees and allowances	–	8,676	–	–	–	8,676
Charge to defined benefit plan	–	–	–	–	92,559	92,559
Contribution to defined contribution plan	–	–	–	–	110,153	110,153
Insurance premium expenses	–	–	–	35,727	–	35,727
Management fee expense for technical and consultancy services *	409,005	–	–	–	–	409,005

* Management fee is as per the agreement with the ultimate parent company.

38. CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

	31 March 2026 (Un-Audited)	31 December 2025 (Audited)
	Rupees in '000	
Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	10,478,315	10,478,315
Capital Adequacy Ratio (CAR):		
Eligible common equity tier 1 (CET 1) Capital	112,342,196	111,758,017
Eligible additional tier 1 (ADT 1) Capital	62,884	60,446
Total eligible tier 1 capital	112,405,080	111,818,463
Eligible tier 2 capital	11,460,865	18,941,247
Total eligible capital (tier 1 + tier 2)	123,865,945	130,759,710
Risk Weighted Assets (RWAs):		
Credit risk	626,919,780	581,882,084
Market risk	38,289,176	37,920,028
Operational risk	169,363,827	169,363,827
Total	834,572,783	789,165,939
CET 1 capital adequacy ratio	13.46%	14.16%
Tier 1 capital adequacy ratio	13.47%	14.17%
Total capital adequacy ratio	14.84%	16.57%
Minimum capital requirements prescribed by SBP		
CET 1 capital adequacy ratio (in %)	6.00%	6.00%
Tier 1 capital adequacy ratio (in %)	7.50%	7.50%
Total capital adequacy ratio (in %)	11.50%	11.50%
The Group use simple, maturity method and basic indicator approach for credit risk, market risk and operational risk exposures respectively in the capital adequacy calculation.		
Leverage Ratio (LR):		
Eligible tier-1 capital	112,405,080	111,818,463
Total exposures	2,244,523,041	2,126,298,395
Leverage ratio (in %)	5.01%	5.26%

39. ISLAMIC BANKING BUSINESS

The Bank is operating 244 (31 December 2025: 243) Islamic banking branches and 311 (31 December 2025: 311) Islamic banking windows at the end of the period.

	Note	31 March 2026 (Un-Audited)	31 December 2025 (Audited)
Rupees in '000			
ASSETS			
Cash and balances with treasury banks		17,310,971	20,514,058
Balances with other banks		56,177	55,878
Due from financial institutions	39.1	10,099,973	33,149,874
Investments	39.2	180,799,050	151,893,193
Islamic financing and related assets - net	39.3	148,116,312	144,768,962
Property and equipment		887,963	859,544
Right-of-use assets		3,696,998	3,797,340
Intangible assets		-	-
Due from Head Office		2,371,799	6,274,499
Other assets		11,626,384	9,538,768
Total Assets		374,965,627	370,852,116
LIABILITIES			
Bills payable		6,545,500	7,862,011
Due to financial institutions		19,950,165	24,246,716
Deposits and other accounts	39.4	320,984,522	305,413,189
Due to Head Office		-	-
Lease liabilities		4,624,469	4,666,814
Subordinated debt		-	-
Deferred Tax Liabilities		395,227	989,235
Other liabilities		6,617,713	11,515,256
		359,117,596	354,693,221
NET ASSETS		15,848,031	16,158,895
REPRESENTED BY			
Islamic Banking Fund		15,006,979	11,007,003
Reserves		-	-
Surplus on revaluation of assets		364,825	913,140
Unappropriated profit	39.5	476,227	4,238,754
		15,848,031	16,158,897
CONTINGENCIES AND COMMITMENTS	39.6		

The profit and loss account of the Bank's Islamic banking branches for the period ended 31 March 2026 is as follows:

	Note	(Un-Audited)	
		31 March 2026	31 March 2025
Rupees in '000			
PROFIT AND LOSS ACCOUNT			
Profit / return earned	39.7	8,784,790	8,700,500
Profit / return expensed	39.8	(4,690,910)	(3,886,050)
Net Profit / return		4,093,880	4,814,450
Other income			
Fee and Commission Income		387,059	335,623
Dividend Income		-	-
Foreign Exchange Income		51,103	46,877
Income / (loss) from derivatives		-	-
Gain on securities - net		4,222	97,975
Other Income		3,097	30,338
Total other income		445,481	510,813
Total Income		4,539,361	5,325,263
Other expenses			
Operating expenses		3,114,094	2,482,964
Workers' welfare fund		19,852	-
Other charges		425	5
Total other expenses		3,134,371	2,482,969
Profit before credit loss allowance		1,404,990	2,842,294
Credit loss allowance and write offs - net		(412,389)	324,305
Profit before taxation		992,601	3,166,599
Taxation		(516,374)	(1,709,963)
Profit after taxation		476,227	1,456,636

