



**HUM
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**National
Bank**

CORPORATE INFORMATION

Board of Directors

Chairman	Mr. Naved Abid Khan
Directors	Mr. Farid Malik, CFA Mr. Amjad Mahmood Mr. Ali Syed Mr. Nasim Ahmad Mr. Muhammad Sohail Tabba Ms. Aaiza Khan Mr. Navaid Hasib Malik Mr. Rehmat Ali Hasnie
President & CEO	

Audit Committee

Chairman	Ms. Aaiza Khan Mr. Farid Malik, CFA Mr. Amjad Mahmood Mr. Muhammad Sohail Tabba
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Chief Financial Officer

Mr. Abdul Wahid Sethi

Company Secretary

Ms. Mehnaz Salar (Acting)

Auditors

Yousuf Adil
Chartered Accountants

BDO Ebrahim & Co
Chartered Accountants

Legal Advisors

Khalid Anwar & Co.
Advocates & Legal Advisors

Registered & Head Office

NBP Building
I.I. Chundrigar Road, Karachi, Pakistan.
Phone: 92-21-99220100 (30 lines),
92-21-99062000 (60 lines)
NBP Call Center: 111-627-627

Registrar & Share Registration Office

CDC Share Registrar Services Limited
CDC House, 99-B, Block-B,
S.M.C.H.S., Main Shahrah-e-Faisal,
Karachi-74400, Pakistan.
111-111-500

Website

www.nbp.com.pk

**Unconsolidated Condensed Interim Financial Statements
For the Three months period ended March 31, 2026**

Directors' Report to the Shareholders

Standalone Financial Statements

Dear Shareholders,

On behalf of the Board of Directors, we are pleased to present the un-audited condensed interim standalone financial statements of the Bank for the three-month period ended March 31, 2026.

Operating Context

The Bank's performance in 1Q'26 must be assessed through the lens of a rapidly evolving operating context, rather than in isolation of YoY earnings trends. The quarter coincided with two defining macro shifts - a sharp monetary easing cycle, with policy rates declining from 22% to 10.5%, and the onset of the US–Iran conflict. The sharp decline in the policy rate introduced a pronounced downward repricing cycle for banks' earning assets, particularly given the high concentration in government securities. In 1Q'25, asset yields largely reflected the lagged effect of peak rates, as much of the investment book, especially PIBs and longer-tenor T-bills locked in at elevated yields. By contrast, in 1Q'26, the portfolio largely rolled over and repriced at significantly lower cut-off yields, compressing the average earning yield.

These shifts, alongside heightened geopolitical uncertainty, materially influenced financial markets and domestic economic conditions. The surge in global oil prices disrupted the disinflationary path, prompting a more cautious monetary stance and injecting volatility into capital markets. In Pakistan, encouraging signs of macroeconomic stabilisation in 2025 were tempered in early 2026 by external pressures, with inflation risks re-emerging and the equity market experiencing a notable correction during 1Q'26. This environment translated into mark-to-market pressures on investment portfolios and a more guarded outlook for financial assets.

Within this backdrop, the Bank's 1Q'26 performance reflects prudent and adaptive balance sheet management. While core profitability remained somewhat resilient, the impact of lower reinvestment yields and adverse capital market movements was visible through margin compression and negative revaluation effects. The Bank maintained a disciplined approach to liquidity and funding, prioritising deposit stability and selectively pursuing asset growth in line with evolving risk-return dynamics and subdued private-sector credit demand.

From a forward-looking perspective, the earnings trajectory is expected to stabilise as the base effect of policy rate reductions largely dissipates from 2Q'26 onwards. Incremental performance drivers are therefore likely to shift away from rate dynamics toward market and activity-led factors. In particular, stabilisation in equity and fixed-income markets could alleviate mark-to-market pressures and support non-core income recovery, while a pickup in trade flows and economic activity may bolster fee-based revenues.

Key Financial Indicators

The Bank commenced the financial year 2026 on a resilient note, recording a Profit After Tax of PKR 16.7 Bn for the first quarter, representing a 22.0% year-on-year decline, primarily reflecting margin compression and normalization of income levels following a high base in the prior period. Despite the emerging challenges, the Bank continued focused on disciplined asset-liability management and long-term value creation.

Key Indicators

(PKR 'Bn)

No.	Key Items	Q1'26	Q1'25	Better/ (Worse)	
				Amount	%
1	NII	52.0	69.6	▼(17.6)	▼25.3%
2	NFI	9.4	11.1	▼(1.7)	▼15.0%
3	Total Income	61.4	80.7	▼(19.3)	▼23.9%
4	Admin Expense	30.0	28.2	▼(1.8)	▼6.5%
5	Pre-provisions Profit	31.4	52.5	▼(21.1)	▼40.2%
6	Credit Loss Allowance	(3.5)	6.4	▲9.9	▲154.7%
7	Pre-tax Profit	34.9	46.1	▼(11.2)	▼24.3%
8	Tax	18.1	24.6	▲6.5	▲26.3%
9	After-tax Profit	16.7	21.4	▼(4.7)	▼22.0%
10	EPS (Rs.)	7.86	10.08	▼(2.2)	▼22.0%

■ Resilient Core Earnings

The Bank's earnings performance in 1Q'26 reflects active and disciplined balance sheet management in a declining interest rate environment. Gross interest income for the quarter stood at PKR 178.3 Bn compared to PKR 213.1 Bn in 1Q'25, with the reduction of PKR 34.8 Bn (16% YoY) primarily driven by the stable interest rates and repricing of the asset book. Accordingly, overall yield on earning assets moderated to 11.05% from 13.95% in 1Q'25.

During the period, the policy rate remained at 10.5% compared to an average of ~12.3% in the corresponding quarter last year, resulting in a rate-driven compression in asset yields. The investment portfolio remained central to the Bank's balance sheet strategy, averaging PKR 4,818.3 Bn (1Q'25: PKR 4,365 Bn). As high-yielding government securities matured and were reinvested in a lower rate environment, yields declined YoY to 11.6% from 14.8%. This impact was consciously managed through volume growth, contributing a favourable variance of PKR 13.0 Bn. Accordingly, income from investments closed at PKR 137.4 Bn compared to PKR 159.6 Bn in 1Q'25.

On the advances side, the gross portfolio averaged PKR 1,620 Bn (1Q'25: PKR 1,735 Bn), generating income of PKR 38.7 Bn (1Q'25: PKR 51.9 Bn). Yields adjusted to 9.7% (1Q'25 : 12.1%) in line with benchmark rate movements and prevailing market conditions. Moreover, it is pertinent to note that the 1Q'25 income had included a one-off recovery of PKR 2.8 Bn on previously suspended income, which had slightly elevated comparative yields in 1Q'25.

Total cost of funds declined by PKR 17.2 Bn year-on-year to PKR 126.3 Bn, primarily driven by a favourable rate impact of PKR 23.2 Bn, underscoring the Bank's ability to transfer lower policy rates across its liability base in a timely manner. This benefit was partially offset by a volume-related increase of PKR 5.9 Bn, as average funding expanded to PKR 6,274.6 Bn (1Q'25: PKR 5,979.9 Bn), reflecting a calibrated approach to balance sheet growth and liquidity management. Overall cost of funds reduced to 8.16% from 9.73%, providing a meaningful offset to asset-side yield compression and reinforcing the Bank's ability to actively manage margins through the rate cycle.

Overall, Net Interest Income for the quarter stood at PKR 52.0 Bn compared to PKR 69.6 Bn in 1Q'25, with Net Interest Margin settling at 2.9% (1Q'25: 4.2%). Despite the cyclical compression in spreads, the Bank's proactive asset-liability management, disciplined volume growth, and funding strength enabled it to navigate the transition effectively while preserving core earnings resilience.

■ Non-Interest Income

The Bank's non-funded income performance in 1Q'26 also reflects a measured response to subdued market activity and heightened geopolitical uncertainty, with non-mark-up income closing at PKR 9.4 Bn compared to PKR 11.1 Bn in 1Q'25 (down 15% YoY). In an environment characterised by lower trade flows and weak capital market sentiment, the Bank maintained underlying resilience in its core fee-generating businesses, with fee and commission income sustaining at PKR 6.9 Bn (1Q'25: PKR 7.4 Bn). Foreign exchange income also demonstrated improvement, rising to PKR 2.2 Bn from PKR 2.0 Bn, reflecting continued client activity and effective positioning in currency markets.

The overall performance was, however, impacted by lower dividend income and mark-to-market pressures. Amidst elevated macroeconomic uncertainty, corporates adopted a more conservative stance on profit distribution, resulting in dividend income declining to PKR 1.2 Bn from PKR 1.7 Bn in 1Q'25. In addition, the correction in equity markets during the quarter led to a net loss of PKR 413 Mn on securities held at FVTPL, compared to a loss of PKR 112 Mn in the corresponding period last year.

Notwithstanding these headwinds, the Bank's diversified non-funded income streams and continued strength in core fee and FX businesses underscore its ability to sustain earnings contributions from non-interest sources, while navigating short-term volatility in capital markets.

■ Disciplined Cost Management

On the cost front, the Bank continued to pursue a disciplined and forward-looking investment strategy, with operating expenses increasing by 6.5% YoY to PKR 30.0 Bn (1Q'25: PKR 28.2 Bn). This increase reflects targeted investments in systems, technology, and infrastructure, including digital capabilities, managed services, and system resilience. While these investments, coupled with lower income levels, led to a higher cost-to-income

ratio of 48.9% (1Q'25: 35.0%), they remain aligned with the Bank's strategic objective of strengthening long-term operating capacity and scalability.

▪ Proactive Risk Management

The Bank recorded a net reversal of PKR 3.5 Bn in Q1'26 in credit provisions, compared to a credit loss allowance of PKR 6.4 Bn in the same period last year. This outcome reflects a forward-looking assessment of portfolio risks under evolving macroeconomic and sector-specific conditions improved asset quality and recoveries, alongside reinforcing our commitment to maintaining a robust risk posture.

▪ Sustained Growth in Bottom Line

Profit Before Tax (PBT) stood at PKR 34.9 Bn in Q1'26, compared to PKR 46.1 Bn in Q1'25, reflecting a 24.3% decline year-on-year. With the applicable corporate tax rate for banking companies continuing at 52%, the Bank recorded a tax expense of PKR 18.1 Bn for the first quarter. Despite the lower PBT and a substantial tax charge, the Bank delivered a Profit After Tax of PKR 16.7 Bn, underscoring the resilience of its business fundamentals and its ability to sustain value creation in a challenging operating environment.

▪ Appropriation of Profit

Profit for the three months period ended March 31, 2026, after carrying-forward the accumulated profit of 2025 is appropriated as follows:

	(PKR 'Mn)
Unappropriated profit brought forward - Dec 31, 2025	301,772.2
Impact of transition to EIR method under IFRS 9 - net of tax	(343.0)
Balance as at January 01, 2026 - restated	301,429.2
Profit after tax for the quarter ended March 31, 2026	16,725.0
Remeasurement loss on defined benefit obligation-net of tax	(4,302.4)
Gain on sale of Equity shares FVOCI - net of tax	584.7
Transfer from surplus on revaluation of fixed assets and non-banking assets (net of tax)	44.1
	<u>13,051.4</u>
Profit available for appropriation	314,480.6
Less : Appropriation	
Dividend for the year 2025	74,463.0
Transfer to Statutory Reserve (@ 10% of PAT)	1,672.5
	<u>76,135.5</u>
Unappropriated profit carried forward	<u>238,345.1</u>

Financial Position as of March 31, 2026

The Bank's balance sheet stood at PKR 7.18 Tn as of March 31, 2026, compared to PKR 7.07 Tn at year-end 2025, reflecting a 1.7% expansion during the quarter. This growth primarily reflects targeted asset rebalancing and selective adjustments in high-performing segments, aligned with our broader strategy of enhancing yield while managing risk and liquidity.

Key changes in the asset mix highlight a repositioning toward safer and yield-accretive segments, including an increase in investments and tactical management of advances and interbank placements.

▪ Advances

Gross advances stood at PKR 1,562.3 Bn as of March 31, 2026, reflecting a 3.2% decline from PKR 1,614.8 Bn at the year-end 2025. The contraction was primarily driven by seasonal impacts, which are expected to reverse in the coming quarters. Conventional loans continued to account for the bulk of the portfolio, while Islamic financing remained relatively stable. The decline reflects a moderated risk appetite, balanced by prudent credit risk controls and strengthened recovery processes.

▪ Investments

Investments rose by 4.8% to PKR 5.16 Tn, compared to PKR 4.92 Tn at year-end 2025, as the Bank continued to deploy surplus liquidity into secure government securities and high-grade instruments, capitalizing on prevailing market opportunities. Since rate cycle impact is now largely behind us, the Bank's investment book remains significantly skewed to the shorter maturity government papers to tap-in on any emerging re-pricing opportunities going forward.

▪ Lending to Financial institutions

Lending to financial institutions stood at PKR 18.1 Bn in Q1'26, down from PKR 46.0 Bn at year-end 2025, reflecting a 60.6% contraction. This decline underscores tactical liquidity management, with reduced reliance on interbank placements during the quarter.

▪ Funding & Liquidity

Total deposits of the Bank stood at PKR 4.11 Tn as of Q1'26, compared to PKR 4.43 Tn at year-end 2025, reflecting a 7.2% contraction during the quarter. The deposit mix remained diversified and well-balanced, with a consistent focus on optimizing cost of funds and supporting liquidity resilience. Current deposits aggregated to PKR 1,945.9 Bn, representing 47.4% of total deposits, versus 48.8% at year-end. The total CASA base stood at PKR 3,348.9 Bn, translating into a CASA ratio of 81.5%, slightly higher than 80.7% at year-end, consistent with the Bank's strategy to maintain a low-cost and stable funding structure. This funding mix continues to support sustainable margins and reinforces depositor confidence.

Moreover, the Bank's Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR) remained well above the regulatory threshold of 100%, standing at 199% and 153%, respectively, as of March 31, 2026. These indicators affirm the Bank's prudent liquidity management practices and its capacity to absorb market volatility and meet both short- and long-term obligations without disruption.

▪ Capital & Equity

The Bank's balance sheet remains robust, liquid, and strategically aligned. Net assets stood at PKR 432.2 Bn as of March 31, 2026, compared to PKR 531.4 Bn at year-end 2025, reflecting a decline mainly due to the reduction in surplus on revaluation of assets (down from PKR 125.5 Bn to PKR 86.7 Bn) and appropriation of profit for dividend payout. Despite this contraction, the Bank remains well-capitalized. As of March 31, 2026, the Bank's total capital amounted to PKR 436.5 Bn with Tier-1 capital amounting to PKR 338.7 Bn and eligible Tier-2 capital amounting to PKR 97.8 Bn. As the Bank is following a risk-prudent asset growth strategy, RWAs decreased by PKR 64.2 Bn or 3% during the period to close at PKR 2,024 Bn of March 31, 2026.

Accordingly, Total Capital Adequacy Ratio (CAR) stood at 21.57% with Tier-1 capital adequacy ratio at 16.74%; as compared to 26.21% and 19.65%, respectively, at YE'25. As of March 31, 2026, the Bank's leverage ratio stood at 3.49%. Other financial soundness ratios are well compliant with applicable regulatory requirements.

Changes in the Board of Directors

The following changes took place in the Board of Directors:

1. The Federal Government has appointed Mr. Naved A. Khan as Chairman/Non-Executive Director of the Board of Directors for a term of three (03) years effective from March 16, 2026.
2. The Federal Government has reappointed Mr. Nasim Ahmad as Independent Director for a term of three (03) years effective from March 16, 2026.
3. The Federal Government has reappointed Mr. Ali Syed as Independent Director for a term of three (03) years effective from March 31, 2026.

Contingency Regarding the Pension Case

Status of the matter is same as discussed in Note 25.3.3.1 to the audited financial statements for the year ended December 31, 2025, as no date for hearing has been fixed as yet.

Credit Ratings

NBP has been rated as 'AAA' by both the recognized credit rating agencies in Pakistan. In June 2025, M/s VIS Credit Rating Company re-affirmed the Bank's standalone credit rating as "AAA", the highest credit rating awarded by the company for a bank in Pakistan. Similarly, M/s PACRA Credit Rating Company also assigned the Bank long-term entity rating as 'AAA' (Triple AAA) and short-term credit rating as 'A1+' (A-one Plus).

Outlook

With the prevailing macroeconomic / geopolitical environment being faced since early 2026, the Bank remains cautiously optimistic about a gradual revival in domestic economic activity. However, sustained macroeconomic stability will depend on continued fiscal consolidation, disciplined monetary policy, and the timely realisation of external inflows. Rest assured that strong capital buffers, liquidity resilience, and a diversified asset base position the Bank will navigate the evolving rate cycle effectively, while continuing to support sustainable economic activity. The Bank will continue to deepen its presence in underserved segments such as agri-finance, infrastructure finance, trade, and export-oriented sectors - all supported by a reinvigorated digital offering. Amidst all the challenges, the Bank is well positioned to navigate the current volatility and deliver sustainable long-term value to all stakeholders.

Acknowledgement & Appreciation

We appreciate the continued efforts and dedication of our employees in delivering strong financial performance and serving the nation. We would also like to acknowledge the support of the Government of Pakistan, the State Bank of Pakistan, the SECP and other regulatory bodies for enabling the Bank to achieve its potential and contribute towards the socio-economic development in the country.

For and on behalf of the Board of Directors

Rehmat Ali Hasnie
President & CEO

Naved A. Khan
Chairman

Karachi
Dated: April 29, 2026

NATIONAL BANK OF PAKISTAN
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2026

	Note	March 31, 2026 (Un-audited)	December 31, 2025 (Audited)
----- (Rupees in '000) -----			
ASSETS			
Cash and balances with treasury banks	7	354,264,198	375,045,628
Balances with other banks	8	30,785,717	33,440,273
Lendings to financial institutions	9	18,115,192	46,000,000
Investments	10	5,159,437,108	4,922,100,157
Advances	11	1,290,422,536	1,338,085,653
Property and equipment	12	66,989,525	66,907,175
Right-of-use assets	13	6,123,689	6,215,360
Intangible assets	14	2,520,318	2,519,665
Deferred tax assets	15	12,354,649	-
Other assets	16	243,731,762	276,666,993
Total assets		7,184,744,694	7,066,980,904
LIABILITIES			
Bills payable	17	22,983,081	20,817,212
Borrowings	18	2,215,235,535	1,689,657,086
Deposits and other accounts	19	4,108,727,388	4,429,265,022
Lease liability against right-of-use assets	20	8,031,657	8,021,852
Subordinated debt		-	-
Deferred tax liabilities	15	-	36,545,766
Other liabilities	21	397,607,345	351,254,766
Total liabilities		6,752,585,006	6,535,561,704
NET ASSETS		432,159,688	531,419,200
REPRESENTED BY			
Share capital		21,275,131	21,275,131
Reserves		85,852,028	82,914,091
Surplus on revaluation of assets - net of tax	22	86,687,420	125,457,722
Unappropriated profit		238,345,109	301,772,256
		432,159,688	531,419,200
CONTINGENCIES AND COMMITMENTS	23		

The annexed notes from 1 to 42 form an integral part of these unconsolidated condensed interim financial statements.

Chairman

President / CEO

Chief Financial Officer

Director

Director

NATIONAL BANK OF PAKISTAN
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2026

	<u>Quarter ended</u>	
	March 31, 2026	March 31, 2025
	----- (Rupees in '000) -----	
Profit / (loss) after taxation for the period	16,724,960	21,449,104
Other comprehensive income / (loss)		
Items that may be reclassified to the statement of profit and loss account in subsequent periods:		
Exchange gain / (loss) on translation of net assets of foreign branches	1,265,441	371,041
Movement in surplus / (deficit) on revaluation of debt investments through FVOCI - net of tax	(28,939,062)	(9,380,658)
Gain on sale of debt securities carried at FVOCI reclassified to the statement of profit and loss account - net of tax	(2,103,830)	(360,940)
	(29,777,451)	(9,370,557)
Items that will not be reclassified to the statement of profit and loss account in subsequent periods:		
Remeasurement loss on defined benefit obligations - net of tax	(4,302,436)	(263,979)
Movement in surplus / (deficit) on revaluation of equity investments - net of tax	(7,098,630)	(2,795,728)
Movement in surplus / (deficit) on revaluation of property and equipment - net of tax	1,278	-
Movement in surplus / (deficit) on revaluation of non-banking assets - net of tax	(1,280)	-
	(11,401,068)	(3,059,707)
Total comprehensive income	<u>(24,453,559)</u>	<u>9,018,840</u>

The annexed notes from 1 to 42 form an integral part of these unconsolidated condensed interim financial statements.

_____ Chairman	_____ President / CEO	_____ Chief Financial Officer	_____ Director	_____ Director
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NATIONAL BANK OF PAKISTAN
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2026

Share capital	Capital reserves			Revenue reserves		Surplus / (Deficit) on revaluation of			Unappropriated profit	Total	
	Exchange translation reserve	Statutory reserve	Merger reserve	General reserve	Total	Investments	Property and equipment / Non banking	Total			
----- (Rupees in '000) -----											
Balance as at December 31, 2024 (Audited)	21,275,131	31,686,803	49,840,151	363,606	521,338	82,411,898	69,704,773	48,497,652	118,202,425	235,061,992	456,951,446
Impact of adoption of IFRS 9 - net of tax	-	-	-	-	-	-	3,806,901	-	3,806,901	422,049	4,228,950
Balance as at January 01, 2025 - restated	21,275,131	31,686,803	49,840,151	363,606	521,338	82,411,898	73,511,674	48,497,652	122,009,326	235,484,041	461,180,396
Profit after taxation for the three months ended March 31, 2025	-	-	-	-	-	-	-	-	-	21,449,104	21,449,104
Effect of translation of net investment in foreign branches	-	371,041	-	-	-	371,041	-	-	-	-	371,041
Movement in surplus / (deficit) on revaluation of investments in debt instruments through FVOCI - net of tax	-	-	-	-	-	-	(9,380,658)	-	(9,380,658)	-	(9,380,658)
Gain on sale of debt securities carried at FVOCI reclassified to the statement of profit and loss account - net of tax	-	-	-	-	-	-	(360,940)	-	(360,940)	-	(360,940)
Movement in surplus / (deficit) on revaluation of investments in equity instruments - net of tax	-	-	-	-	-	-	(2,795,728)	-	(2,795,728)	-	(2,795,728)
Remeasurement loss on defined benefit obligations - net of tax	-	-	-	-	-	-	-	-	-	(263,979)	(263,979)
Total other comprehensive income - net of tax	-	371,041	-	-	-	371,041	(12,537,326)	-	(12,537,326)	21,185,125	9,018,840
Transfer to statutory reserve	-	-	2,144,910	-	-	2,144,910	-	-	-	(2,144,910)	-
Transfer from surplus on revaluation of assets to unappropriated profit - net of tax	-	-	-	-	-	-	-	(44,908)	(44,908)	44,908	-
Transfer of gain on FVOCI equity securities to unappropriated profit - net of tax	-	-	-	-	-	-	(1,035,076)	-	(1,035,076)	1,035,076	-
Transactions with owners, recorded directly in equity	-	-	-	-	-	-	-	-	-	-	-
Final Cash dividend-Rs 8.00 per share decalred subsequent to the year ended December 31,2024	-	-	-	-	-	-	-	-	-	(17,020,104)	(17,020,104)
Balance as at March 31, 2025 (Un-audited)	21,275,131	32,057,844	51,985,061	363,606	521,338	84,927,849	59,939,272	48,452,744	108,392,016	238,584,136	453,179,132
Profit after taxation for nine months period ended December 31, 2025	-	-	-	-	-	-	-	-	-	64,463,280	64,463,280
Effect of translation of net investment in foreign branches	-	944,615	-	-	-	944,615	-	-	-	-	944,615
Transfer of exchange loss translation reserves on closure of foreign branches from OCI to the statement of profit and loss account	-	(9,404,701)	-	-	-	(9,404,701)	-	-	-	-	(9,404,701)
Movement in surplus / (deficit) on revaluation of investments in debt instruments - net of tax	-	-	-	-	-	-	22,517,816	-	22,517,816	-	22,517,816
Gain on sale of securities carried at FVOCI reclassified to the statement of profit and loss account - net of tax	-	-	-	-	-	-	(2,309,515)	-	(2,309,515)	-	(2,309,515)
Movement in surplus / (deficit) on revaluation of investments in equity instruments - net of tax	-	-	-	-	-	-	2,774,081	-	2,774,081	-	2,774,081
Remeasurement gain on defined benefit obligations - net of tax	-	-	-	-	-	-	-	-	-	(1,118,672)	(1,118,672)
Movement in surplus / (deficit) on revaluation of property and equipment - net of tax	-	-	-	-	-	-	-	112,136	112,136	-	112,136
Movement in surplus / (deficit) on revaluation of non-banking assets - net of tax	-	-	-	-	-	-	-	261,028	261,028	-	261,028
Total other comprehensive income - net of tax	-	(8,460,086)	-	-	-	(8,460,086)	22,982,382	373,164	23,355,546	63,344,608	78,240,068
Transfer to statutory reserve	-	-	6,446,328	-	-	6,446,328	-	-	-	(6,446,328)	-
Transfer from surplus on revaluation of assets to unappropriated profit - net of tax	-	-	-	-	-	-	-	(134,722)	(134,722)	134,722	-
Transfer of gain on FVOCI equity securities to unappropriated profit - net of tax	-	-	-	-	-	-	(6,155,118)	-	(6,155,118)	6,155,118	-
Balance as at December 31, 2025 (Audited)	21,275,131	23,597,758	58,431,389	363,606	521,338	82,914,091	76,766,536	48,691,186	125,457,722	301,772,256	531,419,200
Balance carried forward	21,275,131	23,597,758	58,431,389	363,606	521,338	82,914,091	76,766,536	48,691,186	125,457,722	301,772,256	531,419,200

Share capital	Capital reserves			Revenue reserves		Surplus / (Deficit) on revaluation of			Unappropriated profit	Total	
	Exchange translation reserve	Statutory reserve	Merger reserve	General reserve	Total	Investments	Property and equipment / Non banking	Total			
----- (Rupees in '000) -----											
Balance brought forward	21,275,131	23,597,758	58,431,389	363,606	521,338	82,914,091	76,766,536	48,691,186	125,457,722	301,772,256	531,419,200
Effect of Transition on EIR Method - net of tax	-	-	-	-	-	-	-	-	-	(342,999)	(342,999)
Balance as at January 01, 2026 - restated	21,275,131	23,597,758	58,431,389	363,606	521,338	82,914,091	76,766,536	48,691,186	125,457,722	301,429,257	531,076,201
Profit after taxation for the three months ended March 31, 2026	-	-	-	-	-	-	-	-	-	16,724,960	16,724,960
Effect of translation of net investment in foreign branches	-	1,265,441	-	-	-	1,265,441	-	-	-	-	1,265,441
Movement in surplus/ (deficit) on revaluation of investments in debt instruments - net of tax	-	-	-	-	-	-	(28,939,062)	-	(28,939,062)	-	(28,939,062)
Gain on sale of debt securities carried at FVOCI reclassified to the statement of profit and loss account - net of tax	-	-	-	-	-	-	(2,103,830)	-	(2,103,830)	-	(2,103,830)
Movement in surplus / (deficit) on revaluation of investments in equity instruments - net of tax	-	-	-	-	-	-	(7,098,630)	-	(7,098,630)	-	(7,098,630)
Remeasurement loss on defined benefit obligations - net of tax	-	-	-	-	-	-	-	-	-	(4,302,436)	(4,302,436)
Movement in surplus / (deficit) on revaluation of property and equipment - net of tax	-	-	-	-	-	-	-	1,278	1,278	-	1,278
Movement in surplus / (deficit) on revaluation of non-banking assets - net of tax	-	-	-	-	-	-	-	(1,280)	(1,280)	-	(1,280)
Total other comprehensive income - net of tax	-	1,265,441	-	-	-	1,265,441	(38,141,522)	(2)	(38,141,524)	12,422,524	(24,453,559)
Transfer to statutory reserve	-	-	1,672,496	-	-	1,672,496	-	-	-	(1,672,496)	-
Transfer from surplus on revaluation of assets to unappropriated profit - net of tax	-	-	-	-	-	-	-	(44,047)	(44,047)	44,047	-
Transfer of gain on FVOCI equity securities to unappropriated profit - net of tax	-	-	-	-	-	-	(584,732)	-	(584,732)	584,732	-
Transactions with owners, recorded directly in equity	-	-	-	-	-	-	-	-	-	-	-
Final cash dividend - Rs. 35 per share declared subsequent to the year ended December 31, 2025	-	-	-	-	-	-	-	-	-	(74,462,956)	(74,462,956)
Balance as at March 31, 2026 (Un-audited)	21,275,131	24,863,199	60,103,885	363,606	521,338	85,852,028	38,040,282	48,647,137	86,687,420	238,345,109	432,159,688

The annexed notes from 1 to 42 form an integral part of these unconsolidated condensed interim financial statements.