39.1 Due from Financial Institutions

	31 March 2026 (Un-Audited)			31 December 2025 (Audited)		
	In Local Currency	In Foreign Currencies	Total	In Local Currency	In Foreign Currencies	Total
Rupees in '000						
Unsecured						
- Islamic Musharika placements	10,100,000	-	10,100,000	33,150,000	-	33,150,000
Less: Credit loss allowance						
Stage 1	(27)	-	(27)	(126)	-	(126)
Stage 2	-	-	-	-	-	-
Stage 3	-	-	-	-	-	-
	(27)	-	(27)	(126)	-	(126)
Due from financial institutions - net of credit loss allowance	10,099,973	-	10,099,973	33,149,874	-	33,149,874

39.2 Investments by segments

31 March 2026 (Un-Audited)

	Cost / amortised cost	Credit loss allowance	Surplus / (deficit)	Carrying value
Rupees in '000				
Debt Instruments				
Measured at amortised cost				
Federal Government securities				
– Ijarah Sukuk	2,987,338	–	–	2,987,338
– Bai muajjal	53,419,537	–	–	53,419,537
	56,406,875	–	–	56,406,875
Certificate of investment	3,500,000	(39)	–	3,499,961
	59,906,875	(39)	–	59,906,836
Measured at FVOCI				
Federal Government securities				
– Ijarah Sukuk	118,670,648	–	760,052	119,430,700
Non Government Debt Securities	340,000	(340,000)	–	–
	119,010,648	(340,000)	760,052	119,430,700
Instruments mandatory classified / measured at FVTPL	1,461,464	–	50	1,461,514
Total investments	180,378,987	(340,039)	760,102	180,799,050

31 December 2025 (Audited)

	Cost / amortised cost	Credit loss allowance	Surplus / (deficit)	Carrying value
Rupees in '000				
Debt Instruments				
Measured at amortised cost				
Federal Government securities				
– Bai Muajjal	51,937,179	–	–	51,937,179
– Ijarah Sukuk	2,984,563	–	–	2,984,563
	54,921,742	–	–	54,921,742
Certificate of investment	4,500,000	(75)	–	4,499,925
	59,421,742	(75)	–	59,421,667
Measured at FVOCI				
Federal Government securities				
– Ijarah Sukuk	89,374,624	–	1,902,375	91,276,999
Non Government Debt Securities	340,000	(340,000)	–	–
	89,714,624	(340,000)	1,902,375	91,276,999
Instruments mandatory classified / measured at FVTPL	1,198,698	–	(4,171)	1,194,527
Total investments	150,335,064	(340,075)	1,898,204	151,893,193

39.3 Islamic financing and related assets - net

	31 March 2026 (Un-Audited)			
	Financing	Advances	Inventory	Total
	Rupees in '000			
Ijarah	7,542,423	9,458	-	7,551,881
Ijarah – Islamic long term financing facility	3,030	-	-	3,030
Murabaha	2,792,126	12,283,021	-	15,075,147
Working capital musharaka	34,496,919	-	-	34,496,919
Diminishing musharaka	26,337,496	4,989,828	-	31,327,324
Istisna	2,725,940	5,173,616	2,083,837	9,983,393
Al-bai	3,716,309	-	6,945,560	10,661,869
Diminishing musharaka:				
Islamic long term financing facility	2,265,494	1,892,471	-	4,157,965
Islamic financing facility for storage of agricultural produce	264,161	-	-	264,161
Islamic temporary economic refinance facility	7,222,210	-	-	7,222,210
Islamic financing facility for renewable energy	354,468	-	-	354,468
Islamic export refinance:				
Working capital musharaka	23,725,069	-	-	23,725,069
Istisna	682,881	4,742,435	402,406	5,827,722
Al-bai	120,624	-	1,249,297	1,369,921
Gross Islamic financing and related assets	112,249,150	29,090,829	10,681,100	152,021,079
Less: Credit loss allowance against Islamic financings				
– Stage 1	(152,934)	(60,962)	(4,510)	(218,406)
– Stage 2	(817,218)	(267,028)	(160,854)	(1,245,100)
– Stage 3	(1,961,261)	(480,000)	-	(2,441,261)
	(2,931,413)	(807,990)	(165,364)	(3,904,767)
Islamic financing and related assets – net of credit loss allowance held	109,317,737	28,282,839	10,515,736	148,116,312

31 December 2025 (Audited)

	Financing	Advances	Inventory	Total
	Rupees in '000			
Ijarah	1,108,225	7,553,007	–	8,661,232
Ijarah – islamic long term financing facility	4,885	–	–	4,885
Murabaha	1,999,743	12,393,946	–	14,393,689
Working capital musharaka	33,803,189	–	–	33,803,189
Diminishing musharaka	23,005,880	9,158,861	–	32,164,741
Istisna	2,053,496	5,052,247	3,837,993	10,943,736
Al-bai	4,810,457	–	3,653,715	8,464,172
Diminishing musharaka:				
Islamic long term financing facility	2,420,220	1,227,100	–	3,647,320
Islamic financing facility for storage of agricultural produce	276,710	–	–	276,710
Islamic temporary economic refinance facility	7,577,657	–	–	7,577,657
Islamic financing facility for renewable energy	376,236	–	–	376,236
Islamic export refinance:				
Working capital musharaka	20,916,761	–	–	20,916,761
Istisna	980,928	3,507,686	1,169,132	5,657,746
Al-bai	90,604	–	1,282,527	1,373,131
Gross islamic financing and related assets	99,424,991	38,892,847	9,943,367	148,261,205
Less: Credit loss allowance against Islamic financings				
– Stage 1	(52,825)	(7,703)	(3,359)	(63,887)
– Stage 2	(931,571)	(145,337)	(332,667)	(1,409,575)
– Stage 3	(1,740,518)	(278,263)	–	(2,018,781)
	(2,724,914)	(431,303)	(336,026)	(3,492,243)
Islamic financing and related assets – net of credit loss allowance held	96,700,077	38,461,544	9,607,341	144,768,962

39.4 Deposits

	31 March 2026 (Un-Audited)			31 December 2025 (Audited)		
	Customers	Financial Institutions	Total	Customers	Financial Institutions	Total
	Rupees in '000					
Current deposits	119,138,630	479,881	119,618,511	114,292,214	463,673	114,755,887
Savings deposits	109,487,717	41,976,835	151,464,552	97,013,911	58,528,651	155,542,562
Term deposits	45,249,745	-	45,249,745	31,549,433	162,845	31,712,278
Others	4,651,714	-	4,651,714	3,402,462	-	3,402,462
	278,527,806	42,456,716	320,984,522	246,258,020	59,155,169	305,413,189

39.5 Unappropriated profit

	31 March 2026 (Un-Audited)	31 December 2025 (Audited)
Opening balance	4,238,754	2,874,296
Add: Islamic banking profit for the period / year	992,601	9,023,575
Less: Taxation	(516,374)	(4,784,821)
Less: Transferred to head office	(4,238,754)	(2,874,296)
Closing balance	476,227	4,238,754

39.6 Contingencies and commitments

	31 March 2026 (Un-Audited)	31 March 2025 (Audited)
Guarantees	23,173,322	18,572,365
Commitments	40,179,182	20,876,785
	63,352,504	39,449,150

39.7 Profit / return earned

	31 March 2026 (Un-Audited)	31 March 2025 (Audited)
Financing	3,770,070	4,276,610
Investments	4,632,693	4,414,064
Placements	382,027	9,826
	8,784,790	8,700,500

	31 March 2026	31 March 2025
	(Un-Audited)	
	———— Rupees in '000 ————	
39.8 Profit / return expensed		
Deposits and other accounts	4,103,835	2,687,463
Due to financial institutions	447,514	1,087,416
Lease liability against right-of-use assets	139,561	111,171
	<u>4,690,910</u>	<u>3,886,050</u>

40. GENERAL

- 40.1** The figures have been rounded off to nearest thousand rupees, unless otherwise stated.
- 40.2** Comparative information has been re-classified, re-arranged or additionally incorporated in these consolidated condensed interim financial statements wherever necessary to facilitate comparison and better presentation.

41. NON-ADJUSTING EVENT AFTER STATEMENT OF FINANCIAL POSITION / DATE OF AUTHORISATION FOR ISSUE

- 41.1** The Board of Directors in its meeting held on 23 April 2026 has approved an interim cash dividend of Rs. 2.50 per share (2025: interim cash dividend of Rs. 2.50 per share).
- 41.2** These consolidated condensed interim financial statements were authorised for issue on 23 April 2026 by the Board of Directors of the Bank.

FUZAIL ABBAS
Chief Financial Officer

KHURRAM SHAHZAD KHAN
President &
Chief Executive Officer

RASHID AHMED JAFER
Director

MOHOMED BASHIR
Director

MOHAMEDALI R. HABIB
Chairman

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