Chairman

President / CEO

Chief Financial Officer

Director

Director

NATIONAL BANK OF PAKISTAN
UNCONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2026

	Note	Quarter ended	
		March 31, 2026	March 31, 2025
----- (Rupees in '000) -----			
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		34,872,341	46,088,209
Less: dividend income		(1,232,120)	(1,746,465)
		<u>33,640,221</u>	<u>44,341,744</u>
Adjustments:			
Net mark-up / interest income		(51,980,852)	(69,587,722)
Depreciation on property and equipment	29	1,340,333	1,013,120
Depreciation on right-of-use assets	29	500,888	451,613
Amortisation	29	185,193	137,704
Credit loss allowance and write offs	31	(3,490,232)	6,391,300
Gain on sale of property and equipment	28	(593)	(822)
Financial charges on leased assets	29	35,665	39,544
Staff loan - notional cost		2,211,915	1,568,363
Net loss on derecognition of financial assets measured at amortised cost		491,721	327,814
Unrealised gain on revaluation of investments classified as FVTPL	27	5,712,982	1,257,118
Charge for defined benefit plans - net		4,336,504	4,538,079
		<u>(40,656,476)</u>	<u>(53,863,889)</u>
		<u>(7,016,255)</u>	<u>(9,522,145)</u>
(Increase) / decrease in operating assets			
Lendings to financial institutions		27,884,808	(43,522,789)
Securities classified as FVTPL		(33,275,360)	(47,366,014)
Advances		51,467,034	95,906,324
Other assets (excluding advance taxation and mark-up receivable)		(28,958,188)	(27,270,033)
		<u>17,118,295</u>	<u>(22,252,512)</u>
Increase / (decrease) in operating liabilities			
Bills payable		2,165,869	(9,449,437)
Borrowings from financial institutions		526,719,429	149,206,099
Deposits		(320,537,634)	25,685,610
Other liabilities (excluding current taxation and mark-up payable)		(19,914,728)	39,999,489
		<u>188,432,936</u>	<u>205,441,761</u>
Mark-up / interest received		218,326,255	224,854,998
Mark-up / interest paid		(169,919,606)	(231,943,730)
Income tax paid / adjusted		(33,039,548)	(20,268,258)
Benefits paid		(1,603,826)	(3,805,258)
Net cash generated from operating activities		<u>212,298,251</u>	<u>142,504,856</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Net investments in securities classified as FVOCI		(199,384,835)	(186,966,845)
Net investments in securities carried at amortised cost		(104,738,703)	5,130,407
Dividends received		1,232,120	1,746,465
Net investment in associates		(1,000,000)	-
Investments in property and equipment		(1,745,178)	(2,049,473)
Proceeds from sale of property and equipment		9,694	18,413
Effect of translation of net investment in foreign branches		1,750,945	371,041
Net cash used in investing activities		<u>(303,875,957)</u>	<u>(181,749,992)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments of lease obligations against right-of-use assets		(691,216)	(682,072)
Dividend paid		(1,314)	(109)
Net cash used in financing activities		<u>(692,530)</u>	<u>(682,181)</u>
Net (Decrease) / increase in cash and cash equivalents			
		<u>(92,270,236)</u>	<u>(39,927,317)</u>
Cash and cash equivalents at beginning of the period		428,584,485	378,480,034
Effects of exchange rate changes on cash and cash equivalents		1,494,946	403,830
		430,079,431	378,883,864
Expected credit loss allowance on cash and cash equivalent - net		(6,244)	2,500
Cash and cash equivalents at end of the period	34	<u>337,802,951</u>	<u>338,959,047</u>

The annexed notes from 1 to 42 form an integral part of these unconsolidated condensed interim financial statements.

_____ Chairman	_____ President / CEO	_____ Chief Financial Officer	_____ Director	_____ Director
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NATIONAL BANK OF PAKISTAN
NOTES TO AND FORMING PART OF THE UNCONSOLIDATED CONDENSED INTERIM
FINANCIAL STATEMENTS (UN-AUDITED)
FOR THREE MONTH PERIODS ENDED MARCH 31, 2026

1. STATUS AND NATURE OF BUSINESS

National Bank of Pakistan (the Bank) was incorporated in Pakistan under the National Bank of Pakistan Ordinance, 1949 and is listed on the Pakistan Stock Exchange (PSX). The registered and head office of the Bank is situated at I.I. Chundrigar Road, Karachi. The Bank is engaged in providing commercial banking and related services in Pakistan and overseas. The Bank also handles treasury transactions for the Government of Pakistan (GoP) as an agent to the State Bank of Pakistan (SBP). The Bank operates 1,503 (December 31, 2025: 1,503) branches in Pakistan and including 312 (December 31, 2025: 312) Islamic Banking branches and 14 (December 31 2025: 14) overseas branches (including the Export Processing Zone branch, Karachi). The Bank also provides services in respect of Endowment Fund for students loan scheme and IPS accounts.

2. BASIS OF PRESENTATION

2.1 Statement of compliance

2.1.1 These unconsolidated 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 as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as are 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 the State Bank of Pakistan (SBP) and the Securities and Exchange Commission of Pakistan (SECP).

Wherever 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 IAS 34 or IFAS, the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 and the said directives shall prevail.

2.1.2 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 had deferred the applicability of Islamic Financial Accounting Standard-3 for Profit and Loss Sharing on Deposits (IFAS-3) issued by the Institute of Chartered Accountants of Pakistan (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 unconsolidated condensed interim financial statements.

2.1.3 The SECP vide SRO 56 (1) / 2016 dated January 28, 2016, has notified that the requirements of IFRS 10 (Consolidated Financial Statements) and section 228 of the Companies Act, 2017 will not be applicable with respect to the investment in mutual funds established under Trust structure.

2.1.4 The disclosures made in these unconsolidated 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 the requirements of International Accounting Standard 34, 'Interim Financial Reporting'. These unconsolidated condensed interim financial statements do not include all the information and disclosures required in the audited annual financial statements and should be read in conjunction with the annual audited unconsolidated financial statements of the Bank for the year ended December 31, 2025.

2.1.5 These unconsolidated condensed interim financial statements are the separate financial statements of the Bank in which the investments in subsidiaries and associates are stated at cost and have not been accounted for on the basis of reported results and net assets of the investees.

- 2.1.6** Key financial figures of the Islamic Banking branches are disclosed in note 39 to these unconsolidated condensed interim financial statements.
- 2.1.7** The Bank believes that there is no significant doubt on the Bank's ability to continue as a going concern. Therefore, these unconsolidated condensed interim financial statements have been prepared on a going concern basis.

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

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Bank's accounting periods beginning on or after January 01, 2026 but are considered not to be relevant or do not have any material effect on the Bank's operations and are therefore not detailed in these unconsolidated condensed interim financial statements.

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

There are certain new and amended standards, issued by the International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Bank's accounting periods beginning on or after January 01, 2026 but are considered not relevant or do not have any material effect on the Bank's operations and are therefore not detailed in these unconsolidated financial statements. The impact of IFRS 9 for the current year is disclosed in note 4.1 to these unconsolidated financial statements.

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

- There are certain new and amended standards, issued by the International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Bank's accounting periods beginning on or after January 01, 2027 but are considered not to be relevant or will not have any material effect on the Bank's unconsolidated financial statements except for:
- the new standard - IFRS 18 'Presentation and Disclosure in Financial Statements' (published in April 2024) with applicability date of January 01, 2027 by IASB. IFRS 18 is yet to be adopted in Pakistan. IFRS 18 when adopted and applicable will impact the presentation of the 'Statement of Profit and Loss Account' with certain additional disclosures in the unconsolidated financial statements.

3. BASIS OF MEASUREMENT

3.1 Accounting convention

These unconsolidated condensed interim financial statements have been prepared under the historical cost convention except that certain property and equipment and non banking assets acquired in satisfaction of claims are stated at revalued amounts; investments classified at fair value through profit and loss and fair value through other comprehensive income; foreign exchange contracts and derivative financial instruments are measured at fair value; defined benefit obligations are carried at present value; right of use of asset and related lease liability are measured at present value on initial recognition; and staff loans are measured at fair value on initial recognition.

3.2 Functional and presentation currency

These unconsolidated condensed interim financial statements are presented in Pakistani Rupees, which is the Bank's functional and presentation currency. The amounts are rounded off to the nearest thousand rupees except as stated otherwise.

4. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the preparation of these unconsolidated condensed interim financial statements are consistent with those applied in the preparation of the annual audited unconsolidated financial statements of the Bank for the year ended December 31, 2025. Impacts of adoption of IFRS 9 for the comparative and current period are disclosed in note 4.1.

4.1 IFRS 9 - 'Financial Instruments'

- 4.1.1** The Bank adopted IFRS 9 effective from January 01, 2024, except for certain relaxations and extensions issued by the SBP from time to time. The impacts of these relaxations and extensions were incorporated in the annual financial statements of the Bank for the respective years ended December 31, 2024 and 2025, with the modified retrospective approach for restatement permitted under IFRS 9.

In addition, the SBP, in a separate instruction, SBPHOK-BPRD-RPD-BAF-834424 dated January 22, 2025, allowed an extension for application of the Effective Interest Rate (EIR) up to December 31, 2025. During the current period, in accordance with the aforementioned instruction, the Bank has applied EIR on the financial instruments appearing as at January 1, 2026, and the cumulative impact of application of EIR amounting to Rs. 343 million, net of tax, has been recorded as an adjustment to equity at the beginning of the current period.

- 4.1.2 The SBP has directed the Banks through its BPRD Circular Letter No.1 dated January 22, 2025 to disclose the impact of IFRS 9 on revenue recognition from Islamic Operations, including the requirements of IFAS 1 and IFAS 2 until further instructions which is as follows:

Had IFRS 9 been adopted in its entirety for revenue recognition from Islamic operations profit / return earned on Islamic financing and related assets in unconsolidated condensed interim statement of profit and loss account for the period ended March 31, 2026 would have been lower by Rs. 7.5 million and taxation would have been lower by Rs 3.9 million. Further, the unappropriated profit in unconsolidated condensed interim statement of changes in equity would have been lower by Rs 3.6 million.

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these unconsolidated condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and income and expenses as well as in the disclosure of contingent liabilities. It also requires management to exercise judgment in application of its accounting policies. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. These estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised, if the revision affects only that period, or in the period of revision and in future periods if the revision affects both current and future periods.

The significant judgments made by the management in applying the Bank's accounting policies and the key sources of estimation were the same as those applied in the preparation of annual audited unconsolidated financial statements for the year ended December 31, 2025, except for matters related to IFRS 9 which have been disclosed in note 4.1 to these unconsolidated condensed interim financial statements.

6. FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies adopted by the Bank are consistent with those as disclosed in the annual audited unconsolidated financial statements for the year ended December 31, 2025.

		(Un-audited) March 31, 2026	(Audited) December 31, 2025
		----- (Rupees in '000) -----	
7. CASH AND BALANCES WITH TREASURY BANKS	Note		
In hand			
- Local currency		72,219,134	73,953,817
- Foreign currencies		5,634,223	5,473,502
		<u>77,853,357</u>	<u>79,427,319</u>
With the State Bank of Pakistan in			
- Local currency current accounts	7.1	181,656,281	184,777,761
- Foreign currency current accounts	7.2	22,051,532	24,048,368
- Foreign currency deposit accounts	7.2	43,854,983	47,789,001
- Foreign currency collection accounts		-	-
		<u>247,562,796</u>	<u>256,615,130</u>
With other central banks in			
- Foreign currency current accounts	7.3	21,742,098	34,465,663
- Foreign currency deposit accounts	7.3	6,974,725	3,549,438
		<u>28,716,823</u>	<u>38,015,101</u>
National prize bonds		132,163	995,242
		<u>354,265,139</u>	<u>375,052,792</u>
Less: Credit loss allowance held against cash and bank balances with treasury banks		(941)	(7,164)
Cash and Balances with treasury banks - net of credit loss allowance		<u>354,264,198</u>	<u>375,045,628</u>
7.1	This includes statutory liquidity reserves maintained with the SBP under Section 22 of the Banking Companies Ordinance, 1962.		
7.2	These represent mandatory reserves maintained in respect of foreign currency deposits under FE-25 scheme, as prescribed by the SBP.		
7.3	These balances pertain to the foreign branches and are held with central banks of respective countries. These include balances to meet the statutory and regulatory requirements in respect of liquidity and capital requirements of respective countries. The deposit accounts carry interest at the rate of 0.01 % to 2.00 % per annum (December 31, 2025: 0.01 % to 2.00% per annum).		

8. BALANCES WITH OTHER BANKS	Note	(Un-audited)	(Audited)
		March 31, 2026	December 31, 2025
		----- (Rupees in '000) -----	
In Pakistan			
In deposit accounts	8.1	368	368
		368	368
Outside Pakistan			
In current accounts		24,160,542	27,832,645
In deposit accounts	8.2	6,627,226	5,607,283
		30,787,768	33,439,928
		30,788,136	33,440,296
Less: Credit loss allowance held against balances with other banks		(2,419)	(23)
Balances with other banks - net of credit loss allowance		30,785,717	33,440,273

8.1 These include various deposits with banks and carry interest at the rates ranging from 2.00 % to 6.00 % per annum (December 31, 2025: 2.56% to 6.80% per annum).

8.2 These include various deposits with correspondent banks outside Pakistan and carry interest at rates ranging from 1.75% to 3.54% per annum (December 31, 2025: 1.00% to 3.60% per annum).

9. LENDINGS TO FINANCIAL INSTITUTIONS	Note	(Un-audited)	(Audited)
		March 31, 2026	December 31, 2025
		----- (Rupees in '000) -----	
Repurchase agreement lendings (reverse repo) - secured	9.2	18,115,192	16,000,000
Musharaka lending	9.3	-	30,000,000
Letters of placement	9.4	172,150	172,150
		18,287,342	46,172,150
Less: Credit loss allowance held against lending to financial institutions		(172,150)	(172,150)
Lendings to financial institutions - net of credit loss allowance		18,115,192	46,000,000

9.1 Lending to Financial Institutions - particulars of credit loss allowance	Note	(Un-audited)		(Audited)	
		March 31, 2026		December 31, 2025	
		Lendings	Credit loss allowance held	Lendings	Credit loss allowance held
----- (Rupees in '000) -----					
Domestic					
Performing	Stage 1	18,115,192	-	46,000,000	-
Under performing	Stage 2	-	-	-	-
Non-performing	Stage 3				
Substandard		-	-	-	-
Doubtful		-	-	-	-
Loss		172,150	172,150	172,150	172,150
Total		18,287,342	172,150	46,172,150	172,150

9.2 These carry mark-up at rates ranging from 10.55 % to 10.6 % per annum (December 31, 2025: 10.55 % to 11.00%) with maturities ranging from April 10, 2026 to June 19, 2026 (December 31, 2025: from January 2, 2026 to January 12, 2026)

9.3 These carry profit rates Nil % per annum (December 31, 2025: 10.40 %) with maturity on Nil (December 31, 2025: January 2, 2026).

9.4 These are overdue placements and full provision has been made against these placements as at December 31, 2025 and March 31, 2026.

10. INVESTMENTS

10.1 Investments by type:

Note

	March 31, 2026 (Un-audited)				December 31, 2025 (Audited)			
	Cost / amortised cost	Credit loss allowance	Surplus / (deficit)	Carrying value	Cost / amortised cost	Credit loss allowance / provision for diminution	Surplus / (deficit)	Carrying value

(Rupees in '000)

FTPL

Federal Government Securities

- Market Treasury Bills
- Pakistan Investment Bonds

	31,225,247	-	(154,228)	31,071,019	35,213,166	-	6,078	35,219,244
	31,389,541	-	(704,662)	30,684,879	9,685,616	-	7,040	9,692,656

Units of mutual funds

	6,253,199	-	(3,550)	6,249,649	4,723,266	-	1,612,129	6,335,395
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Non-Government debt securities

- Term finance certificates and sukuk

	9,496,792	-	(17,147)	9,479,645	9,486,572	-	11,547	9,498,119
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Preference shares

- Listed
- Unlisted

	1,106,410	-	18,643	1,125,053	992,711	-	113,700	1,106,411
	558,284	(558,284)	-	-	558,284	(558,284)	-	-

Real estate investment trust units

	3,283,669	-	(527,497)	2,756,172	3,244,532	-	(757,221)	2,487,311
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Ordinary shares

- Listed companies

	15,390,649	-	(4,324,539)	11,066,110	11,620,213	-	3,389,676	15,009,889
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	98,703,791	(558,284)	(5,712,980)	92,432,527	75,524,360	(558,284)	4,382,949	79,349,025
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FVOCI

Federal Government Securities

- Pakistan Investment Bonds
- Market Treasury Bills
- GOP Ijarah Sukuks
- GOP Ijarah Sukuks - Traded
- GOP Ijarah Sukuks - Discounted
- Foreign currency debt securities

	2,654,878,904	-	12,595,862	2,667,474,766	2,546,378,172	-	65,431,828	2,611,810,000
	1,306,310,463	-	(3,770,714)	1,302,539,749	1,265,626,161	-	5,084,947	1,270,711,108
	22,591,112	-	130,504	22,721,616	22,706,580	-	201,261	22,907,841
	255,402,262	-	(385,262)	255,017,000	220,403,613	-	1,303,382	221,706,995
	3,484,990	-	108,014	3,593,004	3,387,533	-	(128,529)	3,259,004
	36,776,382	(2,853,388)	(1,283,073)	32,639,921	29,803,957	(2,599,421)	41,502	27,246,038

Ordinary Shares

- Listed companies
- Unlisted companies

	44,190,394	-	23,576,636	67,767,030	35,739,845	-	41,506,937	77,246,782
	2,107,198	-	7,287,787	9,394,985	2,107,198	-	7,287,787	9,394,985

Non-Government debt securities

- Term finance certificates and sukuk

	26,228,609	(6,536,568)	52,586	19,744,627	26,429,153	(6,565,316)	188,409	20,052,246
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Foreign securities

- Equity securities - listed
- Government debt securities

	463,294	-	40,933,322	41,396,616	463,294	-	39,010,025	39,473,319
	2,301,539	(106)	4,927	2,306,360	2,304,806	(98)	2,735	2,307,443

	4,354,735,147	(9,390,063)	79,250,588	4,424,595,674	4,155,350,312	(9,164,835)	159,930,284	4,306,115,761
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Amortised cost

Federal Government Securities

- Pakistan Investment Bonds
- GOP Ijarah Sukuks-Traded
- GOP Ijarah Sukuks
- Bai Muajjal with Government of Pakistan
- Foreign currency debt securities

	562,048,798	-	-	562,048,798	461,461,674	-	-	461,461,674
	-	-	-	-	4,999,075	-	-	4,999,075
	24,019,595	-	-	24,019,595	14,027,812	-	-	14,027,812
	8,466,335	-	-	8,466,335	8,466,335	-	-	8,466,335
	9,794,621	(35,420)	-	9,759,201	9,685,261	(87,361)	-	9,597,900

Non-Government debt securities

- Term finance certificates, participation term certificates, bonds, debentures and sukuk

	359,294	(359,294)	-	0.00	360,481	(360,481)	-	-
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Foreign securities

- Government debt securities
- Non-Government debt securities

	35,972,075	(226,672)	-	35,745,403	36,921,367	(208,380)	-	36,712,987
	1,069	-	-	1,069	1,079	-	-	1,079

	640,661,787	(621,386)	-	640,040,401	535,923,084	(656,222)	-	535,266,862
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Associates

	2,260,443	(503,012)	-	1,757,431	1,260,443	(503,012)	-	757,431
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Subsidiaries

	767,323	(156,245)	-	611,078	767,323	(156,245)	-	611,078
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Total investments

	5,097,128,491	(11,228,990)	73,537,608	5,159,437,108	4,768,825,521	(11,038,598)	164,313,233	4,922,100,157
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10.1.1 Investments given as collateral

The book value of investment given as collateral against borrowings is as follows:

Pakistan Investment Bonds
Market Treasury Bills

Note	(Un-audited)	(Audited)
	March 31, 2026	December 31, 2025
	----- (Rupees in '000) -----	
	1,122,082,362	1,192,522,540
	1,004,765,528	403,505,550
18.4	<u>2,126,847,890</u>	<u>1,596,028,090</u>

10.1.2 Associates

March 31, 2026 (Un-audited)								
Number of shares	Percentage of holding	Country of incorporation	Based on the financial statements as at	Assets	Liabilities	Revenue	Profit / (loss) after taxation	Total comprehensive income / (loss)
----- (Rupees in '000) -----								

Listed

First Credit and Investment Bank Limited	20,000,000	31%	Pakistan	Dec 31, 2025 (Unaudited)	4,426,143	3,520,515	127,086	35,261	32,153
National Fibres Limited	17,030,231	20.19%	Pakistan	N/A	-	-	-	-	-
Liven Pharma Limited (Formerly Land Mark Spinning Mills Limited)	3,970,859	4.27%	Pakistan	Dec 31, 2025 (Unaudited)	811,169	179,257	63,380	(1,948)	(1,948)
SG Allied Businesses Limited	3,754,900	25.03%	Pakistan	Dec 31, 2025 (Unaudited)	1,535,378	274,929	39,860	(8,295)	(8,295)
Nina Industries Limited	4,906,000	20.27%	Pakistan	N/A	-	-	-	-	-
NBP Stock Fund	55,995,532	4.20%	Pakistan	Dec 31, 2025 (Unaudited)	57,960,308	631,390	17,661,692	16,688,613	16,688,613

Unlisted

Pakistan Emerging Venture Limited	12,500,000	33.33%	Pakistan	June 30, 2022 (Audited)	478	404	56	(385)	(385)
National Fructose Company Limited	1,300,000	39.50%	Pakistan	N/A	-	-	-	-	-
Venture Capital Fund Management *	33,333	33.33%	Pakistan	N/A	-	-	-	-	-
Kamal Enterprises Limited *	11,000	20.37%	Pakistan	N/A	-	-	-	-	-
Mehran Industries Limited *	37,500	32.05%	Pakistan	N/A	-	-	-	-	-
Tharparkar Sugar Mills Limited *	2,500,000	21.52%	Pakistan	N/A	-	-	-	-	-
Youth Investment Promotion Society *	644,508	25.00%	Pakistan	N/A	-	-	-	-	-
Dadabhoy Energy Supply Company Limited	9,900,000	23.11%	Pakistan	N/A	-	-	-	-	-
K-Agricole Limited *	5,000	20.00%	Pakistan	N/A	-	-	-	-	-
New Pak Limited *	200,000	20.00%	Pakistan	N/A	-	-	-	-	-
Pakistan Mercantile Exchange Limited	10,653,860	33.98%	Pakistan	Dec 31, 2025 (Unaudited)	17,926,756	16,542,672	914,751	387,981	387,981
Prudential Fund Management Limited *	150,000	20.00%	Pakistan	N/A	-	-	-	-	-

* Nil figure represent shares which have been acquired under different arrangements without any cost

10.1.3 Subsidiaries

NBP Exchange Company Limited	99,999,999	100.00%	Pakistan	March 31,2026	2,611,120	300,830	11,256	11,633	11,633
NBP Modaraba Management Company Limited	10,500,000	100.00%	Pakistan	March 31,2026	140,586	112,508	2,905	(1,094)	(1,094)
Taurus Securities Limited	7,875,002	58.32%	Pakistan	March 31,2026	1,459,319	1,040,730	1,527	18,134	18,134
Cast-N-Link Products Limited	1,245,000	76.51%	Pakistan	N/A	-	-	-	-	-
NBP Fund Management Limited	13,499,996	54.00%	Pakistan	March 31,2026	8,545,622	6,130,777	(10,465)	331,693	331,693

	Note	(Un-audited) March 31, 2026	(Audited) December 31, 2025
----- (Rupees in '000) -----			
10.2 Particulars of credit loss allowance / provision for diminution in value of investments			
10.2.1 Opening balance		11,038,598	17,277,034
Impact of adoption of IFRS 9 - reversal of provision held against unlisted shares		-	(573,853)
Impact of ECL recongnized on adoption of IFRS 9		-	158,085
		11,038,598	16,861,266
Charge for the period / year		272,457	98
Reversal for the period / year		(80,882)	(5,828,907)
	31	191,575	(5,828,809)
Transfers - net		-	-
Charge off / Write- off		(1,185)	-
Exchange adjustment		-	6,140
Closing balance		11,228,990	11,038,598

10.2.2 Particulars of credit loss allowance against debt securities

Category of classification	(Un-audited) March 31, 2026		(Audited) December 31, 2025		
	Outstanding amount	Credit loss allowance held	Outstanding amount	Credit loss allowance held	
----- (Rupees in '000) -----					
Domestic					
Performing	Stage 1	4,332,164	22,108	4,332,164	24,272
Underperforming	Stage 2	1,200,000	84,174	1,400,000	110,664
Non-performing	Stage 3	-	-	-	-
Substandard		-	-	-	-
Doubtful		-	-	-	-
Loss		6,789,034	6,789,580	6,790,763	6,790,763
		12,321,198	6,895,862	12,522,927	6,925,699
Overseas					
Performing	Stage 1	6,343,433	883	6,485,444	116
Underperforming	Stage 2	78,502,253	3,114,596	71,846,673	2,894,008
Non-Performing	Stage 3	-	-	-	-
Substandard		-	-	-	-
Doubtful		-	-	-	-
Loss		-	-	-	-
		84,845,686	3,115,480	78,332,117	2,894,124
Total		97,166,884	10,011,342	90,855,044	9,819,823

10.3 The market value of securities classified at amortised cost as at March 31, 2026 amounted to Rs. 607,309 million (December 31, 2025: Rs.528,129 million).

11. **ADVANCES**

	Performing		Non Performing		Total	
	(Un-audited) March 31, 2026	(Audited) December 31, 2025	(Un-audited) March 31, 2026	(Audited) December 31, 2025	(Un-audited) March 31, 2026	(Audited) December 31, 2025
	----- (Rupees in '000) -----					
Loans, cash credits, running finances, etc.	1,005,619,638	1,098,536,201	211,316,895	207,998,332	1,216,936,533	1,306,534,533
Islamic financing and related assets	278,663,125	248,313,166	2,077,933	2,173,921	280,741,058	250,487,087
Bills discounted and purchased	51,802,921	45,014,230	12,803,100	12,811,346	64,606,021	57,825,576
Advances - gross	1,336,085,684	1,391,863,597	226,197,928	222,983,599	1,562,283,612	1,614,847,196
Credit loss allowance against advances						
-Stage 1	16,939,923	16,062,649	-	-	16,939,923	16,062,649
-Stage 2	23,458,661	23,412,505	-	-	23,458,661	23,412,505
-Stage 3*	5,437,450	-	210,337,235	219,764,473	215,774,685	219,764,473
-General	15,687,808	17,521,916	-	-	15,687,808	17,521,916
	61,523,842	56,997,070	210,337,235	219,764,473	271,861,077	276,761,543
Advances - net of credit loss allowance / provision	1,274,561,842	1,334,866,527	15,860,694	3,219,126	1,290,422,536	1,338,085,653

*This represents credit loss allowance against loans that have been classified as stage 3 according to IFRS 9.

11.1 **Particulars of advances (gross)**

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
	----- (Rupees in '000) -----	
In local currency	1,216,547,769	1,251,654,699
In foreign currencies	345,735,843	363,192,497
	1,562,283,612	1,614,847,196

11.2 Advances includes Rs. 226,198 million (December 31, 2025: Rs. 222,984 million) which have been placed under non-performing / stage 3 status as detailed below:

Category of Classification	(Un-audited) March 31, 2026		(Audited) December 31, 2025	
	Non performing loans	Credit loss allowance / provision	Non performing loans	Credit loss allowance / provision
----- (Rupees in '000) -----				
Domestic				
Other assets especially mentioned	5,100,501	2,320,465	2,268,835	1,499,383
Substandard	11,880,039	6,969,332	13,247,022	8,590,584
Doubtful	6,933,973	4,565,432	2,666,190	1,838,229
Loss	141,409,258	137,980,204	143,575,094	140,178,215
	165,323,772	151,835,433	161,757,141	152,106,411
Overseas				
Substandard	-	-	-	-
Doubtful	386,155	247,026	387,241	247,721
Loss	60,488,002	58,254,776	60,839,217	58,598,233
	60,874,157	58,501,802	61,226,458	58,845,954
Stage 3 as per IFRS 9	-	5,437,450	-	8,812,108
Total	226,197,929	215,774,685	222,983,599	219,764,473

11.3 Particulars of credit loss allowance / provision against advances

	March 31, 2026 (Un-audited)						December 31, 2025 (Audited)					
	Stage 1	Stage 2	Stage 3	Specific provision	General provision	Total	Stage 1	Stage 2	Stage 3	Specific provision	General provision	Total
Note	(Rupees in '000)						(Rupees in '000)					
Opening balance	16,062,649	23,412,505	219,764,473	-	17,521,916	276,761,543	19,751,831	10,808,620	225,833,262	-	11,501,411	267,895,124
IFRS-9 adoption	-	-	-	-	-	-	-	30,103	124,994	-	-	155,097
	16,062,649	23,412,505	219,764,473	-	17,521,916	276,761,543	19,751,831	10,838,723	225,958,256	-	11,501,411	268,050,221
Exchange adjustments	-	-	(392,540)	-	(58,244)	(450,784)	-	-	(2,933,410)	-	(10,247)	(2,943,657)
Charge for the period / year	4,945,793	4,114,224	2,348,018	-	-	11,408,035	1,449,113	16,561,201	10,916,537	-	2,938,784	31,865,635
Reversals	(3,501,480)	(4,262,015)	(2,905,430)	-	(4,543,026)	(15,211,951)	(3,967,654)	(7,946,792)	(7,148,783)	-	-	(19,063,229)
	1,444,313	(147,791)	(557,412)	-	(4,543,026)	(3,803,916)	(2,518,541)	8,614,409	3,767,754	-	2,938,784	12,802,406
Amounts written off	-	-	(4,877)	-	-	(4,877)	-	-	(63,652)	-	-	(63,652)
Amounts charged off - agriculture financing	-	-	(33,393)	-	-	(33,393)	-	-	(370,152)	-	-	(370,152)
Transfer to stage 1	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to stage 2	(438,607)	438,607	-	-	-	-	(666,997)	4,765,421	-	-	(4,098,424)	-
Transfer to stage 3	(128,432)	(244,660)	373,092	-	-	-	(503,644)	(806,048)	1,309,692	-	-	-
Other movement	-	-	(3,374,658)	-	2,767,162	(607,496)	-	-	(7,904,014)	-	7,190,392	(713,622)
Closing balance	16,939,923	23,458,661	215,774,685	-	15,687,808	271,861,077	16,062,649	23,412,505	219,764,473	-	17,521,916	276,761,543

11.4 Advances - particulars of credit loss allowance / provision against advances

	March 31, 2026 (Un-audited)						December 31, 2025 (Audited)					
	Stage 1	Stage 2	Stage 3	Specific provision	General provision	Total	Stage 1	Stage 2	Stage 3	Specific provision	General provision	Total
Note	(Rupees in '000)						(Rupees in '000)					
11.4.1 Opening balance	16,062,649	23,412,505	219,764,473	-	17,521,916	276,761,543	19,751,831.00	10,808,620.00	225,833,262.00	-	11,501,411	267,895,124
IFRS-9 adoption	-	-	-	-	-	-	-	30,103	124,994	-	-	155,097
	16,062,649	23,412,505	219,764,473	-	17,521,916	276,761,543	19,751,831	10,838,723	225,958,256	-	11,501,411	268,050,221
New Advances	4,945,793	4,114,224	2,348,018	-	-	11,408,035	1,449,113	16,561,201	10,916,537	-	2,938,784	31,865,635
Exchange adjustment	-	-	(392,540)	-	(58,244)	(450,784)	-	-	(2,933,410)	-	(10,247)	(2,943,657)
Advances derecognised or repaid	(3,501,480)	(4,262,015)	(2,905,430)	-	(4,543,026)	(15,211,951)	(3,967,654)	(7,946,792)	(7,148,783)	-	-	(19,063,229)
Transfer to stage 1	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to stage 2	(438,607)	438,607	-	-	-	-	(666,997)	4,765,421	-	-	(4,098,424)	-
Transfer to stage 3	(128,432)	(244,660)	373,092	-	-	-	(503,644)	(806,048)	1,309,692	-	-	-
Other movement	-	-	(3,374,658)	-	2,767,162	(607,496)	-	-	(7,904,014)	-	7,190,392	(713,622)
	877,274	46,156	(3,951,518)	-	(1,834,108)	(4,862,196)	(3,689,182)	12,573,782	(5,759,978)	-	6,020,505	9,145,127
Amounts written off	-	-	(4,877)	-	-	(4,877)	-	-	(63,652)	-	-	(63,652)
Amounts charged off - agriculture financing	-	-	(33,393)	-	-	(33,393)	-	-	(370,152)	-	-	(370,152)
Closing balance	16,939,923	23,458,661	215,774,685	-	15,687,808	271,861,077	16,062,649	23,412,505	219,764,474	-	17,521,916	276,761,544

11.4.2 Advances - Category of classification

			March 31, 2026 (Un-audited)			December 31, 2025 (Audited)		
			Outstanding amount	Credit loss allowance held	Net of Advances	Outstanding amount	Credit loss allowance held	Net of Advances
------(Rupees in '000)-----								
Domestic								
Performing	Stage 1		1,049,655,427	16,937,912	1,032,717,515	1,118,791,805	16,062,649	1,102,729,156
Underperforming	Stage 2		262,511,941	23,127,027	239,384,914	199,317,041	23,412,505	175,904,536
Non-Performing	Stage 3							
Other assets especially mentioned			5,100,501	2,320,465	2,780,036	2,268,835	1,499,383	769,452
Substandard			11,880,039	6,969,332	4,910,707	13,247,022	8,590,584	4,656,438
Doubtful			6,933,973	4,565,432	2,368,541	2,666,190	1,838,229	827,961
Loss			141,409,258	137,980,204	3,429,054	143,575,094	140,178,215	3,396,879
Stage 3 as per IFRS 9			-	5,437,450	(5,437,450)	-	8,812,108	(8,812,108)
General Provision			-	15,687,808	(15,687,808)	-	17,521,916	(17,521,916)
			165,323,772	172,960,692	(7,636,920)	161,757,141	178,440,435	(16,683,294)
Sub total			1,477,491,139	213,025,631	1,264,465,509	1,479,865,987	217,915,589	1,261,950,398
Overseas								
Performing	Stage 1		21,336,199	2,011	21,334,188	22,390,335		22,390,335
Underperforming	Stage 2		2,582,117	331,634	2,250,483	51,364,416		51,364,416
IFRS 9 not applicable			-	-	-			-
Non-Performing	Stage 3							
Substandard			-	-	-	-	-	-
Doubtful			386,155	247,026	139,129	387,241	247,721	139,520
Loss			60,488,002	58,254,776	2,233,226	60,839,217	58,598,233	2,240,984
			60,874,157	58,501,802	2,372,355	61,226,458	58,845,954	2,380,504
Sub total			84,792,473	58,835,447	25,957,026	134,981,209	58,845,954	76,135,255
Total			1,562,283,612	271,861,078	1,290,422,533	1,614,847,196	276,761,543	1,338,085,653

11.4.3 General provision includes provision amounting to Rs.1,111 million (December 31, 2025: Rs. 467 million) pertaining to overseas advances to meet the requirements of regulatory authorities of the respective countries in which the Bank operates where IFRS 9 has not been implemented. The general provision can be maintained till December 31, 2026 under BPRD circular No. 1 of 2025 dated January 22, 2025.

11.4.4 The SBP had allowed specific relaxation to the Bank for non-classification of overdue loans of certain Public Sector Entities (PSEs) which are guaranteed by Government of Pakistan as non-performing loans up till December 31, 2025. Bank has applied for further relaxation from SBP, however, response is awaited. No provision is required against these loans; however, mark-up is being suspended as required by the Prudential Regulations. Further SBP has allowed specific relaxation on the requirement for ECL against overdue foreign currency loan of a Public Sector Entity permanently.

11.4.5 These represent non-performing advances for agriculture finance which have been classified as loss and fully provided for more than 3 years. These non-performing advances have been charged off by extinguishing them against the provision held in accordance with Prudential Regulations for Agriculture Financing issued by the SBP. This charge off does not, in any way, prejudice the Bank's right of recovery from these customers.

	Note	(Un-audited)	(Audited)
		March 31, 2026	December 31, 2025
----- (Rupees in '000) -----			
12. PROPERTY AND EQUIPMENT			
Capital work-in-progress	12.1	1,999,607	2,260,719
Property and equipment		64,989,918	64,646,456
		<u>66,989,525</u>	<u>66,907,175</u>
12.1 Capital work-in-progress			
Civil works		1,422,026	1,259,425
Equipment		10,372	17,476
Advances to suppliers		567,209	983,818
		<u>1,999,607</u>	<u>2,260,719</u>

	(Un-audited)	(Un-audited)
	March 31,	March 31,
	2026	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	907,542	130,880
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Property and equipment

Building on freehold land	83,200	53,939
Building on leasehold land	70,247	4,721
Furniture and fixtures	322,614	314,460
Computer and peripheral equipment	780,037	833,336
Electrical and office equipment	224,722	238,612
Vehicles	341,631	231,261
	1,822,451	1,676,329
Total additions to property and equipment	2,729,993	1,807,209

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 fixtures	-	348
Electrical and office equipment	710	75
Vehicles	8,333	17,081
Computer equipment	58	88
Total disposals of property and equipment	9,101	17,591

13. RIGHT-OF-USE ASSETS

	March 31, 2026 (Un-audited)			December 31, 2025 (Audited)		
	Buildings	Others	Total	Buildings	Others	Total
	----- (Rupees in '000) -----					
At January 1						
Cost	20,931,631	68,237	20,999,867	17,996,306	92,500	18,088,806
Accumulated depreciation	(14,753,673)	(30,833)	(14,784,506)	(11,746,918)	(24,264)	(11,771,182)
Net carrying amount at January 1	6,177,958	37,403	6,215,361	6,249,388	68,236	6,317,624
Additions during the period / year	409,216	-	409,216	2,935,324	-	2,935,324
Deletions during the year	-	-	-	(1,169,225)	-	(1,169,225)
Depreciation charge for the period / year	(493,180)	(7,708)	(500,888)	(1,837,530)	(30,833)	(1,868,363)
Net carrying amount	6,093,994	29,695	6,123,689	6,177,957	37,403	6,215,360

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

14. INTANGIBLE ASSETS

Capital work-in-progress - Software Implementation	1,425,972	1,394,645
Computer software	1,094,346	1,125,020
	2,520,318	2,519,665

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

14.1 Additions to intangible assets

The following additions have been made to intangible assets during the period:

Capital work-in-progress	16,256	341,963
Directly purchased	152,512	305,950
Total additions to intangible assets	168,768	647,913

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
Note	----- (Rupees in '000) -----	
15. DEFERRED TAX ASSETS / (DEFERRED TAX LIABILITIES)		
Deductible temporary differences on:		
- Tax losses carried forward	10,705	10,705
- Post retirement employee benefits	13,612,163	8,951,190
- Net credit loss allowance against investments	2,124,775	2,025,156
- Net credit loss allowance against loans and advances	37,480,152	35,667,648
- Net credit loss allowance against off-balance sheet obligations	2,173,719	1,959,634
- Excess of accounting book values over tax written down values of property and equipment	149,708	(63,436)
- Other credit loss allowance	761,095	1,025,842
- Provision against contingencies	515,203	401,043
- Net credit loss allowance against balances with other banks	1,063	1,074
- Net credit loss allowance against lendings to financial institutions	-	-
- Net credit loss allowance against balances with other central banks	(573)	2,663
- Right-of-use assets	992,143	939,376
	57,820,153	50,920,895
Taxable temporary differences on:		
- Surplus on revaluation of property and equipment	(3,660,239)	(3,706,570)
- Exchange translation reserve	(485,504)	(485,504)
- Surplus on revaluation of investments	(41,210,306)	(83,163,748)
- Surplus on revaluation of non-banking assets	(109,454)	(110,840)
	(45,465,503)	(87,466,662)
	12,354,649	(36,545,766)
16. OTHER ASSETS		
Income / return / mark-up accrued in local currency	132,357,210	168,073,970
Income / return / mark-up accrued in foreign currencies	4,850,937	9,181,791
Advances, deposits, advance rent and other prepayments	46,401,777	45,013,017
Compensation for delayed tax refunds	22,129,925	22,129,925
Non-banking assets acquired in satisfaction of claims	1,145,432	1,146,897
Assets acquired from Corporate and Industrial Restructuring Corporation (CIRC)	158,931	158,931
Commission receivable on Government treasury transactions	8,333,177	5,428,242
Stationery and stamps on hand	388,529	506,656
Barter trade balances	195,399	195,399
Receivable on account of Government transactions	323,172	323,172
Receivable from Government under VHS scheme	418,834	418,834
Receivable against sale of shares	168,586	7,143
Acceptances	9,536,220	10,335,656
Deferred fair value loss	10,784,264	11,275,985
Dividend receivable	6,622,212	3,267,361
Others	13,689,509	13,485,582
	257,504,114	290,948,561
Less: Provision held against other assets	16.1	16,066,597
Less: Credit loss allowance held against other assets	16.2	946,332
Other assets (net of credit loss allowance / provision)	240,491,185	273,423,751
Surplus on revaluation of non-banking assets acquired in satisfaction of claims - net	3,240,577	3,243,242
Other assets	243,731,762	276,666,993

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
	----- (Rupees in '000) -----	
16.1 Provision held against other assets		
Income / mark-up accrued in local currency	152,607	152,607
Advances, deposits, advance rent and other prepayments	800,000	800,000
Stationery and stamps on hand	74,075	74,075
Barter trade balances	195,399	195,399
Receivable on account of Government transactions	323,172	323,172
Receivable from Government under VHS scheme	418,834	418,834
Protested bills	4,286,235	4,399,671
Ex-MBL / NDFC - other assets	760,941	760,941
Assets acquired from Corporate and Industrial Restructuring Corporation asset (CIRC)	158,931	158,931
Dividend receivable	3,237,161	3,237,161
Others	5,659,241	5,702,519
	<u>16,066,597</u>	<u>16,223,310</u>
16.1.1 Movement in provision held against other assets		
Opening balance	16,223,310	15,892,557
Charge / (reversal) for the period / year	(153,963)	615,423
Adjustment against provision	(2,750)	20,234
Other movement	-	(304,904)
Closing balance	<u>16,066,597</u>	<u>16,223,310</u>
16.2 Movement in credit loss allowance held against other assets		
Opening balance	1,301,500	1,225,858
Impact of ECL recognition on adoption of IFRS-9	-	535
(Reversal) / charge for the period / year	(355,168)	(71,766)
Transfer in	-	146,873
Closing balance	<u>946,332</u>	<u>1,301,500</u>
16.3		
This represents fair value loss arising from the restructuring of Pakistan International Airlines Corporation Limited (PIACL). The SBP through its Circular Letter No. BPRD / BRD / PIAHCL / 733688 – 2024 dated August 01, 2024 has allowed staggering of such fair value impact over a period of 6 years at rates 5%, 10%, 15%, 20%, 25% and 25% from year 1 to year 6. Accordingly, the Bank has recognised proportionate amount of 3rd year's 15% of loss in these unconsolidated condensed interim financial statements.		
	(Un-audited) March 31, 2026	(Audited) December 31, 2025
	----- (Rupees in '000) -----	
17. BILLS PAYABLE		
In Pakistan	22,943,078	20,781,510
Outside Pakistan	40,003	35,702
	<u>22,983,081</u>	<u>20,817,212</u>
18. BORROWINGS		
Secured		
Borrowings from the State Bank of Pakistan		
Under Export Refinance Scheme	13,276,000	15,873,707
Financing Scheme for Renewable Energy	2,693,904	1,112,560
Refinance Facility for Modernization of Small and Medium Enterprises (SMEs)	189,168	204,159
Financing Facility for Storage of Agriculture Produce (FFSAP)	1,700,970	246,803
Under Long-Term Financing Facility (LTFF)	8,524,150	10,470,123
Temporary Economic Refinance Facility	9,084,610	11,726,436
Refinance and Credit Guarantee Scheme for Women Entrepreneurs (RCWE)	51,355	61,937
Export Refinance scheme for bill discounting	2,595,160	2,511,175
Refinance Facility for Combating COVID-19	5,364	7,152
Refinance Facility for working capital	20,000	27,000
	<u>38,140,681</u>	<u>42,241,052</u>
Repurchase agreement borrowings	10.1.1 2,126,847,890	1,596,028,090
Total secured	<u>2,164,988,571</u>	<u>1,638,269,142</u>

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
	----- (Rupees in '000) -----	
Unsecured		
Call borrowings	46,629,738	48,387,944
Overdraw nostro accounts	617,226	-
Borrowing from Pakistan Mortgage Refinance Company	3,000,000	3,000,000
Total unsecured	50,246,964	51,387,944
	2,215,235,535	1,689,657,086

18.1 Particulars of borrowings with respect to currencies

In local currency	2,168,605,797	1,641,269,142
In foreign currencies	46,629,738	48,387,944
	2,215,235,535	1,689,657,086

18.2 Mark-up / interest rates and other terms are as follows:

- The Bank has entered into agreements with the SBP for extending export refinance to customers. As per the terms of the agreement, the Bank has granted SBP the right to recover the outstanding amount from the Bank at the date of maturity of finances by directly debiting the current account maintained by the Bank with the SBP. These borrowings carry mark-up of 0.00 % to 16.00 % per annum (December 31, 2025: 0.00% to 16.00% per annum).
- Repurchase agreement borrowings carry mark-up ranging from 10% to 11.5% per annum (December 31, 2025: 10.49% to 11.50% per annum) having maturities ranging from April 1, 2026 to April 17, 2026.
- Call borrowings carry interest ranging from 4.17% to 5.75% per annum (December 31, 2025: 4.36% to 6.60% per annum).

18.3 Borrowings from the SBP under export oriented projects refinance schemes of the SBP are secured by the Bank's cash and security balances held by the SBP.

18.4 Pakistan Investment Bonds and Market Treasury Bills having maturity of 2 - 5 Years and 1 Year respectively, are pledged as security under borrowing having carrying amount of Rs. 2,126,848 million (December 31, 2025: Rs. 1,596,028 million).

19. DEPOSITS AND OTHER ACCOUNTS

	March 31, 2026 (Un-audited)			December 31, 2025 (Audited)		
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
	----- (Rupees in '000) -----					
Customers						
Current deposits - remunerative	820,688,174	-	820,688,174	932,883,053	-	932,883,053
Current deposits - non-remunerative	616,836,031	157,034,439	773,870,470	661,037,204	154,955,433	815,992,637
Savings deposits	1,232,825,858	113,633,189	1,346,459,047	1,223,390,842	144,899,660	1,368,290,502
Term deposits	456,738,890	272,572,148	729,311,038	504,918,393	272,899,557	777,817,950
Others	17,831,158	7,074	17,838,232	23,156,231	2,862,591	26,018,822
	3,144,920,111	543,246,850	3,688,166,961	3,345,385,723	575,617,241	3,921,002,964
Financial Institutions						
Current deposits - remunerative	16,817,000	-	16,817,000	57,731,344	-	57,731,344
Current deposits - non-remunerative	333,988,205	568,819	334,557,024	353,072,890	2,846,955	355,919,845
Savings deposits	56,491,728	-	56,491,728	42,073,982	2,890,259	44,964,241
Term deposits	8,968,000	3,726,395	12,694,395	38,069,277	11,577,351	49,646,628
	416,264,933	4,295,494	420,560,427	490,947,493	17,314,565	508,262,058
	3,561,185,044	547,542,344	4,108,727,388	3,836,333,216	592,931,806	4,429,265,022

19.1 Foreign currencies deposits includes deposit of foreign branches amounting to Rs. 108,032 million (December 31, 2025: Rs. 112,156 million).

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
Note	----- (Rupees in '000) -----	
20. LEASE LIABILITY AGAINST RIGHT-OF-USE ASSETS		
Outstanding amount at the start of the period / year	8,021,852	8,030,117
Additions during the period / year	407,035	3,028,869
Lease payments during the period / year	(691,216)	(2,833,704)
Interest expense	292,143	1,131,784
Exchange difference	1,843	7,041
Closure of branch	-	(1,342,254)
Outstanding amount at the end of the period / year	<u>8,031,657</u>	<u>8,021,852</u>
Liabilities outstanding		
Less than one year	1,487,526	1,532,423
One to five years	4,093,608	4,098,864
Five to ten years	1,501,432	1,590,093
More than ten years	949,091	800,471
Total lease liabilities	<u>8,031,657</u>	<u>8,021,852</u>
21. OTHER LIABILITIES		
Mark-up / return / interest payable in local currency	84,183,180	129,606,109
Mark-up / return / interest payable in foreign currencies	7,260,701	5,510,712
Unearned commission and income on bills discounted	881,315	1,019,222
Accrued expenses	17,904,879	16,176,261
Advance payments	341,469	330,616
Current taxation (provisions less payments)	14,485,331	10,796,160
Unclaimed dividends	229,579	172,688
Proposed Dividends	74,462,956	-
Mark to market loss on forward foreign exchange contracts	2,369,555	3,609,169
Branch adjustment account	346,416	445,201
Payable to defined benefit plan:		
Pension fund	82,834,146	75,312,954
Post retirement medical benefits	48,279,232	48,234,725
Benevolent fund	2,167,824	2,145,147
Gratuity scheme	6,029,342	5,836,026
Compensated absences	10,828,937	10,503,531
Staff welfare fund	371,257	371,257
Liabilities relating to Barter trade agreements	4,287,736	4,299,845
Credit loss allowance against off-balance sheet obligations	3,479,284	2,460,086
Provision against contingencies	6,562,499	6,258,300
Payable to brokers	21,640	82,324
PIBs short selling	976,052	-
Acceptances	9,536,220	10,335,656
Others	19,767,795	17,748,777
	<u>397,607,345</u>	<u>351,254,766</u>
21.1 Credit loss allowance against off-balance sheet obligations		
Opening balance	2,460,086	1,726,164
Impact of adoption of IFRS-9	-	125
Charge / (reversal) for the period / year	411,702	167,047
Transfer in / (out)	607,496	566,750
Closing balance	<u>3,479,284</u>	<u>2,460,086</u>
21.2 Provision against contingencies		
Opening balance	6,258,300	5,343,606
Charge for the period / year	219,539	344,812
Other movement	100,000	584,882
Adjustment	(15,340)	(15,000)
Closing balance	<u>6,562,499</u>	<u>6,258,300</u>

		(Un-audited) March 31, 2026	(Audited) December 31, 2025
		----- Rupees in '000 -----	
22.	SURPLUS ON REVALUATION OF ASSETS - NET OF TAX		
	Surplus on revaluation of:		
	- Securities measured at FVOCI - Debt	10.1 7,452,843	72,125,535
	- Securities measured at FVOCI - Equity	10.1 71,797,745	87,804,749
	- Property and equipment	49,176,252	49,265,353
	- Non-banking assets acquired in satisfaction of claims	<u>3,240,577</u>	<u>3,243,242</u>
		<u>131,667,417</u>	<u>212,438,879</u>
	Less: Deferred tax liability on surplus on revaluation of:		
	- Securities measured at FVOCI - Debt	(3,875,478)	(37,505,278)
	- Securities measured at FVOCI - Equity	(37,334,827)	(45,658,469)
	- Property and equipment	(3,660,239)	(3,706,571)
	- Non-banking assets acquired in satisfaction of claims	<u>(109,454)</u>	<u>(110,839)</u>
		<u>(44,979,997)</u>	<u>(86,981,157)</u>
		<u>86,687,420</u>	<u>125,457,722</u>

23. CONTINGENCIES AND COMMITMENTS

	Guarantees	23.1 555,711,127	533,648,579
	Commitments	23.2 2,604,719,885	2,733,126,110
	Other contingent liabilities	23.3 24,521,085	24,698,907
		<u>3,184,952,097</u>	<u>3,291,473,596</u>

23.1 Guarantees

	Financial guarantees	453,232,866	418,325,647
	Performance guarantees	<u>102,478,261</u>	<u>115,322,932</u>
		<u>555,711,127</u>	<u>533,648,579</u>

23.2 Commitments

	Documentary credits and short-term trade-related transactions		
	- letters of credit	1,817,900,752	1,836,712,713
	Commitments in respect of:		
	- forward foreign exchange contracts	23.2.1 765,174,796	857,254,845
	- forward government securities transactions	23.2.2 916,644	16,508,022
	- forward lending	23.2.3 18,783,649	20,217,417
	Commitments for acquisition of:		
	- property and equipment	1,944,045	2,433,113
	Other commitments	23.2.4 -	-
		<u>2,604,719,885</u>	<u>2,733,126,110</u>

23.2.1 Commitments in respect of forward foreign exchange contracts

	Purchase	519,770,921	569,734,831
	Sale	<u>245,403,875</u>	<u>287,520,014</u>
		<u>765,174,796</u>	<u>857,254,846</u>

Commitments for outstanding forward foreign exchange contracts are disclosed in these unconsolidated condensed interim financial statements at contracted rates. Commitments denominated in foreign currencies are expressed in Rupee terms at the rates of exchange prevailing at the statement of financial position date.

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
		----- (Rupees in '000) -----
23.2.2	Commitments in respect of forward government securities transactions	
	Purchase	28,535
	Sale	10,463,492
		<u>888,109</u>
		<u>6,044,530</u>
		<u>916,644</u>
		<u>16,508,022</u>

Commitments for outstanding forward government securities transactions are disclosed in these unconsolidated condensed interim financial statements at contracted rates.

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
	----- (Rupees in '000) -----	
23.2.3 Commitments in respect of forward lending		
Undrawn formal standby facilities, credit lines and other commitment to lend	<u>18,783,649</u>	<u>20,217,417</u>

These represent commitments that are irrevocable because they cannot be withdrawn at the discretion of the bank without the risk of incurring significant penalty or expense.

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
	----- (Rupees in '000) -----	
23.2.4 Other commitments		
Professional services to be received	<u>-</u>	<u>-</u>

23.3 Other contingent liabilities

23.3.1 Claims against the Bank not acknowledged as debt	<u>24,521,085</u>	<u>24,698,907</u>
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Claims against the Bank not acknowledged as debts includes claims relating to former Mehran Bank Limited amounting to Rs. 1,597 million (December 31, 2025: Rs. 1,597 million).

Moreover, these claims also represent counter claims by the borrowers for damages, claims filed by former employees of the Bank and other claims relating to banking transactions. Based on legal advice and / or internal assessments, the management is confident that the matters will be decided in the Bank's favour and the possibility of any adverse outcome against the Bank is remote and accordingly no provision has been made in these unconsolidated condensed interim financial statements.

23.3.2 Taxation

As at March 31, 2026, the status of tax contingencies is same as disclosed in the annual unconsolidated financial statements for the year ended December 31, 2025.

23.3.3 Contingencies in respect of employees benefits and other matters

23.3.3.1 As at March 31, 2026, the status of contingencies in respect of employees benefits including pension and other related matters is same as disclosed in the annual audited unconsolidated financial statements for the year ended December 31, 2025.

23.3.3.2 SBP has imposed and recovered penalty on the Bank amounting to Rs. 1,276 million on account of detection of certain counterfeit bank notes. The Bank maintains chest operations as custodian of SBP and has recovered the amount from the relevant depositing bank.

	(Un-audited) Quarter ended	
	March 31, 2026	March 31, 2025
	----- (Rupees in '000) -----	
24. MARK-UP / RETURN / INTEREST EARNED		
On:		
- Loans and advances	38,744,220	51,863,444
- Investments	137,421,249	159,579,400
- Lendings to financial institutions	1,300,599	1,050,485
- Balances with banks	812,573	620,749
	<u>178,278,641</u>	<u>213,114,078</u>

		(Un-audited)	
		Quarter ended	
		March 31, 2026	March 31, 2025
25.	MARK-UP / RETURN / INTEREST EXPENSED	Note	----- (Rupees in '000) -----
	On:		
	- Deposits	65,907,092	73,601,374
	- Borrowings	1,428,111	1,474,316
	- Cost of foreign currency swaps against foreign currency deposits	2,384,584	1,838,153
	- Finance charges - lease liability against right-of-use assets	292,143	282,667
	- Securities sold under repurchase agreements	56,285,859	66,329,846
		<u>126,297,789</u>	<u>143,526,356</u>
26.	FEE AND COMMISSION INCOME		
	Branch banking customer fees	305,333	478,000
	Consumer finance related fees	201,473	252,719
	Card related fees	1,699,609	1,740,818
	Credit related fees	142,315	102,394
	Investment banking fees	131,910	110,296
	Commission on trade	471,674	457,980
	Commission on guarantees	761,600	544,399
	Commission on cash management	12,385	11,210
	Commission on remittances including home remittances	99,055	74,399
	Commission on bancassurance	102,524	68,520
	Commission on Government transactions	2,953,111	3,551,943
	Others	8,816	12,395
		<u>6,889,805</u>	<u>7,405,073</u>
27.	GAIN ON SECURITIES - NET		
	Realised	27.1	5,257,143
	Unrealised - measured at FVTPL	10.1	(5,712,982)
	Unrealised - Short selling		43,049
			<u>(412,790)</u>
27.1	Realised gain on		<u>(112,262)</u>
	Federal Government Securities		4,903,255
	Shares		824,163
	Ijarah sukuks		353,888
	Foreign securities		219,054
	Associates - mutual funds		101,639
			-
			-
			-
			-
			<u>5,257,143</u>
27.2	Net gain / (loss) on financial assets measured at FVTPL:		
	Designated upon initial recognition		(5,710,925)
	Mandatorily measured at FVTPL		(1,245,577)
			(2,055)
			(11,541)
			<u>(5,712,980)</u>
			<u>(1,257,118)</u>
28.	OTHER INCOME		
	Rent on properties		14,370
	Gain on sale of property and equipment - net		27,167
	Reversal of expenses		593
	Insurance Claim		822
	Postal, SWIFT and other charges recovered		-
	Swift share allocation		224,872
	Others		68,491
			2,654
			-
			22,256
			74
			39,686
			<u>17,691</u>
			<u>383,294</u>

29. OPERATING EXPENSES	(Un-audited)	
	Quarter ended	
	March 31, 2026	March 31, 2025
	----- (Rupees in '000) -----	
Total compensation expenses	19,485,804	18,701,197
Property expenses		
Rent and taxes	215,260	220,393
Insurance	9,140	9,921
Utilities	565,362	545,502
Security (including guards)	852,547	1,073,229
Repair and maintenance (including janitorial charges)	439,079	467,923
Depreciation	149,505	147,520
Depreciation on non-banking assets	4,130	17,539
Depreciation on right-of-use assets	500,888	451,613
	2,735,911	2,933,640
Information technology expenses		
Software maintenance	730,110	659,689
Hardware maintenance	137,380	35,190
Depreciation	618,915	406,349
Amortisation	185,193	137,704
Network charges	326,416	306,322
IT manage services	574,197	430,985
	2,572,211	1,976,239
Other operating expenses		
Directors' fees and allowances	22,042	14,848
Fees and allowances to Shariah Board	5,891	5,306
Legal and professional charges	322,588	280,266
Outsourced services costs	308,723	402,393
Travelling and conveyance	342,301	308,324
NIFT clearing charges	9,363	61,856
Depreciation	567,783	441,712
Training and development	27,133	39,265
Postage and courier charges	108,157	86,248
Communication	441,778	448,491
Stationery and printing	883,611	362,260
Marketing, advertisement and publicity	578,031	392,999
Donations	13,661	-
Auditors' remuneration	70,170	69,014
Entertainment	107,674	107,104
Clearing, verification, license fee charges	124,775	86,653
Brokerage	36,781	35,036
Financial charges on leased assets	35,665	39,544
Insurance	254,982	199,529
Vehicle expenses	65,453	59,510
Repairs and maintenance	298,090	380,821
Deposit premium expense	480,615	405,511
Others	123,514	353,157
	5,228,781	4,579,847
	30,022,707	28,190,923

30. OTHER CHARGES	(Un-audited)	
	Quarter ended	
	March 31, 2026	March 31, 2025
	----- (Rupees in '000) -----	
Penalties imposed by State Bank of Pakistan	18,858	11,790
Penalties imposed by other regulatory bodies of overseas branches	-	-
	18,858	11,790

	Note	(Un-audited)	
		Quarter ended	
		March 31, 2026	March 31, 2025
31. CREDIT LOSS ALLOWANCE / PROVISIONS AND WRITE OFFS / (REVERSAL OF PROVISIONS / CREDIT LOSS ALLOWANCE) - NET		----- (Rupees in '000) -----	
Net reversal of credit loss allowance against investments	10.2	191,574	505,316
Net credit loss allowance / provision / (reversal) against loans and advances	11.3	(3,803,917)	5,617,077
Net provision held / (reversal) against other assets	16.1.1	(153,962)	295,868
Net provision against contingencies	21.2	219,539	108,674
Net reversal of credit loss allowance against balances with other banks		(21)	1
Net credit loss allowance against balances with other central banks		(6,223)	2,499
Net reversal of credit loss allowance against markup receivable	16.2	(355,168)	(127,628)
Net credit loss allowance against off-balance sheet	21.1	411,702	(8,007)
		<u>(3,496,476)</u>	<u>6,393,800</u>
32. TAXATION			
Current			
For the period		<u>20,433,383</u>	<u>27,528,076</u>
		20,433,383	27,528,076
Deferred			
For the period		<u>(2,286,002)</u>	<u>(2,888,971)</u>
		(2,286,002)	(2,888,971)
		<u>18,147,381</u>	<u>24,639,105</u>
		(Un-audited)	
		Quarter ended	
		March 31, 2026	March 31, 2025
		----- (Rupees in '000) -----	
33. EARNINGS PER SHARE - BASIC AND DILUTED			
Profit for the period		<u>16,724,960</u>	<u>21,449,104</u>
		----- (Number of shares in '000) -----	
Weighted average number of ordinary shares		<u>2,127,513</u>	<u>2,127,513</u>
		----- (Rupees) -----	
Earnings per share - basic and diluted		<u>7.86</u>	<u>10.08</u>
33.1			
Diluted earnings per share has not been presented separately as the Bank does not have any convertible instruments in issue.			
		(Un-audited)	
		Quarter ended	
		March 31, 2026	March 31, 2025
		----- (Rupees in '000) -----	
34. CASH AND CASH EQUIVALENTS	Note		
Cash and balances with treasury banks	7	354,264,198	307,401,453
Balances with other banks	8	30,785,717	48,561,955
Call money lendings		-	-
Call money borrowings	18	(46,629,738)	(16,947,618)
Overdrawn nostro accounts	18	(617,226)	(56,743)
		<u>337,802,951</u>	<u>338,959,047</u>

35. 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 participants at the measurement date. The fair value of quoted securities other than those classified as amortised cost, is based on quoted market price. Quoted debt securities classified as amortised cost are carried at cost. The fair value of unquoted equity securities, other than investments in associates and subsidiaries, is determined on the basis of valuation methodologies. The fair value of fixed term financings, other assets, other liabilities, fixed term deposits and due to financial institutions 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 financings and deposits, are frequently repriced.

35.1 Fair value of financial assets

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

Carrying value	March 31, 2026 (Un-audited)			Total	
	Level 1	Level 2	Level 3		
----- (Rupees in '000) -----					
On balance sheet financial instruments					
Financial assets - measured at fair value					
Investments					
Federal Government Securities					
- Market Treasury Bills	1,333,610,768	-	1,333,610,768	-	1,333,610,768
- Pakistan Investment Bonds	2,698,159,645	-	2,698,159,645	-	2,698,159,645
- GOP Ijarah Sukuks	281,331,620	258,610,004	22,721,616	-	281,331,620
- Foreign currency debt securities	32,639,921	-	32,639,921	-	32,639,921
Ordinary Shares					
- Listed companies	78,833,140	78,833,140	-	-	78,833,140
- Unlisted companies	9,394,985	-	-	9,394,985	9,394,985
Preference shares					
- Listed companies	1,125,053	1,125,053	-	-	1,125,053
Non-Government debt securities					
- Term finance certificates and sukuks	29,224,272	7,644,856	21,579,416	-	29,224,272
Mutual Fund units					
	6,249,649	-	6,249,649	-	6,249,649
Real estate investment trust units					
	2,756,172	-	2,756,172	-	2,756,172
Foreign securities					
- Government debt securities	2,306,360	-	2,306,360	-	2,306,360
- Equity securities - listed	41,396,616	41,396,616	-	-	41,396,616
	4,517,028,201	387,609,669	4,120,023,547	9,394,985	4,517,028,201

March 31, 2026 (Un-audited)				
Carrying value	Level 1	Level 2	Level 3	Total

(Rupees in '000)

Financial assets - disclosed but not measured at fair value

Investments

Federal Government Securities

- Pakistan Investment Bonds	562,048,798	-	323,719,590	-	323,719,590
- Ijarah Sukuks	24,019,595	-	19,452,500	-	19,452,500
- Foreign Currency Debt securities	9,759,201	-	9,817,705	-	9,817,705

Foreign Securities

- Government debt securities	35,745,403	-	36,607,919	-	36,607,919
- Non-Government debt securities	1,069	-	1,084	-	1,084
Bai muajjal with Government of Pakistan	-	-	-	-	-
Debentures, Bonds, Sukuks,	0	-	-	-	-

	631,574,066	-	389,598,798	-	389,598,798
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	5,148,602,267	387,609,669	4,509,622,345	9,394,985	4,906,626,999
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Off-balance sheet financial instruments - measured at fair value

Commitments

Forward purchase and sale of foreign exchange	765,174,796	-	(2,369,555)	-	(2,369,555)
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Forward government securities transactions

	916,644	-	(4,439)	-	(4,439)
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December 31, 2025 (Audited)

Carrying value	Level 1	Level 2	Level 3	Total
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(Rupees in '000)

On balance sheet financial instruments

Financial assets - measured at fair value

Investments

Federal Government Securities

- Market Treasury Bills	1,305,930,352	-	1,305,930,352	-	1,305,930,352
- Pakistan Investment Bonds	2,621,502,656	-	2,621,502,656	-	2,621,502,656
- Ijarah Sukuks	247,873,840	224,965,999	22,907,841	-	247,873,840
- Foreign Currency Debt securities	27,246,038	-	27,246,038	-	27,246,038

Ordinary Shares

- Listed Companies	92,256,671	92,256,671	-	-	92,256,671
- Unlisted Companies	9,394,985	-	-	9,394,985	9,394,985

Preference shares

- Listed	1,106,411	1,106,411	-	-	1,106,411
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Mutual Fund units

	6,335,395	-	6,335,395	-	6,335,395
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Real estate investment trust units

	2,487,311	-	2,487,311	-	2,487,311
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Non-Government debt securities

- Term Finance Certificates and Sukuk Bonds	29,550,365	11,365,995	18,184,370	-	29,550,365
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Foreign Securities

- Government debt securities	2,307,443	-	2,307,443	-	2,307,443
- Equity Securities - Listed	39,473,319	39,473,319	-	-	39,473,319

	4,385,464,786	369,168,395	4,006,901,405	9,394,985	4,385,464,786
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December 31, 2025 (Audited)					
Carrying value	Level 1	Level 2	Level 3	Total	
(Rupees in '000)					
Financial assets - disclosed but not measured at fair value					
Investments					
Federal Government Securities					
- Pakistan Investment Bonds	461,461,674	-	463,990,379	-	463,990,379
- Ijarah Sukuks	4,999,075	5,184,500	-	-	5,184,500
- Foreign Currency Debt securities	9,597,900	-	9,597,900	-	9,597,900
- GOP Ijarah Sukuks	14,027,812	-	14,176,100	-	14,176,100
- Bai Muajjal with Government of Pakistan (through State Bank of Pakistan)	8,466,335	-	8,466,335	-	8,466,335
Foreign Securities					
- Government debt securities	36,712,987	-	36,712,987	-	36,712,987
- Non-Government debt securities	1,079	1,079	-	-	1,079
	<u>535,266,862</u>	<u>5,185,579</u>	<u>532,943,701</u>	<u>-</u>	<u>538,129,280</u>
	<u>4,920,731,648</u>	<u>374,353,974</u>	<u>4,539,845,106</u>	<u>9,394,985</u>	<u>4,923,594,066</u>
Off-balance sheet financial instruments - measured at fair value					
Foreign exchange contracts purchase and sale	857,254,845	-	(2,369,555)	-	(2,369,555)
Forward government securities transactions	16,508,022	-	(4,439)	-	(4,439)

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

Item	Valuation approach and input used
Market Treasury Bills (MTB) / Pakistan Investment Bonds (PIB), and GoP Sukuks (GIS) including their forward contracts	The fair value of MTBs and PIBs are derived using PKRV rates. Floating rate PIBs are revalued using PKFRV rates. The fair value of GoP sukuks listed on the Pakistan Stock Exchange has been determined through closing rates of the Pakistan Stock Exchange. The fair value of other GIS are revalued using PKISRV rates.
Debt Securities (TFCs and Sukuk other than Government)	Investment in sukuks, debt securities (comprising term finance certificates, bonds and any other security issued by a company or a body corporate for the purpose of raising funds in the form of redeemable capital) are valued on the basis of the rates announced by the Mutual Funds Association of Pakistan in accordance with the methodology prescribed by the Securities and Exchange Commission of Pakistan.
Overseas Sukuks, Overseas and GoP Euro Bonds	The fair value of overseas government sukuks, and overseas bonds are determined on the basis of price available on Bloomberg.
Mutual funds	The valuation has been determined based on net asset values declared by respective funds.
Ordinary shares - listed	The fair value of investments in listed equity securities are valued on the basis of closing quoted market price available at the Pakistan Stock Exchange.
Ordinary shares - unlisted	The fair value of investments in unlisted equity securities are valued on the basis of income and market approach.
Foreign Securities	The fair value of foreign securities is determined using the prices from Reuter page.
Forward foreign exchange contracts and Forward Government securities transactions	The valuation has been determined by interpolating the FX revaluation rates announced by the SBP.
Property and equipment and non-banking assets acquired in satisfaction of claims	Land, buildings and non-banking assets acquired in satisfaction of claims are revalued on a periodic basis using professional valuers. The valuation is based on their assessment of the market value of the assets. The effect of changes in the unobservable inputs used in the valuations cannot be determined with certainty. Accordingly, a qualitative disclosure of sensitivity has not been presented in these unconsolidated condensed interim financial statements.

35.2 Fair value of non-financial assets

Information about the fair value hierarchy of Bank's non-financial assets as at the end of the reporting period are as follows:

March 31, 2026 (Un-audited)				
Carrying value	Level 1	Level 2	Level 3	Total
(Rupees in '000)				
Land and building (property)	54,654,112	-	54,654,112	54,654,112
Non-banking assets acquired in satisfaction of claims	4,386,009	-	4,386,009	4,386,009
	<u>59,040,121</u>	<u>-</u>	<u>59,040,121</u>	<u>59,040,121</u>
December 31, 2025 (Audited)				
Carrying value	Level 1	Level 2	Level 3	Total
(Rupees in '000)				
Land and building (property)	54,656,176	-	54,656,176	54,656,176
Non-banking assets acquired in satisfaction of claims	4,390,139	-	4,390,139	4,390,139
	<u>59,046,315</u>	<u>-</u>	<u>59,046,315</u>	<u>59,046,315</u>

36. SEGMENT DETAILS WITH RESPECT TO BUSINESS ACTIVITIES

Three months period ended March 31, 2026 (Un-audited)									
Retail Banking Group	Inclusive Development Group	Corporate and Investment Banking Group	Treasury	International, Financial Institution and Remittance Group	Aitemaad and Islamic Banking Group	Head Office / Others	Sub total	Eliminations	Total

(Rupees in '000)

Profit and loss account

Net mark-up / return / interest (expense) / income	(41,533,872)	5,706,644	(2,879,991)	78,170,501	907,409	10,139,586	1,470,574	51,980,852	-	51,980,852
Inter segment revenue - net	57,811,816	(5,228,094)	7,002,584	(63,569,468)	-	(4,066,447)	8,049,608	-	-	-
Non mark-up / return / interest income / (loss)	5,163,329	116,601	1,883,700	2,350,729	289,603	89,134	(456,518)	9,436,578	-	9,436,578
Total income	21,441,273	595,152	6,006,293	16,951,763	1,197,012	6,162,274	9,063,663	61,417,430	-	61,417,430
Segment direct expenses	11,606,002	155,514	354,994	132,430	1,739,774	1,308,209	123,957	15,420,880	-	15,420,880
Inter segment expense allocation	-	-	-	-	-	-	14,620,685	14,620,685	-	14,620,685
Total expenses	11,606,002	155,514	354,994	132,430	1,739,774	1,308,209	14,744,642	30,041,565	-	30,041,565
Credit loss allowance / provisions and write offs / (reversal of provisions / credit loss allowance) - net	199,730	(175,324)	(3,158,644)	(21)	103,355	340,387	(805,958)	(3,496,476)	-	(3,496,476)
Profit / (loss) before taxation	9,635,541	614,962	8,809,943	16,819,354	(646,117)	4,513,679	(4,875,020)	34,872,341	-	34,872,341

As at March 31, 2026 (Un-audited)									
Retail Banking Group	Inclusive Development Group	Corporate and Investment Banking Group	Treasury	International, Financial Institution and Remittance Group	Aitemaad and Islamic Banking Group	Head Office / Others	Sub total	Eliminations	Total

(Rupees in '000)

Statement of financial position

Cash and balances with treasury and other banks	207,890,141	14,463,091	355,078	97,852,637	41,164,122	23,324,846	-	385,049,915	-	385,049,915
Investments	-	-	16,746,134	4,747,728,182	80,451,967	312,141,240	2,369,585	5,159,437,108	-	5,159,437,108
Net inter segment lending	2,306,939,283	-	184,392,596	-	-	-	491,826,487	2,983,158,366	(2,983,158,366)	-
Lendings to financial institutions	-	-	-	18,115,192	-	-	-	18,115,192	-	18,115,192
Advances - performing	284,702,295	181,525,432	528,211,282	-	71,103,256	278,565,134	(8,021,716)	1,336,085,684	-	1,336,085,684
Advances - non-performing	7,749,926	31,342,437	20,963,574	-	60,874,157	2,175,924	103,091,911	226,197,928	-	226,197,928
Credit allowance against Advances	(7,366,097)	(39,141,235)	(58,251,660)	-	(59,058,856)	(3,939,817)	(104,103,412)	(271,861,076)	-	(271,861,076)
Advances - Net	285,086,123	173,726,634	490,923,196	-	72,918,557	276,801,241	(9,033,216)	1,290,422,536	-	1,290,422,536
Others	46,400,013	3,243,978	17,719,229	90,371,246	7,180,652	13,855,693	152,949,132	331,719,943	-	331,719,943
Total assets	2,846,315,560	191,433,703	710,136,233	4,954,067,257	201,715,298	626,123,020	638,111,988	10,167,903,060	(2,983,158,366)	7,184,744,693
Borrowings	-	4,604,620	36,536,059	2,127,465,118	46,629,738	-	-	2,215,235,535	-	2,215,235,535
Deposits and other accounts	2,767,276,260	-	640,131,063	-	108,032,044	572,665,682	20,622,339	4,108,727,388	-	4,108,727,388
Net inter segment borrowing	-	181,334,352	-	2,707,506,361	44,465,905	49,851,748	-	2,983,158,366	(2,983,158,366)	-
Others	79,039,300	5,494,731	33,469,111	21,021,461	3,481,384	3,902,795	282,213,301	428,622,083	-	428,622,083
Total liabilities	2,846,315,560	191,433,703	710,136,233	4,855,992,940	202,609,071	626,420,225	302,835,640	9,735,743,372	(2,983,158,366)	6,752,585,006
Equity	-	-	-	98,074,317	(893,773)	(297,204)	335,276,348	432,159,688	-	432,159,688
Total equity and liabilities	2,846,315,560	191,433,703	710,136,233	4,954,067,257	201,715,298	626,123,020	638,111,988	10,167,903,060	(2,983,158,366)	7,184,744,694
Contingencies and commitments	-	92,245,428	2,259,707,160	784,875,088	21,659,291	-	26,465,130	3,184,952,097	-	3,184,952,097

Three months period ended March 31, 2025 (Un-audited)									
Retail Banking Group	Inclusive Development Group	Corporate and Investment Banking Group	Treasury	International, Financial Institution and Remittance Group	Aitemaad and Islamic Banking Group	Head Office / Others	Sub total	Eliminations	Total

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

Profit and loss account

Net mark-up / return / interest (expense) / income	(52,181,439)	12,786,947	2,513,234	96,935,992	802,142	7,584,327	1,146,519	69,587,722	-	69,587,722
Inter segment revenue - net	70,718,912	(9,040,167)	4,337,565	(65,125,144)	-	(3,565,775)	2,674,609	(0)	-	(0)
Non mark-up / return / interest income	6,003,285	131,022	1,633,889	2,965,102	508,747	74,820	(219,865)	11,097,000	-	11,097,000
Total income	24,540,759	3,877,802	8,484,688	34,775,950	1,310,889	4,093,370	3,601,263	80,684,722	-	80,684,722
Segment direct expenses	11,265,508	123,348	335,661	123,567	1,872,398	1,021,644	101,918	14,844,044	-	14,844,044
Inter segment expense allocation	-	-	-	-	-	-	13,358,669	13,358,669	-	13,358,669
Total expenses	11,265,508	123,348	335,661	123,567	1,872,398	1,021,644	13,460,587	28,202,713	-	28,202,713
Credit loss allowance / provisions and write offs - net	329,903	1,411,586	1,372,778	1	338,435	737,808	2,203,315	6,393,800	-	6,393,800
Profit / (loss) before taxation	12,945,348	2,342,867	6,776,249	34,652,382	(899,944)	2,333,916	(12,062,639)	46,088,209	-	46,088,209

As at December 31, 2025 (Audited)									
Retail Banking Group	Inclusive Development Group	Corporate and Investment Banking Group	Treasury	International, Financial Institution and Remittance Group	Aitemaad and Islamic Banking Group	Head Office / Others	Sub total	Eliminations	Total

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

Statement of financial position

Cash and balances with treasury and other banks	67,215,059	5,538,863	310,376	228,837,426	49,089,296	57,494,880	-	408,485,901	-	408,485,901
Investments	-	-	16,741,471	4,553,954,044	75,865,368	274,169,693	1,369,581	4,922,100,157	-	4,922,100,157
Net inter segment lending	2,722,751,375	-	210,940,044	-	-	-	464,197,106	3,397,888,525	(3,397,888,525)	-
Lendings to financial institutions	-	-	-	16,000,000	-	30,000,000	-	46,000,000	-	46,000,000
Advances - performing	286,541,911	247,306,913	542,668,102	-	73,574,286	248,313,158	(6,540,773)	1,391,863,597	-	1,391,863,597
Advances - non-performing	4,734,919	28,913,516	23,512,412	-	61,226,458	2,173,921	102,422,372	222,983,599	-	222,983,599
Credit loss against advances	(7,107,886)	(39,239,520)	(63,646,127)	-	(59,630,834)	(3,603,303)	(103,533,873)	(276,761,543)	-	(276,761,543)
Advances - net	284,168,943	236,980,909	502,534,387	-	75,169,910	246,883,776	(7,652,273)	1,338,085,652	-	1,338,085,653
Others	44,702,056	3,702,498	25,929,267	113,500,962	6,878,032	16,434,554	141,161,823	352,309,192	-	352,309,193
Total assets	3,118,837,435	246,222,271	756,455,545	4,912,292,433	207,002,606	624,982,903	599,076,237	10,464,869,429	(3,397,888,525)	7,066,980,904
Borrowings	-	5,019,895	40,221,157	1,596,028,090	48,387,944	-	-	1,689,657,086	-	1,689,657,086
Deposits and other accounts	3,060,695,704	-	686,670,290	-	112,155,588	558,994,228	10,749,213	4,429,265,022	-	4,429,265,022
Net inter segment borrowing	-	236,416,880	-	3,061,016,810	41,648,541	58,806,295	-	3,397,888,525	(3,397,888,525)	-
Others	58,131,731	4,785,495	29,564,098	85,337,166	4,381,925	5,720,002	228,719,179	416,639,596	-	416,639,596
Total liabilities	3,118,827,435	246,222,271	756,455,545	4,742,382,066	206,573,998	623,520,525	239,468,392	9,933,450,231	(3,397,888,525)	6,535,561,704
Equity	-	-	-	169,910,366	428,609	1,472,380	359,607,845	531,419,200	-	531,419,200
Total equity and liabilities	3,118,827,435	246,222,271	756,455,545	4,912,292,433	207,002,606	624,992,903	599,076,237	10,464,869,431	(3,397,888,525)	7,066,980,904
Contingencies and commitments	-	91,942,598	2,257,591,624	893,980,284	20,827,070	-	27,132,020	3,291,473,596	-	3,291,473,596

37. RELATED PARTY TRANSACTIONS

The Bank has related party transactions with its parent, subsidiaries, associates, employee benefit plans and its directors and key management personnel. The details of investment in subsidiary companies and associated undertaking and their provisions are stated in note 10 of the unconsolidated condensed interim financial statements of the Bank.

The Banks 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 to and accruals in respect of staff retirement benefits and other benefit plans are made in accordance with the actuarial valuations / terms of the contribution plan. Remuneration to the executives / officers is determined in accordance with the terms of their appointment.

Details of transactions with related parties during the period, other than those which have been disclosed elsewhere in these unconsolidated condensed interim financial statements, are as follows:

	As at March 31, 2026 (Un-audited)							As at December 31, 2025 (Audited)								
	Directors	Key management personnel	Subsidiaries	Associates	Pension Fund (Current)	Pension Fund (N.I.D.A A/c)	Provident Fund	Other related parties	Directors	Key management personnel	Subsidiaries	Associates	Pension Fund (Current)	Pension Fund (N.I.D.A A/c)	Provident Fund	Other related parties
	(Rupees in '000)															
Balances with other banks																
In current accounts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	69,472
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	69,472
Investments																
Opening balance	-	-	-	-	-	-	-	1,292,340	-	-	-	-	-	-	-	100
Investment made during the period / year	-	-	-	-	-	-	-	204,728	-	-	-	-	-	-	-	-
Investment redeemed / disposed off during the period / year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer in / (out) - net	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,292,240
Closing balance	-	-	-	-	-	-	-	1,497,067	-	-	-	-	-	-	-	1,292,340
Credit loss allowance for diminution in value of investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances																
Opening balance	-	285,184	437,063	183,172	-	-	-	18,471,971	-	258,612	452,063	183,172	-	-	-	-
Addition during the period / year	-	-	-	-	-	-	-	-	-	106,284	-	-	-	-	-	-
Repaid during the period / year	-	(15,875)	(120,000)	-	-	-	-	(633,256)	-	(55,143)	(15,000)	-	-	-	-	-
Transfer in / (out) - net	-	-	-	-	-	-	-	-	-	(24,569)	-	-	-	-	-	18,471,971
Closing balance	-	269,310	317,063	183,172	-	-	-	17,838,715	-	285,184	437,063	183,172	-	-	-	18,471,971
Credit loss allowance held against advances	-	-	217,063	183,172	-	-	-	-	-	-	217,063	183,172	-	-	-	-

	As at March 31, 2026 (Un-audited)							As at December 31, 2025 (Audited)								
	Directors	Key management personnel	Subsidiaries	Associates	Pension Fund (Current)	Pension Fund (N.I.D.A A/c)	Provident Fund	Other related parties	Directors	Key management personnel	Subsidiaries	Associates	Pension Fund (Current)	Pension Fund (N.I.D.A A/c)	Provident Fund	Other related parties
(Rupees in '000)																
Other Assets																
Interest / mark-up accrued	-	-	216,675	-	-	-	-	-	-	-	208,032	-	-	-	-	-
Other receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Commission paid in advance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent and utility receivable	-	-	110,089	2,285	-	-	-	-	-	-	108,977	70	-	-	-	-
	-	-	326,764	2,285	-	-	-	-	-	-	317,009	70	-	-	-	-
Credit loss allowance against other assets	-	-	110,089	-	-	-	-	-	-	-	108,977	-	-	-	-	-
Borrowings																
Opening balance	-	-	-	-	-	-	-	119,385	-	-	-	-	-	-	-	575,441
Borrowings during the period / year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(456,056)
Settled during the period / year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer in / (out) - net	-	-	-	-	-	-	-	(119,385)	-	-	-	-	-	-	-	-
Closing balance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	119,385
Deposits and other accounts																
Opening balance	30,849	129,995	1,595,340	574,105	100	701,583	15,036,171	10,011,660	21,088	96,414	352,585	77,968	87,283	268,614	14,199,203	4,528,343
Received during the period / year	992	265,279	446,398	-	9,200,882	4,099,010	217,580	1,466,871	45,868	1,098,623	1,242,994	496,137	56,585,775	22,950,794	3,210,515	91,857,367
Withdrawn during the period / year	(2,462)	(225,180)	(51,236)	(464,531)	(9,148,141)	(3,484,178)	(410,176)	(1,415,602)	(36,107)	(1,060,791)	(239)	-	(56,672,958)	(22,517,825)	(2,373,547)	(86,574,892)
Transfer in / (out) - net*	(29,337)	(54,031)	-	-	-	-	-	(9,959,158)	-	(4,250)	-	-	-	-	-	200,841
Closing balance	41	116,062	1,990,502	109,574	52,841	1,316,415	14,843,575	103,771	30,849	129,995	1,595,340	574,105	100	701,583	15,036,171	10,011,660
Provident Fund Subsidiary	-	-	-	-	-	-	38,273	-	-	-	-	-	-	-	34,603	-
Other Liabilities																
Interest / mark-up payable	-	257	10,301	3,219	-	18,165	-	-	270	1,671	41,895	14,974	-	112,119	-	-
Other liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Brokerage	-	-	8,380	-	-	-	-	-	-	-	3,079	-	-	-	-	-
	-	257	18,681	3,219	-	18,165	-	-	270	1,671	44,974	14,974	-	112,119	-	-
Contingencies and commitments	-	-	-	-	-	-	-	5,873,689	-	-	-	-	-	-	-	6,111,725

* Transfer in / (out) - net due to retirement / appointment of directors and changes in key management executives.

For the Three months ended March 31, 2026 (Un-audited)							For the Three months ended March 31, 2025 (Un-audited)						
Directors	Key management personnel	Subsidiaries	Associates	Pension Fund	Provident Fund	Others	Directors	Key management personnel	Subsidiaries	Associates	Pension Fund	Provident Fund	Others

(Rupees in '000)

Income

Mark-up / return / interest earned	-	1,442	5,004	-	-	-	541,994	-	1,783	2,249	-	-	-	125,074
Dividend income	-	-	376,380	-	-	-	60,776	-	-	-	2,219	-	-	68,657
Rent income / lighting and power and bank charges	-	-	1,112	2,223	-	-	5,257	-	-	2,482	1,851	-	-	5,257
Fee and Commission income	-	-	-	-	-	-	5,088	-	-	-	-	-	-	-
Expense														
Mark-up / return / interest paid	-	322	17,995	1,516	130,668	453,024	3,944	978	3,103	40,461	4,137	102,653	466,082	501,365
Provident Fund Deposit Markup	-	-	1,337	-	-	-	-	-	-	-	-	-	-	-
Expenses paid to company in which Directors of the bank is interested as director	-	-	-	-	-	-	54,732	-	-	-	-	-	-	247,500
Remuneration to key management executives including charge for defined benefit plan	-	330,517	-	-	-	-	-	-	212,797	-	-	-	-	-
Commission paid to subsidiaries	-	-	8,971	-	-	-	-	-	-	24,324	-	-	-	-
Directors fee & other allowances	22,042	-	-	-	-	-	-	14,848	-	-	-	-	-	-

37.1 Transactions with Government-related entities

The entities which are owned and / or controlled by the Federal Government, or where the Federal Government may exercise significant influence, are related parties of the Bank.

The Bank in the ordinary course of business enters into transaction with Government-related entities. Such transactions include lending to, deposits from and provision of other banking services to Government-related entities.

The Bank also earned commission on handling treasury transactions on behalf of the Government of Pakistan amounting to Rs.2,953 million (March 31, 2025: Rs. 3,552 million) for the three months ended March 31, 2026. As at the statement of financial position date, the loans and advances, deposits and contingencies relating to Government-related entities amounted to Rs. 343,883 million (December 31, 2025: Rs. 363,960 million), Rs. 2,033,308 million (December 31, 2025: Rs. 1,931,350 million) and Rs. 2,041,267 million (December 31, 2025: Rs. 2,073,574 million) respectively and income earned on advances and investment and profit paid on deposits amounted to Rs. 9,016 million (March 31, 2025: Rs. 16,955 million) and Rs. 107,349 million (March 31, 2025: Rs. 69,283 million) respectively.

38. CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

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

Minimum Capital Requirement (MCR)

Paid-up capital (net of losses)	21,275,131	21,275,131
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Capital Adequacy Ratio (CAR)

Eligible Common Equity Tier 1 (CET 1) Capital	338,716,253	410,259,194
Eligible Additional Tier 1 (ADT 1) Capital	-	-
Total Eligible Tier 1 Capital	338,716,253	410,259,194
Eligible Tier 2 Capital	97,831,726	137,113,040
Total Eligible Capital (Tier 1 + Tier 2)	436,547,979	547,372,234
Risk Weighted Assets (RWAs):		
Credit Risk	1,142,034,425	1,183,017,720
Market Risk	426,292,079	449,493,155
Operational Risk	455,602,112	455,602,112
Total	2,023,928,616	2,088,112,987
Common Equity Tier 1 Capital Adequacy ratio	16.74%	19.65%
Tier 1 Capital Adequacy Ratio	16.74%	19.65%
Total Capital Adequacy Ratio	21.57%	26.21%

Leverage Ratio (LR):

Eligible Tier-1 Capital	338,716,253	410,259,194
Total Exposures	9,704,983,725	9,389,802,735
Leverage Ratio	3.49%	4.37%

Liquidity Coverage Ratio (LCR):

Total High Quality Liquid Assets	1,316,629,625	2,886,833,909
Total Net Cash Outflow	660,867,252	1,341,932,335
Liquidity Coverage Ratio	199%	215%

Net Stable Funding Ratio (NSFR):

Total Available Stable Funding	3,692,142,186	4,181,169,255
Total Required Stable Funding	2,419,060,304	2,370,313,223
Net Stable Funding Ratio	153%	176%

38.1 Impact on Regulatory Capital:

The introduction of IFRS 9 has resulted in reduction in regulatory capital of the Banks, which has reduced their lending capacity and ability to support their clients. In order to mitigate the impact of ECL models on capital, SBP has permitted Banks to opt for transitional arrangement for the ECL impact on regulatory capital from the application of ECL accounting. Annexure B of the 'Application Instructions' issued by SBP has detailed the transitional arrangement.

Accordingly, the Bank has opted for transition arrangement to phase in ECL impact and below tabulated is the impact on key ratios, had the transitional arrangement not applied.

Key Ratios	With Transitional arrangement	Without Transitional arrangement
Total Capital to total RWA (CAR)	21.52%	20.92%
Leverage Ratio	3.49%	3.36%

38.2 As per SBP Circular No. BPRD/BA&CP/881411/2025 dated May 16, 2025, banks and DFIs are required to gradually reclassify their AFS/FVOCI portfolio from the Banking Book to the Trading Book for CAR calculation purposes, with a minimum of 25% by December 2025, 50% by December 2026 and 100% by December 2027. In order to adopt a prudent and conservative approach, the bank has already reclassified 50% of its FVOCI portfolio into the Trading Book.

38.3 SBP, through its letter No. BSD-1/BANK/NBP/984597/2025 dated August 22, 2025 has enhanced the D-SIB buffer requirement for the Bank from 1.50% to 2.50% which is applicable from March 31, 2026.

39. ISLAMIC BANKING BUSINESS

The bank is operating with 312 (December 31, 2025: 312) Islamic banking branches and 399 (December 31, 2025: 350) Islamic banking windows as at March 31, 2026.

The statement of financial position of the Bank's Islamic banking branches as at March 31, 2026 is as follows:

		(Un-audited) March 31, 2026	(Audited) December 31, 2025
	Note	----- (Rupees in '000) -----	
ASSETS			
Cash and balances with treasury banks		23,283,117	57,468,760
Balances with other banks		41,729	26,120
Due from financial institutions	39.1	-	30,000,000
Investments	39.2	312,141,239	274,169,693
Islamic financing and related assets - net	39.3	276,801,241	246,883,716
Property and equipment		254,892	215,071
Right of use assets		596,349	602,879
Intangible assets		-	-
Due from Head Office	39.4	-	-
Other assets		13,004,452	15,616,604
Total Assets		626,123,019	624,982,843
LIABILITIES			
Bills payable		612,611	521,444
Due to financial Institutions		-	-
Deposits and other accounts	39.5	572,665,712	558,984,258
Due to Head Office		16,788,616	30,256,644
Lease liabilities		837,920	841,857
Subordinated debts		-	-
Other liabilities		2,452,258	4,356,700
		593,357,117	594,960,903
NET ASSETS		32,765,902	30,021,940
REPRESENTED BY			
Islamic Banking Fund		14,864,000	14,864,000
Reserves		-	-
(Deficit) / surplus on revaluation of assets		(297,204)	1,472,380
Unremitted profit	39.6	18,199,106	13,685,560
		32,765,902	30,021,940
CONTINGENCIES AND COMMITMENTS	39.7		

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

		(Un-audited) Quarter ended	
		March 31, 2026	March 31, 2025
	Note	----- (Rupees in '000) -----	
Profit / return earned	39.8	14,884,261	10,952,979
Profit / return expensed	39.9	8,811,125	6,934,428
Net profit / return		6,073,136	4,018,551
Other income			
Fee and commission income		85,818	74,240
Dividend Income		-	-
Foreign exchange (loss) / income		5,818	(3,758)
Gain / (loss) on securities		(2,638)	4,331
Other income		9	6
Total other income		89,007	74,819
Total income		6,162,143	4,093,370
Other expenses			
Operating expenses		1,308,209	1,021,544
Worker welfare Fund		-	-
Other charges		-	100
		1,308,209	1,021,644
Profit before credit loss allowance		4,853,934	3,071,726
Credit loss allowance and write offs - net		340,388	737,808
Profit before taxation		4,513,546	2,333,918
Taxation		-	-
Profit after taxation		4,513,546	2,333,918

	March 31, 2026 (Un-audited)			December 31, 2025 (Audited)		
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
39.1 Due from Financial Institutions	----- (Rupees in '000) -----					
Call money placement	-	-	-	30,000,000	-	30,000,000
Due from financial Institutions - net of credit loss allowance	-	-	-	30,000,000	-	30,000,000

39.2 Investments by segments:

	March 31, 2026 (Un-audited)				December 31, 2025 (Audited)			
	Cost / amortised cost	Credit loss allowance for diminution	Surplus / (deficit)	Carrying value	Cost / amortised cost	Credit loss allowance for diminution	Surplus / (deficit)	Carrying value
	----- (Rupees in '000) -----							
Debt Instruments								
Classified / Measured at amortised cost								
Federal Government securities								
- GOP Ijarah Sukuks	24,019,594	-	-	24,019,594	19,026,887	-	-	19,026,887
- Bai Muajjal with GoP	8,466,335	-	-	8,466,335	8,466,335	-	-	8,466,335
- Non Government debt securities Sukuks	113,446	(113,446)	-	-	113,446	(113,446)	-	-
	32,599,375	(113,446)	-	32,485,929	27,606,668	(113,446)	-	27,493,222
Classified / Measured at FVOCI								
Federal Government securities								
- GOP Ijarah Sukuks	267,905,404	-	(349,790)	267,555,614	232,907,863	-	1,376,114	234,283,977
- Non Government debt securities Sukuks	11,030,599	(427,103)	52,586	10,656,082	11,230,599	(454,292)	96,266	10,872,573
	278,936,003	(427,103)	(297,204)	278,211,696	244,138,462	(454,292)	1,472,380	245,156,550
Classified / Measured at FVTPL								
Non Government debt securities								
- Sukuks	1,394,666	-	6,394	1,401,060	1,394,666	-	1,328	1,395,994
Mutual Funds Units (for the purpose of personal finance)	41,730	-	824	42,554	124,991	-	(1,064)	123,927
Total Investments	312,971,774	(540,549)	(289,986)	312,141,239	273,264,787	(567,738)	1,472,644	274,169,693

39.2.1 Particulars of credit loss allowance

	March 31, 2026 (Un-audited)				December 31, 2025 (Audited)			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	----- (Rupees in '000) -----							
Non Government debt securities	2,929	84,174	453,446	540,549	3,628	110,664	453,446	567,738

39.3 Islamic financing and related assets

	(Un-audited)		(Audited)	
	March 31, 2026	December 31, 2025	March 31, 2026	December 31, 2025
	----- (Rupees in '000) -----			
39.3.1	28,614,851	33,447,156		
Ijarah	45,534,654	47,649,156		
Murabaha	26,761,733	16,260,863		
Musawama	112,171,961	108,853,414		
Running Musharaka	37,980,486	19,911,201		
Diminishing Musharaka	300,000	-		
Advance for Murabaha	1,013,971	937,269		
Advance for Diminishing Musharaka	23,083,837	19,077,274		
Advance for Istisna	200,000	500,000		
Inventories against Tijara	5,079,565	3,850,754		
Inventories against Istisna	280,741,058	250,487,086		
Gross Islamic financing and related assets				
Less: Credit loss allowance against Islamic financings				
Stage 1	(1,404,546)	(1,250,869)		
Stage 2	(429,306)	(247,855)		
Stage 3	(2,105,965)	(2,104,647)		
	(3,939,817)	(3,603,371)		
Islamic financing and related assets - net of credit loss allowance	276,801,241	246,883,715		

39.3.1 Ijarah

March 31, 2026 (Un-audited)							Book value as at Mar 31, 2026
Cost			Accumulated Depreciation				
As at Jan 01, 2026	Additions / (deletions) / (adjustment)	As at Mar 31, 2026	As at Jan 01, 2026	Charge/ adjustment for the period	As at Mar 31, 2026		
-----Rupees in 000-----							
Plant & Machinery	34,677,404	-	34,675,804	1,230,248	4,830,705	6,060,953	28,614,851
		(1,600)			-		
Total	34,677,404	-	34,675,804	1,230,248	4,830,705	6,060,953	28,614,851
	-	(1,600)	-	-	-	-	

December 31, 2025 (Audited)							Book value as at Dec 31, 2025
Cost			Accumulated Depreciation				
As at Jan 01, 2025	Additions / (deletions) / (adjustment)	As at Dec 31, 2025	As at Jan 01, 2025	Charge/ adjustment for the year	As at Dec 31, 2025		
-----Rupees in 000-----							
Plant & Machinery	55,484	34,624,145	34,677,404	47,048	1,183,200	1,230,248	33,447,156
		(2,225)			-		
Vehicles	2,645	-	-	2,645	-	-	-
		(2,645)			(2,645)		
Total	58,129	34,624,145	34,677,404	49,693	1,183,200	1,230,248	33,447,156
	-	(4,870)	-	-	(2,645)	-	-

Future Ijarah payments receivable

	March 31, 2026 (Un-audited)				December 31, 2025 (Audited)			
	Not later than 1 year	Later than 1 year and less than 5 years	Over five years	Total	Not later than 1 year	Later than 1 year and less than 5 years	Over five years	Total
-----Rupees in 000-----								
Ijarah rental receivables	16,946,194	15,427,482	-	32,373,676	22,594,767	15,502,885	-	38,097,652

39.4 Due from Head Office

Due from Head Office Rs. Nil (2025: Rs. Nil)

39.5 Deposits and other accounts

	March 31, 2026 (Un-audited)			December 31, 2025 (Audited)		
	In local currency	In foreign currency	Total	In local currency	In foreign currency	Total
-----Rupees in 000-----						
Customers						
Current deposits - remunerative	2,002,564	-	2,002,564	4,282,135	-	4,282,135
Current deposits - non remunerative	98,608,365	249,590	98,857,955	102,986,536	254,621	103,241,157
Savings deposits	234,998,308	-	234,998,308	184,103,510	-	184,103,510
Term deposits	16,512,732	-	16,512,732	17,845,260	-	17,845,260
Others	4,632,491	-	4,632,491	7,390,576	-	7,390,576
	356,754,460	249,590	357,004,050	316,608,017	254,621	316,862,638
Financial Institutions						
Current deposits - remunerative	809,823	-	809,823	696,562	-	696,562
Current deposits - non remunerative	181,530,683	-	181,530,683	197,508,539	-	197,508,539
Savings deposits	32,708,156	-	32,708,156	43,244,519	-	43,244,519
Term deposits	613,000	-	613,000	672,000	-	672,000
	215,661,662	-	215,661,662	242,121,620	-	242,121,620
	572,416,122	249,590	572,665,712	558,729,637	254,621	558,984,258

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
	----- (Rupees in '000) -----	
39.6 Islamic Banking Business Unremitted Profit		
Opening Balance	13,685,560	4,892,128
Add: Islamic Banking profit for the period	4,513,546	13,685,560
Less: Transferred / Remitted to Head Office	-	(4,892,128)
Closing Balance	<u>18,199,106</u>	<u>13,685,560</u>
39.7 Contingencies and commitments		
-Guarantees	-	-
-Commitments	-	-
-Other contingent liabilities	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
	(Un-audited) Quarter ended	
	March 31, 2026	March 31, 2025
	----- (Rupees in '000) -----	
39.8 Profit / Return Earned of Financing, Investments and Placement		
Profit earned on:		
Financing	6,914,598	4,978,448
Investments	7,961,115	5,964,004
Placements	8,548	10,527
Others (bai muajjal)	-	-
	<u>14,884,261</u>	<u>10,952,979</u>
39.9 Profit on Deposits and Other Dues Expensed		
Deposits and other accounts	4,709,337	3,333,456
Others (general account)	4,066,446	3,565,775
Amortisation of lease liability against right-of-use assets	35,342	35,197
	<u>8,811,125</u>	<u>6,934,428</u>
39.10 Pool management		

NBP-AIBG has managed following pools for profit and loss distribution.

a) General depositor pool

The General pool consists of all other remunerative deposits. NBP Aitemaad (the Mudarib) accept deposits on the basis of Mudaraba from depositors (Rabbulmaal). The net return on the pool is arrived at after deduction of direct costs from the gross return earned on the pool. The entire net return after paying equity share to Mudarib is considered as distributable profit of the pool.

b) Special depositor pools (Total 59 during the period and 40 as at March 31, 2026)

Special pool(s) are created where the customers desire to invest in high yield assets. These pool(s) rates is(are) higher than the general pool depending on the assets. In case of loss in special pool, the loss will be borne by the special pool members. The net return on the pool is arrived at after deduction of direct costs from the gross return earned on the pool. From the net return, and after allocation of share of profit to commingled equity, profit is paid to the Mudarib in the ratio of the Mudarib's equity in the pool to the total pool. The balance represents the distributable profit.

c) Equity pool

Equity pools include AIBG's fund and current account deposits. The equity pool may have constructive liquidation every month and risk associated with assets of pool includes operational, market, equity, return and shariah.

Key features and risk & reward characteristics

Deposits are accepted from customers on the basis of Qard (current accounts) and Mudarabah (Saving and term deposits). No profit or loss is passed on to current account depositors.

For deposits accepted on Mudarabah basis from depositors (Rab ul Maal) the Bank acts as Manager (Mudarib) and invests the funds in the Shariah Compliant modes of financings. Rab ul Maal share is distributed among depositors according to weightages declared for a month before start of the period.

In case of loss in a pool during the profit calculation period, the loss is distributed among the depositors (remunerative) according to their ratio of investment.

For all pools, the Mudarib's share is deducted from the distributable profit to calculate the profit to be allocated to depositors. The allocation of the profit to various deposit categories is determined by the amount invested in that category relative to the total pool, as well as by the weightage assigned to the various deposit categories.

The assets, liabilities, equities, income and expenses are segregated for each of the pool. No pool investment is intermingled with each other. The risk associated with each pool is thus equally distributed among the pools.

Avenues/sectors of economy/business where Mudaraba based deposits have been deployed.

Sector	(Un-audited)	(Audited)
	March 31, 2026	December 31, 2025
	Percentage	
Fertilizer	0.30%	0.42%
Textile	0.90%	1.07%
Fuel & energy	14.83%	17.06%
Leasing / Mudarbas	0.05%	0.06%
Sugar	3.53%	1.76%
Cement	3.95%	0.96%
Gas	0.10%	0.11%
Financial	0.25%	7.23%
Federal Government	50.59%	45.49%
Real Estate	0.53%	0.58%
Agriculture	0.40%	0.43%
Commodity Operations	20.69%	20.24%
Others	3.87%	4.60%
Total	100.0%	100.0%

Parameters for profit allocation and charging expenses

Profit of the pools has been distributed between Mudarib and Rab-ul-Mall by using preagreed profit sharing ratios. The share of Rab-ul-Mall's profit has been distributed among different customers using the various weightages assigned to the different categories of the pool.

Administrative expense are borne by mudarib and not charged to Mudaraba pool.

	Macrh 31, 2026
	---Rupees in '000---
Mudarib Share	
Gross Distributable Income	12,008,732
Mudarib (Bank) share of profit before Hiba	5,014,983
Mudarib Share in %age	41.76%
Hiba from Mudarib Share	
Mudarib (Bank) share of profit before Hiba	5,014,983
Hiba from bank's share to depositors	1,774,666
Hiba from bank's share to depositors in %age	35.39%

Profit rates

During three month ended March 31, 2026, the average profit rate earned by NBP Aitemaad Islamic Banking Group is 10.55 % and the profit distributed to the depositors is 8.34%.

40 GENERAL

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

41 CORRESPONDING FIGURES

41.1 Comparative information has been re-classified, re-arranged, restated or additionally incorporated in these unconsolidated condensed interim financial statements, wherever necessary to facilitate comparison.

42. DATE OF AUTHORISATION FOR ISSUE

These unconsolidated condensed interim financial statements were authorised for issue on April 29, 2026 by the Board of Directors of the Bank.

Chairman

President / CEO

Chief Financial Officer

Director

Director

**Consolidated Condensed Interim Financial Statements
For the three months period ended March 31, 2026**

Directors' Report to the Shareholders

Consolidated Financial Statements

Dear Shareholders,

On behalf of the Board of Directors, we present the Directors' Review of the unaudited consolidated financial statements of National Bank of Pakistan ("the Bank") and its group companies for the three months period ended March 31, 2026.

The Group delivered a consolidated profit after tax of PKR 16.3 Bn for the first quarter of 2026, compared to PKR 22.1 Bn in the corresponding period last year, reflecting a decline of 26.3%. Consistent with the standalone performance of the parent company, the Group's profitability was also impacted by the evolving operating environment, including a sharp year-on-year decline in the policy rate and heightened geopolitical uncertainty during the recent months period.

Within the reported profit after tax, subsidiary companies contributed PKR 0.358 Bn to Group profitability (March 31, 2025: PKR 0.575 Bn), while associates recorded a net loss of PKR 0.423 Bn compared to a profit of PKR 0.023 Bn in the same period last year. Consequently, consolidated earnings per share stood at PKR 7.58 for the quarter, as compared to PKR 10.29 in the same period last year.

The Group's balance sheet remained stable, with total assets increasing to PKR 7,195.9 Bn as of March 31, 2026, reflecting an expansion of PKR 117.5 Bn or 1.7% over PKR 7,078.4 Bn as at December 31, 2025.

The profit for the quarter ended March 31, 2026, after taking into account the carry-forward accumulated profit of 2025, is proposed to be appropriated as follows:

	(PKR 'Mn)
Unappropriated profit brought forward	306,950.0
Impact due to adoption of IFRS – 9 (net of tax)	(343.0)
Adjusted unappropriated profit as of January 01, 2026	306,607.0
After-tax consolidated profit for the quarter ended March 31, 2026	16,289.0
Remeasurement loss on defined benefit obligation (net of tax)	(4,302.4)
Non-controlling interest	(157.8)
Transfer from surplus on revaluation of fixed assets (net of tax)	44.0
Transfer of gain on FVOCI equity securities to unappropriated profit (net of tax)	584.7
	<u>12,457.6</u>
Profit available for appropriations	319,064.5
Appropriation:	
Transfer to statutory reserve	1,672.5
Dividend for the year 2025	74,463.0
	<u>76,135.5</u>
Unappropriated profit carried forward	242,929.1

For and on behalf of the Board of Directors

Rehmat Ali Hasnie
President & CEO

Naved A. Khan
Chairman

Karachi

Dated: April 29, 2026

NATIONAL BANK OF PAKISTAN
CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2026

	<u>(Un-audited)</u>	<u>(Audited)</u>
	March 31,	December 31,
	2026	2025
Note ----- (Rupees in '000) -----		
ASSETS		
Cash and balances with treasury banks	7. 355,366,097	375,938,408
Balances with other banks	8. 30,829,292	33,532,943
Lendings to financial institutions	9. 18,115,192	46,000,000
Investments	10. 5,161,977,964	4,924,846,783
Advances	11. 1,290,190,719	1,337,738,847
Property and equipment	12. 67,576,075	67,508,646
Right-of-use assets	13. 6,619,403	6,706,135
Intangible assets	14. 3,121,341	3,126,286
Deferred tax assets	15. 12,609,246	-
Other assets	16. 249,476,897	282,998,653
Total Assets	7,195,882,226	7,078,396,701
LIABILITIES		
Bills payable	17. 22,983,081	20,817,212
Borrowings	18. 2,215,235,535	1,689,657,086
Deposits and other accounts	19. 4,106,728,476	4,427,667,537
Lease liabilities	20. 8,879,880	8,883,515
Subordinated debt	-	-
Deferred tax liabilities	15. -	36,292,883
Other liabilities	21. 404,145,603	357,152,768
Total Liabilities	6,757,972,575	6,540,471,001
NET ASSETS	437,909,651	537,925,700
REPRESENTED BY		
Share capital	21,275,131	21,275,131
Reserves	85,585,467	82,647,530
Surplus on revaluation of assets - net of tax	22. 86,594,035	125,364,336
Unappropriated profit	242,929,084	306,949,971
Total equity attributable to the equity holders of the Bank	436,383,717	536,236,968
Non-controlling interest	1,525,934	1,688,732
	437,909,651	537,925,700
CONTINGENCIES AND COMMITMENTS	23.	

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

Chairman

President / CEO

Chief Financial Officer

Director

Director

**NATIONAL BANK OF PAKISTAN
CONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2026**

	Quarter ended	
	March 31, 2026	March 31, 2025
Note	----- (Rupees in '000) -----	
Mark-up / return / interest earned	24. 178,284,545	213,255,175
Mark-up / return / interest expensed	25. 126,289,966	143,502,258
Net mark-up / return / interest income	51,994,579	69,752,917
NON MARK-UP / INTEREST INCOME		
Fee and commission income	26. 8,603,123	9,209,691
Dividend income	855,740	1,746,465
Foreign exchange income	2,279,013	2,002,261
Income / (loss) from derivatives	-	-
(Loss) / Gain on securities - net	27. (469,232)	(100,420)
Net (loss) on derecognition of financial assets measured at amortised cost	(491,721)	(327,814)
Share of (loss) / profit from associates - net of tax	(422,568)	22,649
Other income	28. 29,132	394,454
Total non-mark-up / interest income	10,383,487	12,947,286
Total income	62,378,066	82,700,203
NON MARK-UP / INTEREST EXPENSES		
Operating expenses	29. 31,173,820	29,206,993
Other charges	30. 18,858	11,790
Total non-markup / interest expenses	31,192,678	29,218,783
Profit before credit loss allowance / provisions	31,185,388	53,481,420
Credit loss allowance / provisions and write offs - net	31. (3,496,476)	6,393,799
PROFIT BEFORE TAXATION	34,681,864	47,087,621
Taxation	32. 18,392,822	24,982,579
PROFIT AFTER TAXATION	16,289,042	22,105,042
Attributable to:		
Equity holders of the Bank	16,131,220	21,883,603
Non-controlling interest	157,822	221,439
	16,289,042	22,105,042
	----- (Rupees) -----	
Basic and diluted earnings per share	33. 7.58	10.29

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

Chairman

President / CEO

Chief Financial Officer

Director

Director

NATIONAL BANK OF PAKISTAN
CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2026

	Quarter ended	
	March 31, 2026	March 31, 2025
	----- (Rupees in '000) -----	
Profit / (loss) after taxation for the period	16,289,042	22,105,042
Other comprehensive income / (loss)		
Items that may be reclassified to the statement of profit and loss account in subsequent periods:		
Exchange gain / (loss) on translation of net assets of foreign branches	1,265,441	404,306
Movement in surplus on revaluation of debt investments through FVOCI - net of tax	(28,939,062)	(9,380,658)
Gain on sale of debt securities carried at FVOCI reclassified to the statement of profit and loss account - net of tax	(2,103,830)	(360,940)
	(29,777,451)	(9,337,292)
Items that will not be reclassified to profit and loss account in subsequent periods:		
Remeasurement gain / (loss) on defined benefit obligations - net of tax	(4,302,436)	(263,979)
Movement in (deficit) / surplus on revaluation of equity investments - net of tax	(7,098,630)	(2,795,728)
Movement in surplus on revaluation of property and equipment - net of tax	1,280	-
Movement in surplus on revaluation of non-banking assets - net of tax	(1,280)	-
	(11,401,066)	(3,059,707)
Total comprehensive income	(24,889,475)	9,708,044
Total comprehensive income attributable to:		
Equity holders of the Bank	(25,047,297)	9,486,605
Non-controlling interest	157,822	221,439
	(24,889,475)	9,708,044

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

Chairman

President / CEO

Chief Financial Officer

Director

Director

NATIONAL BANK OF PAKISTAN
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2026

	Reserves			Total	Surplus / (Deficit) on revaluation of			Unappropriated profit	Sub Total	Non-Controlling Interest	Total	
	Share capital	Exchange translation reserve	Statutory reserve		General reserve	Investments	Property & Equipment / Non banking - assets					Total
Balance as at December 31, 2024 (Audited)	21,275,131	31,686,803	49,937,196	521,338	82,145,337	69,611,395	48,497,649	118,109,044	241,120,418	462,649,930	1,398,811	464,048,741
Impact of adoption of IFRS-9	-	-	-	-	-	3,806,901	-	3,806,901	422,049	4,228,950	-	4,228,950
Balance as at January 01, 2025 - restated	21,275,131	31,686,803	49,937,196	521,338	82,145,337	73,418,296	48,497,649	121,915,945	241,542,467	466,878,880	1,398,811	468,277,691
Profit after taxation for the three months period ended March 31, 2025	-	-	-	-	-	-	-	-	21,883,603	21,883,603	221,439	22,105,042
Effect of translation of net investment in foreign branches	-	404,306	-	-	404,306	-	-	-	-	404,306	-	404,306
Movement in surplus / (deficit) on revaluation of investments in debt instruments through FVOCI - net of tax	-	-	-	-	-	(9,380,658)	-	(9,380,658)	-	(9,380,658)	-	(9,380,658)
Gain on sale of debt securities carried at FVOCI reclassified to the statement of profit and loss account - net of tax	-	-	-	-	-	(360,940)	-	(360,940)	-	(360,940)	-	(360,940)
Movement in surplus / (deficit) on revaluation of investments in equity instruments - net of tax	-	-	-	-	-	(2,795,728)	-	(2,795,728)	-	(2,795,728)	-	(2,795,728)
Remeasurement gain / (loss) on defined benefit obligations - net of tax	-	-	-	-	-	-	-	-	(263,979)	(263,979)	-	(263,979)
Other comprehensive income / (loss) - net of tax	-	404,306	-	-	404,306	(12,537,326)	-	(12,537,326)	21,619,624	9,486,605	221,439	9,708,044
Transfer to statutory reserve	-	-	2,144,910	-	2,144,910	-	-	-	(2,144,910)	-	-	-
Transfer from surplus on revaluation of assets to unappropriated profit - net of tax	-	-	-	-	-	-	(42,806)	(42,806)	42,806	-	-	-
Transfer of gain on FVOCI equity securities to unappropriated profit - net of tax	-	-	-	-	-	(1,035,076)	-	(1,035,076)	1,035,076	-	-	-
Transactions with owners, recorded directly in equity												
Final Cash dividend - Rs. 8.00 per share declared subsequent to the year ended December 31, 2024	-	-	-	-	-	-	-	-	(17,020,104)	(17,020,104)	-	(17,020,104)
Balance as at March 31, 2025	21,275,131	32,091,109	52,082,106	521,338	84,694,553	59,845,894	48,454,843	108,300,737	245,074,960	459,345,381	1,620,250	460,965,631
Other Comprehensive Income for the year									63,148,070	63,148,070	624,703	63,772,773
Effect of translation of net investment in foreign branches	-	911,350	-	-	911,350	-	-	-	-	911,350	-	911,350
Transfer of exchange loss translation reserves on closure of foreign branches from OCI to consolidated statement of profit and loss account	-	(9,404,701)	-	-	(9,404,701)	-	-	-	-	(9,404,701)	-	(9,404,701)
Movement in surplus on revaluation of debt investments through FVOCI - net of tax	-	-	-	-	-	22,517,816	-	22,517,816	-	22,517,816	-	22,517,816
Gain on sale of debt securities carried at FVOCI reclassified to the consolidated statement of profit and loss account - net of tax	-	-	-	-	-	(2,309,515)	-	(2,309,515)	-	(2,309,515)	-	(2,309,515)
Movement in surplus on revaluation of equity investments through FVOCI - net of tax	-	-	-	-	-	2,774,076	-	2,774,076	-	2,774,076	-	2,774,076
Remeasurement loss on defined benefit obligations - net of tax	-	-	-	-	-	-	-	-	(1,118,672)	(1,118,672)	-	(1,118,672)
Movement in surplus on revaluation of property and equipment - net of tax	-	-	-	-	-	-	117,592	117,592	-	117,592	-	117,592
Movement in surplus on revaluation of non-banking assets - net of tax	-	-	-	-	-	-	255,572	255,572	-	255,572	-	255,572
Total Other comprehensive income - Net of tax	-	(8,493,351)	-	-	(8,493,351)	22,982,377	373,164	23,355,541	62,029,398	76,891,587	624,703	77,516,290
Transfer to statutory reserve	-	-	6,446,328	-	6,446,328	-	-	-	(6,446,328)	-	-	-
Transfer from surplus on revaluation of assets to unappropriated profit - net of tax	-	-	-	-	-	-	(136,824)	(136,824)	136,824	-	-	-
Transfer of gain on FVOCI equity securities to unappropriated profit - net of tax	-	-	-	-	-	-	-	-	-	-	-	-
Cash dividend paid / profit distribution by subsidiaries	-	-	-	-	-	(6,155,118)	-	(6,155,118)	6,155,118	-	-	(556,221)
Balance as at December 31, 2025	21,275,131	23,597,758	58,528,434	521,338	82,647,530	76,673,153	48,691,183	125,364,336	306,949,971	536,236,968	1,688,732	537,925,700
Effect of Transition on EIR Method - net of tax									(342,999)	(342,999)	-	(342,999)
Balance as at January 01, 2026	21,275,131	23,597,758	58,528,434	521,338	82,647,530	76,673,153	48,691,183	125,364,336	306,606,973	535,893,969	1,688,732	537,582,701
Profit after taxation for the three months period ended March 31, 2026	-	-	-	-	-	-	-	-	16,131,220	16,131,220	157,822	16,289,042
Effect of translation of net investment in foreign branches	-	1,265,441	-	-	1,265,441	-	-	-	-	1,265,441	-	1,265,441
Movement in surplus on revaluation of debt investments through FVOCI - net of tax	-	-	-	-	-	(28,939,062)	-	(28,939,062)	-	(28,939,062)	-	(28,939,062)
Gain on sale of debt securities carried at FVOCI reclassified to the statement of profit and loss account - net of tax	-	-	-	-	-	(2,103,830)	-	(2,103,830)	-	(2,103,830)	-	(2,103,830)
Movement in surplus / (deficit) on revaluation of investments in equity instruments - net of tax	-	-	-	-	-	(7,098,630)	-	(7,098,630)	-	(7,098,630)	-	(7,098,630)
Remeasurement gain / (loss) on defined benefit obligations - net of tax	-	-	-	-	-	-	-	-	(4,302,436)	(4,302,436)	-	(4,302,436)
Movement in surplus on revaluation of property and equipment - net of tax	-	-	-	-	-	-	1,280	1,280	-	1,280	-	1,280
Movement in surplus on revaluation of non-banking assets - net of tax	-	-	-	-	-	-	(1,280)	(1,280)	-	(1,280)	-	(1,280)
Total other comprehensive income / (loss) - net of tax	-	1,265,441	-	-	1,265,441	(38,141,522)	(0)	(38,141,522)	11,828,784	(25,047,287)	157,822	(24,889,475)
Transfer to statutory reserve	-	-	1,672,496	-	1,672,496	-	-	-	(1,672,496)	-	-	-
Transfer from surplus on revaluation of assets to unappropriated profit - net of tax	-	-	-	-	-	-	(44,047)	(44,047)	44,047	-	-	-
Transfer of gain on FVOCI equity securities to unappropriated profit - net of tax	-	-	-	-	-	(584,732)	-	(584,732)	584,732	-	-	-
Transactions with owners, recorded directly in equity												
Final cash dividend - Rs. 35.00 per share declared subsequent to the year ended December 31, 2025 by the bank	-	-	-	-	-	-	-	-	(74,462,956)	(74,462,956)	-	(74,462,956)
Cash dividend paid / profit distribution by subsidiaries	-	-	-	-	-	-	-	-	-	-	(320,620)	(320,620)
Balance as at March 31, 2026	21,275,131	24,863,199	60,200,930	521,338	85,585,467	37,946,899	48,647,136	86,594,035	242,929,084	436,383,717	1,525,934	437,909,651

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

Chairman

President / CEO

Chief Financial Officer

Director

Director

**NATIONAL BANK OF PAKISTAN
CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2026**

	Quarter ended	
	March 31, 2026	March 31, 2025
Note	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	34,681,864	47,087,621
Less: dividend income	<u>(855,740)</u>	<u>(1,746,465)</u>
	33,826,124	45,341,156
Adjustments:		
Net mark-up / interest income	<u>(51,994,579)</u>	<u>(69,752,917)</u>
Depreciation on property and equipment	1,386,104	1,051,538
Depreciation on right of use assets	539,568	487,314
Amortisation	191,230	145,868
Credit loss allowance and write offs	<u>(3,490,232)</u>	6,391,299
Gain on sale of Property and equipment	<u>(13,146)</u>	<u>(10,311)</u>
Financial charges on leased assets	44,363	49,918
Unrealised loss on revaluation of investments classified as FVTPL	5,804,022	1,252,959
Charge for defined benefit plans - net	4,336,504	4,538,079
Staff loan - notional cost	2,211,915	1,568,363
Share of (profit) / loss from associates - net of tax	422,568	<u>(22,649)</u>
Net loss on derecognition of financial assets measured at amortised cost	<u>491,721</u>	<u>327,814</u>
	<u>(40,069,962)</u>	<u>(53,972,725)</u>
	(6,243,838)	(8,631,569)
(Increase) / decrease in operating assets		
Lendings to financial institutions	<u>(2,115,166)</u>	<u>(73,522,789)</u>
Securities classified as FVTPL	<u>(18,795,962)</u>	<u>(28,899,207)</u>
Advances	47,738,225	104,759,863
Other assets (excluding advance taxation and mark-up receivable)	<u>(8,806,274)</u>	<u>(8,271,068)</u>
	18,020,823	(5,933,201)
Increase/ (decrease) in operating liabilities		
Bills payable	2,165,869	<u>(9,449,437)</u>
Borrowings from financial institutions	525,868,201	149,206,099
Deposits	<u>(320,939,061)</u>	24,934,520
Other liabilities (excluding current taxation and mark-up payable)	4,056,854	30,363,201
	211,151,863	195,054,383
Mark-up / Interest received	211,583,096	225,071,812
Mark-up / Interest paid	<u>(168,794,674)</u>	<u>(231,918,410)</u>
Income tax paid / adjusted	<u>(21,705,796)</u>	<u>(27,823,559)</u>
Benefits paid	8,100,471	<u>(3,842,268)</u>
Net cash flows generated from operating activities	<u>252,111,943</u>	<u>141,977,187</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Net Investments in securities classified as FVOCI	<u>(198,801,284)</u>	<u>(187,249,526)</u>
Net investments in securities carried at amortised cost	<u>(105,004,014)</u>	5,200,520
Dividends received	1,232,120	1,746,465
Net investment in associates	<u>(1,000,000)</u>	-
Investments in Property and equipment	<u>(1,745,178)</u>	<u>(1,957,021)</u>
Proceeds from sale of Property and equipment	9,694	18,413
Effect of translation of net investment in foreign branches	1,750,945	404,306
Net cash used in investing activities	<u>(303,557,717)</u>	<u>(181,836,843)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments of lease obligations against right-of-use assets	<u>(681,674)</u>	<u>(767,367)</u>
Dividend paid	<u>(1,314)</u>	<u>(534)</u>
Net cash used in financing activities	<u>(682,988)</u>	<u>(767,901)</u>
Net (decrease) / increase in cash and cash equivalents	<u>(52,128,761)</u>	<u>(40,627,557)</u>
Cash and cash equivalents at beginning of the period	389,588,484	380,328,849
Effects of exchange rate changes on cash and cash equivalents	<u>1,494,946</u>	<u>916,729</u>
	391,083,430	381,245,578
Expected credit loss allowance on cash and cash equivalent - net	<u>(6,244)</u>	2,500
Cash and cash equivalents at end of the period	<u>338,948,425</u>	<u>340,620,521</u>

34.

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

Chairman

President / CEO

Chief Financial Officer

Director

Director

**NATIONAL BANK OF PAKISTAN
NOTES TO AND FORMING PART OF THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2026**

1. THE GROUP AND ITS OPERATIONS

1.1 The "Group" consists of:

Holding Company

- National Bank of Pakistan (the Bank)

Subsidiary Companies

- NBP Exchange Company Limited, Pakistan
- National Bank Modaraba Management Company Limited, Pakistan
- First National Bank Modaraba, Pakistan
- Taurus Securities Limited, Pakistan
- NBP Fund Management Limited, Pakistan
- Cast-N-Link Products Limited, Pakistan

The subsidiary company of the Group, National Bank Modaraba Management Company Limited, Pakistan exercises control over First National Bank Modaraba, Pakistan as its management company and also has a direct economic interest in it. The Group has consolidated the financial statements of the modaraba as the ultimate holding company.

The Group is principally engaged in commercial banking, modaraba management, brokerage, leasing, foreign currency remittances, asset management, exchange transactions and investment advisory asset.

National Bank of Pakistan (the Bank) was incorporated in Pakistan under the National Bank of Pakistan Ordinance, 1949 and is listed on the Pakistan Stock Exchange (PSX). The registered and head office of the Bank is situated at I.I. Chundrigar Road, Karachi. The Bank is engaged in providing commercial banking and related services in Pakistan and overseas. The Bank also handles treasury transactions for the Government of Pakistan (GoP) as an agent to the State Bank of Pakistan (SBP). The Bank operates 1,503 (December 31, 2025: 1,503) branches in Pakistan and including 312 (December 31, 2025: 312) Islamic Banking branches and 14 (December 31 2025: 14) overseas branches (including the Export Processing Zone branch, Karachi). The Bank also provides services in respect of Endowment Fund for students loan scheme and IPS accounts.

NBP Exchange Company Limited, National Bank Modaraba Management Company Limited are wholly owned subsidiaries of the holding company while the controlling interest in Taurus Securities Limited is 58.32%, NBP Fund Management Limited is 54%, First National Bank Modarba 30% and Cast-N-Link Products Limited 76.51%.

1.2 BASIS OF CONSOLIDATION

The consolidated financial statements include the financial statements of the Bank (Holding Company) and its subsidiary companies together - "the Group".

- Subsidiary companies are fully consolidated from the date on which more than 50% of voting rights are transferred to the Group or power to control the company is established and excluded from consolidation from the date of disposal or when the control is lost.
- The assets, liabilities, income and expenses of subsidiary companies have been consolidated on a line by line basis.
- Income and expenses of subsidiaries acquired during the year are included in the consolidated statement of the comprehensive income from the effective date of acquisition.
- Non-Controlling interest / (minority interest) in equity of the subsidiary companies are measured at fair value for all the subsidiaries acquired from period beginning on or after January 1, 2010 whereas minority interest of previously acquired subsidiaries are measured at the proportionate net assets of subsidiary companies attributable to interest which is not owned by holding company.
- Material intra-group balances and transactions have been eliminated.

2. BASIS OF PRESENTATION

2.1 Statement of compliance

2.1.1 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 as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as are 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 the State Bank of Pakistan (SBP) and the Securities and Exchange Commission of Pakistan (SECP).

Wherever 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 IAS 34 or IFAS, the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 and the said directives shall prevail.

2.1.2 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 had deferred the applicability of Islamic Financial Accounting Standard-3 for Profit and Loss Sharing on Deposits (IFAS-3) issued by the Institute of Chartered Accountants of Pakistan (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.

2.1.3 The SECP vide SRO 56 (1) / 2016 dated January 28, 2016, has notified that the requirements of IFRS 10 (Consolidated Financial Statements) and section 228 of the Companies Act, 2017 will not be applicable with respect to the investment in mutual funds established under Trust structure.

2.1.4 The disclosures made in these consolidated 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 the requirements of International Accounting Standard 34, 'Interim Financial Reporting'. These consolidated condensed interim financial statements do not include all the information and disclosures required in the audited annual financial statements and should be read in conjunction with the annual audited consolidated financial statements of the Bank for the year ended December 31, 2024.

2.1.5 These consolidated condensed interim financial statements are the separate financial statements of the Bank in which the investments in subsidiaries and associates are stated at cost and have not been accounted for on the basis of reported results and net assets of the investees.

2.1.6 Key financial figures of the Islamic Banking branches are disclosed in note 39 to these consolidated condensed interim financial statements.

2.1.7 The Bank believes that there is no significant doubt on the Bank's ability to continue as a going concern. Therefore, these consolidated condensed interim financial statements have been prepared on a going concern basis.

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

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Bank's accounting periods beginning on or after January 01, 2026 but are considered not to be relevant or do not have any material effect on the Bank's operations and are therefore not detailed in these consolidated condensed interim financial statements.

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

There are certain new and amended standards, issued by the International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Bank's accounting periods beginning on or after January 01, 2026 but are considered not relevant or do not have any material effect on the Bank's operations and are therefore not detailed in these unconsolidated financial statements. The impact of IFRS 9 for the current year is disclosed in note 4.1 to these unconsolidated financial statements.

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

There are certain new and amended standards, issued by the International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Bank's accounting periods beginning on or after January 01, 2027 but are considered not to be relevant or will not have any material effect on the Bank's unconsolidated financial statements except for:

- The new standard - IFRS 18 'Presentation and Disclosure in Financial Statements' (published in April 2024) with applicability date of January 01, 2027 by IASB. IFRS 18 is yet to be adopted in Pakistan. IFRS 18 when adopted and applicable shall impact the presentation of 'Statement of Profit and Loss Account' with certain additional disclosures in the consolidated condensed interim financial statements.

3. BASIS OF MEASUREMENT

3.1 Accounting convention

These consolidated condensed interim financial statements have been prepared under the historical cost convention except that certain property and equipment and non banking assets acquired in satisfaction of claims are stated at revalued amounts; investments classified at fair value through profit and loss and fair value through other comprehensive income; foreign exchange contracts and derivative financial instruments are measured at fair value; defined benefit obligations are carried at present value; right of use of asset and related lease liability are measured at present value on initial recognition; and staff loans are measured at fair value on initial recognition.

3.2 Functional and presentation currency

These consolidated condensed interim financial statements are presented in Pakistani Rupees, which is the Bank's functional and presentation currency. The amounts are rounded off to the nearest thousand rupees except as stated otherwise.

4. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the preparation of these consolidated condensed interim financial statements are consistent with those applied in the preparation of the annual audited consolidated financial statements of the Bank for the year ended December 31, 2025. Impacts of adoption of IFRS 9 for the comparative and current period are disclosed in note 4.1.

4.1 IFRS 9 - 'Financial Instruments'

4.1.1 The Bank adopted IFRS 9 effective from January 01, 2024, except for certain relaxations and extensions issued by the SBP from time to time. The impacts of these relaxations and extensions were incorporated in the annual financial statements of the Bank for the respective years ended December 31, 2024 and 2025, with the modified retrospective approach for restatement permitted under IFRS 9.

In addition, the SBP, in a separate instruction, SBPHOK-BPRD-RPD-BAF-834424 dated January 22, 2025, allowed an extension for application of the Effective Interest Rate (EIR) up to December 31, 2025. During the current period, in accordance with the aforementioned instruction, the Bank has applied EIR on the financial instruments appearing as at January 1, 2026, and the cumulative impact of application of EIR amounting to Rs. 343 million, net of tax, has been recorded as an adjustment to equity at the beginning of

4.1.2 The SBP has directed the Banks through its BPRD Circular Letter No.1 dated January 22, 2025 to disclose the impact of IFRS 9 on revenue recognition from Islamic Operations, including the requirements of IFAS 1 and IFAS 2 until further instructions which is as follows:

Had IFRS 9 been adopted in its entirety for revenue recognition from Islamic operations profit / return earned on Islamic financing and related assets in unconsolidated condensed interim statement of profit and loss account for the period ended March 31, 2026 would have been lower by Rs. 7.5 million and taxation would have been lower by Rs 3.9 million. Further, the unappropriated profit in consolidated condensed interim statement of changes in equity would have been lower by Rs 3.6 million.

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these consolidated condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and income and expenses as well as in the disclosure of contingent liabilities. It also requires management to exercise judgment in application of its accounting policies. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. These estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised, if the revision affects only that period, or in the period of revision and in future periods if the revision affects both current and future periods.

The significant judgments made by the management in applying the Bank's accounting policies and the key sources of estimation were the same as those applied in the preparation of annual audited consolidated financial statements for the year ended December 31, 2025, except for matters related to IFRS 9 which have been disclosed in note 4.1 to these consolidated condensed interim financial statements.

6. FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies adopted by the Bank are consistent with those as disclosed in the annual audited consolidated financial statements for the year ended December 31, 2025.

		<u>(Un-audited)</u>	<u>(Audited)</u>
		March 31,	December 31,
		2026	2025
	Note	----- (Rupees in '000) -----	
7. CASH AND BALANCES WITH TREASURY BANKS			
In hand			
Local currency		72,384,888	74,100,296
Foreign currencies		6,564,648	5,894,248
		78,949,536	79,994,544
With State Bank of Pakistan in			
Local currency current accounts	7.1	181,662,001	185,103,316
Foreign currency current accounts	7.2	22,051,532	24,048,368
Foreign currency deposit accounts	7.2	43,854,983	47,789,001
Foreign currency collection accounts		-	
		247,568,516	256,940,685
With other central banks in			
Foreign currency current accounts	7.3	21,742,098	34,465,663
Foreign currency deposit accounts	7.3	6,974,725	3,549,438
		28,716,823	38,015,101
National prize bonds		132,163	995,242
		355,367,038	375,945,572
Less: Credit loss allowance held against cash and bank balances with treasury bank		(941)	(7,164)
Cash and balances with treasury banks - net of credit loss allowance		355,366,097	375,938,408

7.1 This includes statutory liquidity reserves maintained with the SBP under Section 22 of the Banking Companies Ordinance, 1962.

7.2 These represent mandatory reserves maintained in respect of foreign currency deposits under FE-25 scheme, as prescribed by the SBP.

7.3 These balances pertain to the foreign branches and are held with central banks of respective countries. These include balances to meet the statutory and regulatory requirements in respect of liquidity and capital requirements of respective countries. The deposit accounts carry interest at the rate of 0.01 % to 2.00 % per annum (December 31, 2025: 0.01 % to 2.00% per annum).

		<u>(Un-audited)</u>	<u>(Audited)</u>
		March 31,	December 31,
		2026	2025
	Note	----- (Rupees in '000) -----	
8. BALANCES WITH OTHER BANKS			
In Pakistan			
In current accounts		(136,058)	49,976
In deposit accounts	8.1	18,143	43,062
		(117,915)	93,038
Outside Pakistan			
In current accounts		24,322,400	27,832,645
In deposit accounts	8.2	6,627,226	5,607,283
		30,949,626	33,439,928
		30,831,711	33,532,966
Less: Credit loss allowance held against balances with other banks		(2,419)	(23)
Balances with other banks - net of credit loss allowance		30,829,292	33,532,943

8.1 These include various deposits with banks and carry interest at the rates ranging from 2.00 % to 6.00 % per annum (December 31, 2025: 2.56% to 6.80% per annum).

8.2 These include various deposits with correspondent banks outside Pakistan and carry interest at rates ranging from 1.75% to 3.54% per annum (December 31, 2025: 1.00% to 3.60% per annum).

		<u>(Un-audited)</u>	<u>(Audited)</u>
		March 31,	December 31,
		2026	2025
	Note	----- (Rupees in '000) -----	
9. LENDINGS TO FINANCIAL INSTITUTIONS			
Repurchase agreement lendings (Reverse Repo) - Secured	9.2	18,115,192	16,000,000
Musharaka Lending			30,000,000
Bai Muajjal receivables with State Bank of Pakistan	9.3	-	-
Letters of placement	9.4	172,150	172,150
		18,287,342	46,172,150
Less: Credit loss allowance held against lending to financial institutions		(172,150)	(172,150)
Lendings to financial institutions - net of credit loss allowance		18,115,192	46,000,000

			<u>(Un-audited)</u>		<u>(Audited)</u>	
			March 31,		December 31,	
			2026		2025	
		Note	Lending	Credit loss allowance held	Lending	Credit loss allowance held
			----- Rupees in '000 -----			
9.1 Lending to Financial Institutions - Particulars of credit loss						
Performing	Stage 1	9.5	18,115,192		46,000,000	-
Under performing	Stage 2				-	-
Non-performing	Stage 3					
Substandard			-	-	-	-
Doubtful				-	-	-
Loss			172,150	172,150	172,150	172,150
			172,150	172,150	172,150	172,150
Total			18,287,342	172,150	46,172,150	172,150

- 9.2** These carry mark-up at rates ranging from 10.55 % to 10.6 % per annum (December 31, 2025: 10.55 % to 11.00%) with maturities ranging from April 10, 2026 to June 19, 2026 (December 31, 2025: from January 2, 2026 to January 12, 2026)
- 9.3** These carry profit rates Nil % per annum (December 31, 2025:10.40 %) with maturity on Nil (December 31, 2025: January 2,2026).
- 9.4** These are overdue placements and full provision has been made against these placements as at December 31, 2025 and March 31, 2026.

10. INVESTMENTS

March 31, 2026 (Un-audited)

December 31, 2025 (Audited)

10.1 Investments by types

	Cost / amortized cost	Credit loss allowance / Provision for diminution	Surplus / (deficit)	Carrying value	Cost / amortized cost	Credit loss allowance / Provision for diminution	Surplus / (deficit)	Carrying value
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Rupees in '000

FVTPL

Federal Government securities

- Market treasury bills
- Pakistan investment bonds

	31,225,247	-	(154,228)	31,071,019	35,213,166	-	6,078	35,219,244
	31,389,541	-	(704,662)	30,684,879	9,685,616	-	7,040	9,692,656

Units of open-ended mutual funds

	8,544,264	-	(94,590)	8,449,674	6,872,004	-	1,711,929	8,583,933
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Non Government debt securities

- Term finance certificates, 'participation term certificates, bond, debentures and sukus

	9,496,792	-	(17,147)	9,479,645	9,486,572	-	11,547	9,498,119
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Preference shares

- Listed
- Unlisted

	1,106,410	-	18,643	1,125,053	992,711	-	113,700	1,106,411
	558,284	(558,284)	-	-	558,284	(558,284)	-	-

Real Estate Investment Trust units

	3,283,669	-	(527,497)	2,756,172	3,244,532	-	(757,221)	2,487,311
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Ordinary Shares

- Listed Companies

	15,390,649	-	(4,324,539)	11,066,110	11,620,213	-	3,389,676	15,009,889
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	100,994,856	(558,284)	(5,804,020)	94,632,552	77,673,098	(558,284)	4,482,749	81,597,563
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FVOCI

Federal Government securities

- Market treasury bills
- Pakistan investment bonds
- GOP ijarah sukus
- GOP ijarah sukus-Traded
- GOP ijarah sukus-Discounted
- Foreign currency debt securities

10.2.2

	1,306,310,463	-	(3,770,714)	1,302,539,749	1,265,626,161	-	5,084,947	1,270,711,108
	2,654,878,904	-	12,595,862	2,667,474,766	2,546,378,172	-	65,431,828	2,611,810,000
	22,591,112	-	130,504	22,721,616	22,706,580	-	201,261	22,907,841
	255,402,262	-	(385,262)	255,017,000	220,403,613	-	1,303,382	221,706,995
	3,484,990	-	108,014	3,593,004	3,387,533	-	(128,529)	3,259,004
	36,776,382	(2,853,388)	(1,283,073)	32,639,921	29,803,957	(2,599,421)	41,502	27,246,038

Ordinary Shares

- Listed Companies
- Unlisted Companies

	44,190,394	-	23,576,636	67,767,030	35,739,845	-	41,506,937	77,246,782
	2,107,198	-	7,287,787	9,394,985	2,107,198	-	7,287,787	9,394,985

Non Government debt securities

- Term finance certificates, 'participation term certificates, bond, debentures and sukus

10.2.2

	26,228,609	(6,536,568)	52,586	19,744,627	26,429,153	(6,565,316)	188,409	20,052,246
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Mutual Fund units

Foreign securities

- Equity securities-Listed Bank
- Government debt securities

10.2.2

	463,294	-	40,933,322	41,396,616	463,294	-	39,010,025	39,473,319
	2,301,539	(106)	4,927	2,306,360	2,304,806	(98)	2,735	2,307,443

	4,354,735,147	(9,390,063)	79,250,588	4,424,595,673	4,155,350,312	(9,164,835)	159,930,284	4,306,115,761
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Amortised Cost

Federal Government securities

- Market Treasury bills
- Pakistan investment bonds
- GOP ijarah sukus - Traded
- GOP ijarah Sukus
- Bai Muajjal with Government of Pakistan (through State Bank of Pakistan)

10.2.2 &
10.3

	319,784	-	-	319,784	54,473	-	-	54,473
	562,048,798	-	-	562,048,798	461,461,674	-	-	461,461,674
	-	-	-	-	4,999,075	-	-	4,999,075
	24,019,595	-	-	24,019,595	14,027,812	-	-	14,027,812
	8,466,335	-	-	8,466,335	8,466,335	-	-	8,466,335

Foreign currency debt securities

10.3

	9,794,621	(35,420)	-	9,759,201	9,685,261	(87,361)	-	9,597,900
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Non Government debt securities

- Term finance certificates, 'participation term certificates, bond, debentures and sukus

	359,294	(359,294)	-	-	360,481	(360,481)	-	-
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Foreign securities

- Government debt securities
- Non-Government debt securities

10.2.2 &
10.3

	35,972,075	(226,672)	-	35,745,403	36,921,367	(208,380)	-	36,712,987
	1,069	-	-	1,069	1,079	-	-	1,079

	640,981,571	(621,386)	-	640,360,185	535,977,557	(656,222)	-	535,321,335
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Associates

10.1.2

	2,892,567	(503,012)	-	2,389,554	2,315,136	(503,012)	-	1,812,124
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Subsidiaries

10.1.3

	1,245	(1,245)	-	-	1,245	(1,245)	-	-
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Total investments

	5,099,605,386	(11,073,990)	73,446,569	5,161,977,964	4,771,317,348	(10,883,598)	164,413,033	4,924,846,783
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10.1.1 Investments given as collateral	Note	(Un-audited)	(Audited)
		March 31, 2026	December 31, 2025
		----- (Rupees in '000) -----	

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

Pakistan Investment Bonds
Market Treasury Bills

1,122,082,362	1,192,522,540
1,004,765,528	403,505,550
2,126,847,890	1,596,028,090

18.4

10.1.2 Associates

March 31, 2026 (Un-audited)

	Number of shares	Percentage of holding	Country of incorporation	Based on the financial statements as at	Assets	Liabilities	Revenue	Profit / (loss) after taxation	Total comprehensive income / (loss)
Listed									
First Credit and Investment Bank Limited	20,000,000	30.77%	Pakistan	Dec 31, 2025 (Unaudited)	4,426,143	3,520,515	127,086	35,261	32,153
National Fibres Limited	17,030,231	20.19%	Pakistan	N/A	-	-	-	-	-
Liven Pharma Limited (Formerly Land Mark Spinning Mills Limited)	3,970,859	4.27%	Pakistan	Dec 31, 2025 (Unaudited)	811,169	179,257	63,380	(1,948)	(1,948)
SG Allied Businesses Limited	3,754,900	25.03%	Pakistan	Dec 31, 2025 (Unaudited)	1,535,378	274,929	39,860	(8,295)	(8,295)
Nina Industries Limited	4,906,000	20.27%	Pakistan	N/A	-	-	-	-	-
NBP Stock Fund	55,995,532	4.20%	Pakistan	Dec 31, 2025 (Unaudited)	57,960,308	631,390	17,661,692	16,688,613	16,688,613
Unlisted									
Pakistan Emerging Venture Limited	12,500,000	33.33%	Pakistan	June 30, 2022 (Audited)	478	404	56	(385)	(385)
National Fructose Company Limited	1,300,000	39.50%	Pakistan	N/A	-	-	-	-	-
Venture Capital Fund Management *	33,333	33.33%	Pakistan	N/A	-	-	-	-	-
Kamal Enterprises Limited *	11,000	20.37%	Pakistan	N/A	-	-	-	-	-
Mehran Industries Limited *	37,500	32.05%	Pakistan	N/A	-	-	-	-	-
Tharparkar Sugar Mills Limited *	2,500,000	21.52%	Pakistan	N/A	-	-	-	-	-
Youth Investment Promotion Society *	644,508	25.00%	Pakistan	N/A	-	-	-	-	-
Dadabhoy Energy Supply Company Limited	9,900,000	23.11%	Pakistan	N/A	-	-	-	-	-
K-Agricole Limited *	5,000	20.00%	Pakistan	N/A	-	-	-	-	-
New Pak Limited *	200,000	20.00%	Pakistan	N/A	-	-	-	-	-
Pakistan Mercantile Exchange Limited	10,653,860	33.98%	Pakistan	Dec 31, 2025 (Unaudited)	17,926,756	16,542,672	914,751	387,981	387,981
Prudential Fund Management Limited *	150,000	20.00%	Pakistan	N/A	-	-	-	-	-

* Nil figure represent shares which have been acquired under different arrangements without any cost.

10.1.3 Subsidiaries

Cast-N-Link Products Limited	1,245,000	76.51%	Pakistan	N/A	-	-	-	-	-
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10.2 Particulars of credit loss allowance / provision for diminution in value of investments

	(Un-audited)	(Audited)
	March 31, 2026	December 31, 2025
	----- (Rupees in '000) -----	
10.2.1 Opening balance	10,883,598	15,940,168
Impact of adoption of IFRS 9 - reversal of provision held against unlisted shares	-	(573,853)
Impact of adoption of IFRS 9 - credit loss allowance / provision	-	158,085
	10,883,598	15,524,400
Charge for the period / year	271,274	98
Reversals for the period / year	(80,882)	(4,647,040)
	190,392	(4,646,942)
Others movement	-	6
Exchange adjustment	-	6,134
Closing Balance	11,073,990	10,883,598

10.2.2 Particulars of credit loss allowance against debt securities

Category of classification		March 31, 2026 (Un-audited)		December 31, 2025	
		Outstanding amount	Credit loss allowance Held	Outstanding amount	Credit loss allowance
----- (Rupees in '000) -----					
Domestic					
Performing	Stage 1	4,332,164	22,108	4,332,164	24,272
Underperforming	Stage 2	1,200,000	84,174	1,400,000	110,664
Non-Performing	Stage 3				
Substandard		-	-		
Doubtful		-	-		
Loss		6,789,034	6,789,580	6,790,763	6,790,763
		12,321,198	6,895,862	12,522,927	6,925,699
Overseas					
Performing	Stage 1	6,343,433	883	6,485,444	116
Underperforming	Stage 2	78,502,253	3,114,596	71,846,673	2,895,242
Non-Performing	Stage 3				
Substandard		-	-		
Doubtful		-	-		
Loss		-	-		
		84,845,686	3,115,480	78,332,117	2,895,358
Total		97,166,884	10,011,342	90,855,044	9,821,057

10.3 The market value of securities classified at amortised cost as at March 31, 2026 amounted to Rs. 607,309 million (December 31, 2025: Rs.528,129 million).

11. **ADVANCES**

	Performing		Non Performing		Total	
	(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)
	March 31, 2026	December 31, 2025	March 31, 2026	December 31, 2025	March 31, 2026	December 31, 2025
Note	----- (Rupees in '000) -----					
Loans, cash credits, running finances, etc.	1,005,555,923	1,098,351,027	211,099,830	208,016,112	1,216,655,753	1,306,367,139
Islamic financing and related assets	278,663,125	248,313,166	2,305,844	2,173,921	280,968,969	250,487,087
Bills discounted and purchased	51,802,921	45,014,230	12,803,100	12,811,346	64,606,021	57,825,576
Advances - gross	1,336,021,969	1,391,678,423	226,208,774	223,001,379	1,562,230,743	1,614,679,802
Credit loss allowance against advances						
- Stage 1	16,939,923	16,062,649	-	-	16,939,923	16,062,649
- Stage 2	23,458,661	23,412,505	-	-	23,458,661	23,412,505
- Stage 3 *	5,437,450	-	210,516,183	219,943,885	215,953,633	219,943,885
- General	15,687,808	17,521,916	-	-	15,687,808	17,521,916
Advances - net of credit loss allowance / provision	61,523,842	56,997,070	210,516,183	219,943,885	272,040,025	276,940,955
	1,274,498,127	1,334,681,353	15,692,592	3,057,494	1,290,190,719	1,337,738,847

* This represents credit loss allowance against loans that have been classified as stage 3 according to IFRS 9.

11.1 **Particulars of advances (Gross)**

	(Un-audited)	(Audited)
	March 31, 2026	December 31, 2025
	----- (Rupees in '000) -----	
In local currency	1,216,494,900	1,251,487,305
In foreign currencies	345,735,843	363,192,497
	1,562,230,743	1,614,679,802

11.2 Advances includes Rs. 226,208.774 million (December 31, 2025: Rs. 223,001.379 million) which have been placed under non-performing / stage 3 status as detailed below:

Category of Classification	March 31, 2026 (Un-audited)		December 31, 2025 (Audited)	
	Non Performing Loans	Credit Loss Allowance	Non Performing Loans	Credit Loss Allowance
	----- (Rupees in '000) -----			
Domestic				
Other Assets Especially Mentioned (OAEM)	5,100,501	2,320,465	2,268,835	1,499,383
Substandard	11,880,039	6,969,332	13,264,802	8,769,996
Doubtful	6,933,973	4,565,432	2,666,190	1,838,229
Loss	141,420,104	138,186,075	143,575,094	140,178,215
Sub total	165,334,618	152,041,304	161,774,921	152,285,823
Overseas				
Substandard	-	-	-	-
Doubtful	386,155	247,026	387,241	247,721
Loss	60,488,002	58,227,853	60,839,217	58,598,233
	60,874,157	58,474,879	61,226,458	58,845,954
Total	226,208,775	210,516,183	223,001,379	211,131,777
Stage 3 as per IFRS 9	-	5,437,450	-	8,812,108
Total	226,208,775	215,953,633	223,001,379	219,943,885

11.3 Particulars of credit loss allowance against advances

Note	March 31, 2026 (Un-audited)						December 31, 2025 (Audited)					
	Stage 1	Stage 2	Stage 3	Specific Provision	General Provision	Total	Stage 1	Stage 2	Stage 3	Specific Provision	General Provision	Total
	(Rupees in '000)						(Rupees in '000)					
Opening balance	16,062,649	23,412,505	219,943,885	-	17,521,916	276,940,955	19,751,831	10,808,620	226,013,550	-	11,501,411	268,075,412
IFRS-9 adoption	-	-	-	-	-	-	-	30,103	124,994	-	-	155,097
Opening balance restated	16,062,649	23,412,505	219,943,885	-	17,521,916	276,940,955	19,751,831	10,838,723	226,138,544	-	11,501,411	268,230,509
Exchange adjustments	-	-	(392,540)	-	(58,244)	(450,784)	-	-	(2,933,410)	-	(10,247)	(2,943,657)
Charge for the period / year	4,945,793	4,114,224	2,348,018	-	-	11,408,035	1,449,113	16,561,201	10,915,661	-	2,938,784	31,864,758
Reversals	(3,501,480)	(4,262,015)	(2,905,430)	-	(4,543,026)	(15,211,951)	(3,967,654)	(7,946,792)	(7,148,783)	-	-	(19,063,229)
	1,444,313	(147,791)	(557,412)	-	(4,543,026)	(3,803,916)	(2,518,541)	8,614,409	3,766,878	-	2,938,784	12,801,529
Amounts written off	-	-	(5,341)	-	-	(5,341)	-	-	(63,652)	-	-	(63,652)
Amounts charged off - agriculture financing	-	-	(33,393)	-	-	(33,393)	-	-	-	-	-	(370,152)
Transfer to stage 1	-	-	-	-	-	-	-	-	(370,152)	-	-	(370,152)
Transfer to stage 2	(438,607)	438,607	-	-	-	-	(666,997)	4,765,421	-	-	(4,098,424)	-
Transfer to stage 3	(128,432)	(244,660)	373,092	-	-	-	(503,644)	(806,048)	1,309,692	-	-	-
Other movement	-	-	(3,374,658)	-	2,767,162	(607,496)	-	-	(7,904,014)	-	7,190,392	(713,622)
Closing balance	16,939,923	23,458,661	215,953,633	-	15,687,808	272,040,025	16,062,649	23,412,505	219,943,885	-	17,521,916	276,940,955

11.4 Advances - particulars of credit loss allowance / provision against advances

11.4.1	March 31, 2026 (Un-audited)						December 31, 2025 (Audited)					
	Stage 1	Stage 2	Stage 3	Specific Provision	General Provision	Total	Stage 1	Stage 2	Stage 3	Specific Provision	General Provision	Total
	(Rupees in '000)						(Rupees in '000)					
Opening balance	16,062,649	23,412,505	219,943,885	-	17,521,916	276,940,955	19,751,831	10,808,620	226,013,550	-	11,501,411	268,075,412
IFRS-9 adoption	-	-	-	-	-	-	-	30,103	124,994	-	-	155,097
	16,062,649	23,412,505	219,943,885	-	17,521,916	276,940,955	19,751,831	10,838,723	226,138,544	-	11,501,411	268,230,509
New Advances	4,945,793	4,114,224	2,348,018	-	-	11,408,035	1,449,113	16,561,201	10,915,661	-	2,938,784	31,864,758
Exchange Adjustment	-	-	(392,540)	-	(58,244)	(450,784)	-	-	(2,933,410)	-	(10,247)	(2,943,657)
Advances derecognised or repaid	(3,501,480)	(4,262,015)	(2,905,430)	-	(4,543,026)	(15,211,951)	(3,967,654)	(7,946,792)	(7,148,783)	-	-	(19,063,229)
Transfer to stage 1	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to stage 2	(438,607)	438,607	-	-	-	-	(666,997)	4,765,421	-	-	(4,098,424)	-
Transfer to stage 3	(128,432)	(244,660)	373,092	-	-	-	(503,644)	(806,048)	1,309,692	-	-	-
Other movement	-	-	(3,374,658)	-	2,767,162	(607,496)	-	-	(7,904,014)	-	7,190,392	(713,622)
	877,274	46,156	(3,951,518)	-	(1,834,108)	(4,862,196)	(3,689,182)	12,573,782	(5,760,855)	-	6,020,505	9,144,250
Amounts written off	-	-	(5,341)	-	-	(5,341)	-	-	(63,652)	-	-	(63,652)
Amounts charged off - agriculture financing	-	-	(33,393)	-	-	(33,393)	-	-	(370,152)	-	-	(370,152)
Closing balance	16,939,923	23,458,661	215,953,633	-	15,687,808	272,040,025	16,062,649	23,412,505	219,943,885	-	17,521,916	276,940,955

11.4.2 Advances - Category of classification

		March 31, 2026 (Un-audited)			December 31, 2025 (Audited)		
		Outstanding amount	Credit loss allowance Held	Net of Advances	Outstanding amount	Credit loss allowance Held	Net of Advances
		(Rupees in '000)			(Rupees in '000)		
Domestic							
Performing	Stage 1	1,049,591,712	16,937,912	1,032,653,799	1,118,606,631	16,062,649	1,102,543,982
Underperforming	Stage 2	262,511,941	23,127,027	239,384,914	199,317,041	23,412,505	175,904,536
Non-Performing	Stage 3						
Other Assets Especially Mentioned		5,100,501	2,320,465	2,780,036	2,268,835	1,499,383	769,451
Substandard		11,880,039	6,969,332	4,910,707	13,264,802	8,769,996	4,494,806
Doubtful		6,933,973	4,565,432	2,368,541	2,666,190	1,838,229	827,961
Loss		141,420,104	138,186,075	3,234,029	143,575,094	140,178,215	3,396,879
Stage 3 as per IFRS 9		-	5,437,450	(5,437,450)	-	8,812,108	(8,812,108)
General Provision		-	15,687,808	(15,687,808)	-	17,521,916	(17,521,916)
Sub Total		165,334,618	173,166,562	(7,831,945)	161,774,921	178,619,847	(16,844,926)
		1,477,438,270	213,231,502	1,264,206,768	1,479,698,593	218,095,001	1,261,603,592
Overseas							
Performing	Stage 1	21,336,199	2,011	21,334,188	22,390,335	-	22,390,335
Underperforming	Stage 2	2,582,117	331,634	2,250,483	51,364,416	-	51,364,416
IFRS 9 not applicable		-	-	-	-	-	-
Non-Performing	Stage 3						
Substandard		-	-	-	-	-	-
Doubtful		386,155	247,026	139,129	387,241	247,721	139,520
Loss		60,488,002	58,227,852	2,260,149	60,839,217	58,598,233	2,240,984
Sub total		60,874,157	58,474,879	2,399,278	61,226,458	58,845,954	2,380,504
		84,792,473	58,808,523	25,983,950	134,981,209	58,845,954	76,135,255
Total		1,562,230,743	272,040,025	1,290,190,719	1,614,679,802	276,940,955	1,337,738,847

11.4.3 General provision includes provision amounting to Rs.1,111 million (December 31, 2025: Rs. 467 million) pertaining to overseas advances to meet the requirements of regulatory authorities of the respective countries in which the Bank operates where IFRS 9 has not been implemented. The general provision can be maintained till December 31, 2026 under BPRD circular No. 1 of 2025 dated January 22, 2025.

11.4.4 The SBP had allowed specific relaxation to the Bank for non-classification of overdue loans of certain Public Sector Entities (PSEs) which are guaranteed by Government of Pakistan as non-performing loans up till December 31, 2025. Bank has applied for further relaxation from SBP, however, response is awaited. No provision is required against these loans; however, mark-up is being suspended as required by the Prudential Regulations. Further SBP has allowed specific relaxation on the requirement for ECL against overdue foreign currency loan of a Public Sector Entity permanently.

11.4.5 These represent non-performing advances for agriculture finance which have been classified as loss and fully provided for more than 3 years. These non-performing advances have been charged off by extinguishing them against the provision held in accordance with Prudential Regulations for Agriculture Financing issued by the SBP. This charge off does not, in any way, prejudice the Bank's right of recovery from these customers.

		(Un-audited)	(Audited)
		March 31, 2026	December 31, 2025
		----- (Rupees in '000) -----	
12. Property and equipment	Note		
Capital work-in-progress	12.1	1,999,607	2,260,719
Property and equipment		65,576,468	65,247,927
		67,576,075	67,508,646

12.1 Capital work-in-progress

Civil works	1,422,026	1,259,425
Equipment	10,372	17,476
Advances to suppliers	567,209	983,818
	1,999,607	2,260,719

		(Un-audited)	
		March 31, 2026	March 31, 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	907,542	130,880
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Property and equipment

Building on freehold land	83,200	53,939
Building on leasehold land	70,247	4,721
Furniture and fixtures	322,614	314,785
Computer and peripheral equipment	780,037	833,689
Electrical and office equipment	224,722	238,628
Vehicles	341,631	231,261
Total additions to property and equipment	2,729,993	1,807,904

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	-	348
Electrical and office equipment	710	75
Vehicles	8,333	17,081
Computer equipment	58	88
Total disposals of property and equipment	9,101	17,591

13. RIGHT-OF-USE ASSETS	March 31, 2026 (Un-audited)			December 31, 2025 (Audited)		
	Buildings	Others	Total	Buildings	Others	Total
----- (Rupees in '000) -----						
At January 1,						
Cost	20,709,537	92,500	20,802,037	18,542,570	92,500	18,635,070
Accumulated Depreciation	(14,040,805)	(55,097)	(14,095,902)	(12,014,464)	(24,264)	(12,038,728)
Net carrying amount at January 1	6,668,732	37,403	6,706,135	6,528,106	68,236	6,596,342
Additions during the period / year	452,836	-	452,836	3,384,553	-	3,384,553
Deletions during the year	-	-	-	(1,217,586)	-	(1,217,586)
Depreciation Charge for the period / year	(531,860)	(7,708)	(539,568)	(2,026,341)	(30,833)	(2,057,174)
Net carrying amount	6,589,708	29,695	6,619,403	6,668,732	37,403	6,706,135

	Note	(Un-audited)	(Audited)
		March 31, 2026	December 31, 2025
		----- (Rupees in '000) -----	
16. OTHER ASSETS			
Income / return / mark-up accrued in local currency		132,373,917	168,130,210
Income / return / mark-up accrued in foreign currencies		4,850,937	9,181,791
Advances, deposits, advance rent and other prepayments		46,683,772	45,273,396
Advance taxation (payments less provisions)		3,820,749	3,423,946
Income tax refunds receivable		-	99,383
Compensation for delayed tax refunds		22,129,925	22,129,925
Non-banking assets acquired in satisfaction of claims		1,145,432	1,146,897
Assets acquired from Corporate and Industrial Restructuring Corporation (CIRC)		158,931	158,931
Commission receivable on Government treasury transactions		8,334,497	5,431,654
Stationery and stamps on hand		388,529	506,656
Barter trade balances		195,399	195,399
Receivable on account of Government transactions		323,172	323,172
Receivable from Government under VHS scheme		418,834	418,834
Receivable against sale of shares		168,586	7,143
Acceptances		9,536,220	10,335,656
Receivable from Customers		1,598,111	2,345,811
Deferred fair value loss	16.3	10,784,264	11,275,985
Dividend receivable		6,622,212	3,267,361
Others		13,715,762	13,628,070
		<u>263,249,249</u>	<u>297,280,221</u>
Less: Provision held against other assets	16.1	16,066,597	16,223,310
Less: Credit loss allowance held against other assets	16.2	946,332	1,301,500
Other Assets (Net of credit loss allowance / provision)		<u>246,236,320</u>	<u>279,755,411</u>
Surplus on revaluation of non-banking assets acquired in satisfaction of claims - net		<u>3,240,577</u>	<u>3,243,242</u>
Other assets - total		<u><u>249,476,897</u></u>	<u><u>282,998,653</u></u>
16.1 Provision held against other assets			
Income / mark-up accrued in local currency		152,607	152,607
Advances, deposits, advance rent and other prepayments		800,000	800,000
Stationery and stamps on hand		74,075	74,075
Barter trade balances		195,399	195,399
Receivable on account of Government transactions		323,172	323,172
Receivable from Government under VHS scheme		418,834	418,834
Protested bills		4,286,235	4,399,671
Ex-MBL / NDFC - other assets		760,941	760,941
Assets Acquired from Corporate and Industrial Restructuring Corporation asset (CIRC)		158,931	158,931
Dividend Receivable		3,237,161	3,237,161
Others		5,659,241	5,702,519
		<u>16,066,597</u>	<u>16,223,310</u>
16.1.1 Movement in Provision held against other assets			
Opening balance		16,223,310	15,892,557
Charge / (Reversal) for the period / year		(153,963)	615,423
Adjustment against provision		(2,750)	(304,904)
Other movement		-	20,234
Closing balance		<u>16,066,597</u>	<u>16,223,310</u>
16.2 Credit loss allowance held against markup Receivable			
Opening balance		1,301,500	1,225,858
Impact of ECL recognition on adoption of IFRS-9		-	535
(Reversal) / charge for the period / year		(355,168)	(71,766)
Transfer in		-	146,873
Closing balance		<u>946,332</u>	<u>1,301,500</u>
16.3			
This represents fair value loss arising from the restructuring of Pakistan International Airlines Corporation Limited (PIACL). The SBP through its Circular Letter No. BPRD / BRD / PIAHCL / 733688 – 2024 dated August 01, 2024 has allowed staggering of such fair value impact over a period of 6 years at rates 5%, 10%, 15%, 20%, 25% and 25% from year 1 to year 6. Accordingly, the Bank has recognised proportionate amount of 3rd year's 15% of loss in these unconsolidated condensed interim financial statements.			

		(Un-audited)	(Audited)
		March 31, 2026	December 31, 2025
	Note	----- (Rupees in '000) -----	
17. BILLS PAYABLE			
In Pakistan		22,943,078	20,781,510
Outside Pakistan		40,003	35,702
		<u>22,983,081</u>	<u>20,817,212</u>
18. BORROWINGS			
Secured			
Borrowings from State Bank of Pakistan			
Under Export Refinance Scheme		13,276,000	15,873,707
Under Financing Scheme for Renewable Energy		2,693,904	1,112,560
Refinance Facility for Modernization of Small and Medium Enterprises (SMEs)		189,168	204,159
Under Financing Facility for Storage of Agriculture Produce (FFSAP)		1,700,970	246,803
Under Long-Term Financing Facility (LTFF)		8,524,150	10,470,123
Under Temporary Economic Refinance Facility		9,084,610	11,726,436
Under Refinance and Credit Guarantee Scheme for Women Entrepreneurs (RCWE)		51,355	61,937
Under Export Refinance Scheme for Bill Discounting		2,595,160	2,511,175
Under Refinance Facility for Combating Covid-19		5,364	7,152
Under Refinance Scheme for Working Capital		20,000	27,000
		-	-
		<u>38,140,681</u>	42,241,052
Repurchase agreement borrowings	10.1.1	<u>2,126,847,890</u>	1,596,028,090
Total Secured		<u>2,164,988,571</u>	1,638,269,142
Unsecured			
Call borrowings		46,629,738	48,387,944
Overdrawn nostro accounts		617,226	-
Borrowing from Pakistan Mortgage Refinance Company		3,000,000	3,000,000
Total Unsecured		<u>50,246,964</u>	51,387,944
		<u>2,215,235,535</u>	1,689,657,086
18.1 Particulars of borrowings with respect to currencies			
In local currency		2,168,605,797	1,641,269,142
In foreign currencies		46,629,738	48,387,944
		<u>2,215,235,535</u>	1,689,657,086
18.2 Mark-up / interest rates and other terms are as follows:			
-	The Bank has entered into agreements with the SBP for extending export refinance to customers. As per the terms of the agreement, the Bank has granted SBP the right to recover the outstanding amount from the Bank at the date of maturity of finances by directly debiting the current account maintained by the Bank with the SBP. These borrowings carry mark-up of 0.00 % to 16.00 % per annum (December 31, 2025: 0.00% to 16.00% per annum).		
-	Repurchase agreement borrowings carry mark-up ranging from 10% to 11.5% per annum (December 31, 2025: 10.49% to 11.50% per annum) having maturities ranging from April 1, 2026 to April 17, 2026.		
-	Call borrowings carry interest ranging from 4.17% to 5.75% per annum (December 31, 2025: 4.36% to 6.60% per annum).		
18.3	Borrowings from the SBP under export oriented projects refinance schemes of the SBP are secured by the Bank's cash and security balances held by the SBP.		
18.4	Pakistan Investment Bonds and Market Treasury Bills having maturity of 2 - 5 Years and 1 Year respectively, are pledged as security under borrowing having carrying amount of Rs. 2,126,848 million million (December 31, 2025: Rs. 1,596,028 million).		

19. DEPOSITS AND OTHER ACCOUNTS

	March 31, 2026 (Un-audited)			December 31, 2025 (Audited)		
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
	----- (Rupees in '000) -----			----- (Rupees in '000) -----		
Customers						
Current deposits - remunerative	820,688,174	-	820,688,174	932,883,053	-	932,883,053
Current deposits - non remunerative	616,819,055	157,034,439	773,853,494	661,035,059	154,955,433	815,990,492
Savings deposits	1,232,825,858	113,633,189	1,346,459,047	1,223,390,842	144,899,660	1,368,290,502
Term deposits	456,738,890	272,572,148	729,311,038	504,918,393	272,899,557	777,817,950
Others	17,831,158	7,074	17,838,232	23,156,231	2,862,591	26,018,822
	3,144,903,135	543,246,850	3,688,149,985	3,345,383,578	575,617,241	3,921,000,819
Financial Institutions						
Current deposits - remunerative	16,439,475	-	16,439,475	57,570,811	-	57,570,811
Current deposits - non remunerative	332,383,794	568,819	332,952,613	353,072,890	2,846,955	355,919,845
Savings deposits	56,491,728	-	56,491,728	42,073,982	2,890,259	44,964,241
Term deposits	8,968,000	3,726,395	12,694,395	36,634,470	11,577,351	48,211,821
Others	-	280	280	-	-	-
	414,282,997	4,295,494	418,578,491	489,352,153	17,314,565	506,666,718
	3,559,186,132	547,542,344	4,106,728,476	3,834,735,731	592,931,806	4,427,667,537

19.1 Foreign currencies deposits includes deposit of foreign branches amounting to Rs. 108,032 million (December 31, 2025: Rs. 112,156 million).

20. LEASE LIABILITIES

	(Un-audited)		(Audited)	
	March 31, 2026		December 31, 2025	
	----- (Rupees in '000) -----			
Outstanding amount at the start of the year / period	8,883,515		8,324,955	
Additions during the period / year	393,730		3,850,737	
Lease payments including interest	(681,674)		(3,093,814)	
Interest expense	282,601		1,136,851	
Exchange difference	1,709		7,041	
Closure of branch	-		(1,342,254)	
Outstanding amount at the end of the period / year	8,879,880		8,883,515	
Liabilities Outstanding				
Less than one year	1,644,601		1,786,291	
One to five years	4,546,147		4,657,271	
Five to Ten Years	1,676,153		1,622,944	
More than Ten Years	1,012,979		817,009	
Total lease liabilities	8,879,880		8,883,515	

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

21. OTHER LIABILITIES

Mark-up / return / interest payable in local currency	84,399,855	129,814,141
Mark-up / return / interest payable in foreign currencies	7,260,701	5,510,712
Unearned commission and income on bills discounted	881,315	1,036,128
Accrued expenses	18,613,116	16,692,340
Advance payments	368,055	405,737
Current taxation (provisions less payments)	18,090,719	13,905,216
Unclaimed dividends	229,579	172,688
Dividends payable	250,920	-
Mark to market loss on forward foreign exchange contracts	2,369,555	3,609,169
Branch adjustment account	346,416	445,201
Proposed Dividends	74,462,956	-
Payable to defined benefit plan:		
Pension fund	82,834,146	75,312,954
Post retirement medical benefits	48,279,232	48,234,725
Benevolent fund	2,167,824	2,145,147
Gratuity scheme	6,620,102	6,433,413
Compensated absences	10,828,937	10,503,531
Staff welfare fund	371,257	400,457
Liabilities relating to barter trade agreements	4,287,736	4,299,845
Credit loss allowance against off-balance sheet obligations	21.1 3,479,284	2,460,086
Provision against contingencies	21.2 6,562,499	6,258,300
Payable to brokers	21,640	82,324
PIBs short selling	976,052	-
Payable to customers	840,582	892,134
Acceptances	9,536,220	10,335,656
Others	20,066,905	18,202,864
	404,145,603	357,152,768

21.1 Credit loss allowance against off-balance sheet obligations

Opening balance	2,460,086	1,726,164
impact of adoption of IFRS-9	-	125
Charge / (Reversal) for the period / year	411,702	167,047
Transfer in/(out)	607,496	566,750
Closing balance	3,479,284	2,460,086

21.2 Provision against contingencies

Opening balance	6,258,300	5,343,606
Charge for the period / year	219,539	344,812
Other movement	100,000	584,882
Adjustment	(15,340)	(15,000)
Closing balance	6,562,499	6,258,300

		(Un-audited)	(Audited)
		March 31,	December 31,
		2026	2025
	Note	----- (Rupees in '000) -----	
22. SURPLUS ON REVALUATION OF ASSETS - NET OF TAX			
Surplus / (deficit) on revaluation of			
- Securities measured at FVOCI - Debt	10.1	7,452,843	72,125,535
- Securities measured at FVOCI - Equity	10.1	71,797,745	87,804,749
- Property and Equipment		49,176,252	49,265,354
- Non-banking assets acquired in satisfaction of claims		3,240,577	3,243,242
- On securities of associates and joint venture		(93,383)	(93,384)
		131,574,034	212,345,496
Less: Deferred tax Liability on (surplus) / deficit on revaluation of:			
- Securities measured at FVOCI - Debt		(3,875,478)	(37,505,278)
- Securities measured at FVOCI - Equity		(37,334,827)	(45,658,469)
- Property and equipment		(3,660,239)	(3,706,574)
- Non-banking assets acquired in satisfaction of claims		(109,454)	(110,839)
		(44,979,998)	(86,981,160)
		86,594,035	125,364,336
23. CONTINGENCIES AND COMMITMENTS			
Guarantees	23.1	555,711,127	533,648,579
Commitments	23.2	2,604,719,885	2,733,126,110
Other contingent liabilities	23.3	24,521,085	24,698,907
		3,184,952,097	3,291,473,596
23.1 Guarantees			
Financial guarantees		453,232,866	418,325,647
Performance guarantees		102,478,261	115,322,932
		555,711,127	533,648,579
23.2 Commitments			
Documentary credits and short-term trade-related transactions			
- letters of credit		1,817,900,752	1,836,712,713
Commitments in respect of:			
- forward foreign exchange contracts	23.2.1	765,174,796	857,254,845
- forward government securities transactions	23.2.2	916,644	16,508,022
- forward lending	23.2.3	18,783,649	20,217,417
Commitments for acquisition of:			
- Property and equipment		1,944,045	2,433,113
Other commitments	23.2.4	-	
		2,604,719,885	2,733,126,110
23.2.1 Commitments in respect of forward foreign exchange contracts			
Purchase		519,770,921	569,734,830
Sale		245,403,875	287,520,014
		765,174,796	857,254,845
Commitments for outstanding forward foreign exchange contracts are disclosed in these consolidated condensed interim financial statements at contracted rates. Commitments denominated in foreign currencies are expressed in Rupee terms at the rates of exchange prevailing at the statement of financial position date.			
23.2.2 Commitments in respect of forward government securities transactions			
Purchase		28,535	10,463,492
Sale		888,109	6,044,530
		916,644	16,508,022
Commitments for outstanding forward government securities transactions are disclosed in these consolidated condensed interim financial statements at contracted rates.			

	<u>(Un-audited)</u>	<u>(Audited)</u>
	<u>March 31,</u>	<u>December 31,</u>
	<u>2026</u>	<u>2025</u>
	----- (Rupees in '000) -----	
23.2.3	Commitments in respect of forward lending	
	Undrawn formal standby facilities, credit lines and other commitment to lend	
	<u>18,783,649</u>	<u>20,217,417</u>
	These represent commitments that are irrevocable because they cannot be withdrawn at the discretion of the bank without the risk of incurring significant penalty or expense.	
23.2.4	Other commitments	
	Professional services to be received	
	<u>-</u>	<u>-</u>
23.3	Other contingent liabilities	
23.3.1	Claims against the Bank not acknowledged as debt	
	<u>24,521,085</u>	<u>24,698,907</u>
	Claims against the Bank not acknowledged as debts includes claims relating to former Mehran Bank Limited amounting to Rs. 1,597 million (December 31, 2025: Rs. 1,597 million).	
	Moreover, these claims also represent counter claims by the borrowers for damages, claims filed by former employees of the Bank and other claims relating to banking transactions. Based on legal advice and / or internal assessments, the management is confident that the matters will be decided in the Bank's favour and the possibility of any adverse outcome against the Bank is remote and accordingly no provision has been made in these consolidated condensed interim financial statements.	
23.3.2	Taxation	
	As at March 31, 2026, the status of tax contingencies is same as disclosed in the annual consolidated financial statements for the year ended December 31, 2025.	
23.3.3	Contingencies in respect of employees benefits and other matters	
23.3.3.1	As at March 31, 2026, the status of contingencies in respect of employees benefits including pension and other related matters is same as disclosed in the annual audited consolidated financial statements for the year ended December 31, 2025.	
23.3.3.2	SBP has imposed and recovered penalty on the Bank amounting to Rs. 1,276 million on account of detection of certain counterfeit bank notes. The Bank maintains chest operations as custodian of SBP and has recovered the amount from the relevant depositing bank.	

		(Un-audited)	
		For the Quarter ended	
		March 31,	March 31,
		2026	2025
Note		----- (Rupees in '000) -----	
24. MARK-UP / RETURN / INTEREST EARNED			
On:			
Loans and advances		38,734,133	51,956,556
Investments		137,428,724	159,616,408
Lendings to financial institutions		1,301,189	1,050,485
Balances with banks		820,499	631,726
		<u>178,284,545</u>	<u>213,255,175</u>
25. MARK-UP / RETURN / INTEREST EXPENSED			
On:			
Deposits		65,889,097	73,560,913
Borrowings		1,422,066	1,474,316
Cost of foreign currency swaps against foreign currency deposits		2,384,584	1,838,153
Finance Charges - lease liability against right-of-use assets		308,360	299,029
Depreciation on Ijarah Assets		-	-
Securities sold under repurchase agreements		56,285,859	66,329,846
		<u>126,289,966</u>	<u>143,502,258</u>
26. FEE AND COMMISSION INCOME			
Branch banking customer fees		305,333	478,000
Consumer finance related fees		201,473	252,719
Card related fees		1,707,958	1,740,818
Credit related fees		142,315	110,400
Investment banking fees		131,910	110,296
Commission on trade		471,674	544,302
Commission on guarantees		762,494	544,399
Commission on cash management		12,385	11,210
Commission on remittances including home remittances		105,113	86,430
Commission on bancassurance		102,524	68,520
Commission on government transactions		2,953,111	3,551,943
Management fee and sale load		1,606,600	1,667,404
Brokerage income		93,002	29,438
Others		7,231	13,812
		<u>8,603,123</u>	<u>9,209,691</u>
27. GAIN ON SECURITIES - NET			
Realised	27.1	5,291,741	1,152,539
Unrealised - Measured at FVPL	10.1 & 27.2	(5,804,022)	(1,252,959)
Unrealized - Short selling		43,049	-
		<u>(469,232)</u>	<u>(100,420)</u>
27.1 Realized gain on			
Federal Government Securities		4,903,255	824,163
Shares		353,888	226,737
Ijarah Sukuks		-	101,639
Mutual Funds		34,598	-
		<u>5,291,741</u>	<u>1,152,539</u>
27.2 Net gain / (loss) on financial assets measured at FVTPL:			
Designated upon initial recognition		(5,710,925)	(1,249,290)
Mandatorily measured at FVTPL		(93,095)	(3,669)
		<u>(5,804,020)</u>	<u>(1,252,959)</u>
28. OTHER INCOME			
Rent on property		14,370	26,537
Gain on sale of Property and equipment - net		13,146	10,311
Reversal of Expenses		-	224,872
Insurance Claim		-	68,491
Postal, SWIFT and other charges recovered		1,542	-
Swift share allocation		-	22,256
Others		74	41,987
		<u>29,132</u>	<u>394,454</u>

	For the Quarter ended	
	March 31, 2026	March 31, 2025
29. OPERATING EXPENSES	----- (Rupees in '000) -----	
Total compensation expenses	20,130,072	19,350,474
Property expense		
Rent and taxes	227,149	230,795
Insurance	27,511	26,371
Utilities	573,227	589,340
Security (including guards)	878,096	1,084,195
Repair and maintenance (including janitorial charges)	440,472	474,069
Depreciation	195,276	185,938
Depreciation on non banking assets	4,130	17,539
Depreciation on right of use assets	539,568	487,314
	2,885,429	3,095,561
Information technology expenses		
Software maintenance	749,280	660,292
Hardware maintenance	137,380	35,279
Depreciation	618,915	406,349
Amortisation	191,230	145,868
Network charges	326,416	306,322
IT Manage Services	574,197	442,019
	2,597,418	1,996,129
Other operating expenses		
Directors' fees and allowances	22,042	14,848
Directors' fees and reimbursement of other expenses - subsidiaries	5,500	7,140
Fees and allowances to Shariah Board	9,881	5,306
Legal and professional charges	345,682	302,488
Outsourced services costs	314,933	402,393
Travelling and conveyance	376,462	312,296
NIFT clearing charges	9,363	61,856
Depreciation	567,783	441,712
Training and development	27,661	40,192
Postage and courier charges	114,007	91,155
Communication	455,151	449,879
Stationery and printing	890,904	372,771
Marketing, advertisement and publicity	615,423	412,709
Donations	14,211	1,698
Auditors' Remuneration	71,662	70,539
Entertainment	116,454	114,696
Clearing, verification and license fee charges	124,775	86,653
Brokerage	171,250	67,159
Financial charges on leased assets	44,363	49,918
Insurance	254,982	199,529
Vehicle Expenses	66,882	97,231
Repairs and maintenance	307,859	381,871
Loss on Sale of Fixed Asset	-	1,354
Deposit premium expense	480,615	405,511
WWF	11,513	15,906
Others	141,543	358,020
	5,560,901	4,764,830
	31,173,820	29,206,993
30. OTHER CHARGES		
Penalties imposed by State Bank of Pakistan	18,858	11,790
	18,858	11,790

		(Un-audited)	
		For the Quarter ended	
		March 31,	March 31,
		2026	2025
Note		----- (Rupees in '000) -----	
31. CREDIT LOSS ALLOWANCE / PROVISIONS AND WRITE OFFS / (REVERSAL OF PROVISIONS / CREDIT LOSS ALLOWANCE) - NET			
Net reversal of credit loss allowance against investments	10.2	191,574	505,315
Net credit loss allowance / provision / (reversal) against loans and advances	11.3	(3,803,917)	5,617,077
Net provision held / (reversal) against other assets	16.1.1	(153,962)	295,868
Net reversal of credit loss allowance against lendings to financial institutions		-	-
Net reversal of credit loss allowance against balances with other banks		(21)	1
Net credit loss allowance against balances with other central banks		(6,223)	2,499
Net reversal of credit loss allowance against markup receivable	16.2	(355,168)	(127,628)
Net reversal of credit loss allowance against contingencies	21.2	219,539	108,674
Net credit loss allowance against off-balance sheet obligations	21.1	411,702	(8,007)
		<u>(3,496,476)</u>	<u>6,393,799</u>
32. TAXATION			
Current			
- For the Period		20,682,206	27,871,550
		20,682,206	27,871,550
Deferred			
- For the Period		(2,289,384)	(2,888,971)
		(2,289,384)	(2,888,971)
		<u>18,392,822</u>	<u>24,982,579</u>
33. EARNINGS PER SHARE - BASIC AND DILUTED			
Profit for the period (Rupees in '000)		16,131,220	21,883,603
Weighted average number of ordinary shares (Numbers in '000)		2,127,513	2,127,513
Earnings per share - basic and diluted (Rupees)		7.58	10.29
33.1	Diluted earnings per share has not been presented separately as the Bank does not have any convertible instruments in issue.		
34. CASH AND CASH EQUIVALENT			
Cash and balances with treasury banks	7.	355,366,097	307,818,849
Balances with other banks	8.	30,829,292	49,806,032
Call money lendings		-	-
Call money borrowings	18.	(46,629,738)	(16,947,618)
Overdrawn nostro accounts	18.	(617,226)	(56,743)
		<u>338,948,425</u>	<u>340,620,521</u>

35. 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 participants at the measurement date. The fair value of quoted securities other than those classified as amortised cost, is based on quoted market price. Quoted debt securities classified as amortised cost are carried at cost. The fair value of unquoted equity securities, other than investments in associates and subsidiaries, is determined on the basis of valuation methodologies. The fair value of fixed term financings, other assets, other liabilities, fixed

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 financings and deposits, are frequently repriced.

35.1 Fair value of financial assets

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

	March 31, 2026 (Un-audited)				Total
	Carrying Value	Level 1	Level 2	Level 3	
----- (Rupees in '000) -----					
On balance sheet financial instruments					
Financial assets - measured at fair value					
Investments					
Federal Government Securities					
- Market Treasury Bills	1,333,610,768	-	1,333,610,768	-	1,333,610,768
- Pakistan Investment Bonds	2,698,159,645	-	2,698,159,645	-	2,698,159,645
- GOP Ijarah sukuk	281,331,620	258,610,004	22,721,616	-	281,331,620
- Foreign currency debt securities	32,639,921	-	32,639,921	-	32,639,921
Ordinary Shares					
- Listed Companies	78,833,140	78,833,140	-	-	78,833,140
- Unlisted Companies	9,394,985	-	-	9,394,985	9,394,985
Preference shares					
- Listed Companies	1,125,053	1,125,053	-	-	1,125,053
Non-Government debt securities					
- Term finance certificates and sukuk bonds	29,224,272	7,644,856	21,579,416	-	29,224,272
Units of open-ended mutual funds					
	8,449,674	-	8,449,674	-	8,449,674
Real estate investment trust units					
	2,756,172	-	2,756,172	-	2,756,172
Foreign Securities					
- Government debt securities	2,306,360	-	2,306,360	-	2,306,360
- Equity Securities - Listed	41,396,616	41,396,616	-	-	41,396,616
	4,519,228,225	4,509,833,240	4,131,618,556	9,394,985	4,519,228,225
Financial assets - disclosed but not measured at fair value					
Investments					
Federal Government Securities					
- Market Treasury Bills	319,784	-	319,784	-	319,784
- Pakistan Investment Bonds	562,048,798	-	323,719,590	-	323,719,590
- GOP Ijarah sukuk	24,019,595	-	19,452,500	-	24,019,595
- Foreign Currency Debt securities	9,759,201	-	9,817,705	-	9,817,705
Foreign Securities					
- Government debt securities	35,745,403	-	36,607,919	-	36,607,919
- Non-Government debt securities	1,069	-	1,084	-	1,084
	640,360,185	-	389,918,582	-	370,466,082
	5,159,588,410	4,509,833,240	4,521,537,138	9,394,985	4,889,694,307
Off-balance sheet financial instruments - measured at fair value					
Commitments					
Forward exchange contract purchase and sale	765,174,796	-	(2,369,555)	-	(2,369,555)
Forward government securities transactions	916,644	-	(4,439)	-	(4,439)

December 31, 2025 (Audited)

	Carrying 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					
- Market Treasury Bills	1,305,930,352	-	1,305,930,352	-	1,305,930,352
- Pakistan Investment Bonds	2,621,502,656	-	2,621,502,656	-	2,621,502,656
- Ijarah Sukuks	247,873,840	224,965,999	22,907,841	-	247,873,840
- Foreign Currency Debt securities	27,246,038	-	27,246,038	-	27,246,038
	-	-	-	-	-
Ordinary Shares					
- Listed Companies	92,256,671	92,256,671	-	-	92,256,671
- Unlisted Companies	9,394,985	-	-	9,394,985	9,394,985
	-	-	-	-	-
Preference shares					
- Listed	1,106,411	1,106,411	-	-	1,106,411
	-	-	-	-	-
Non-Government debt securities					
- Term Finance Certificates and Sukuk Bonds	29,550,365	4,164,544	25,385,821	-	29,550,365
	-	-	-	-	-
Units of open-ended mutual funds					
	8,583,933	-	8,583,933	-	8,583,933
	-	-	-	-	-
Real estate investment trust units					
	2,487,311	-	2,487,311	-	2,487,311
	-	-	-	-	-
Foreign Securities					
- Government debt securities	2,307,443	-	2,307,443	-	2,307,443
- Equity Securities - Listed	39,473,319	39,473,319	-	-	39,473,319
	4,387,713,324	361,966,944	4,016,351,395	9,394,985	4,387,713,324

Financial assets - disclosed but not measured at fair value**Investments****Federal Government Securities**

- Market Treasury Bills	54,473	-	54,473	-	54,473
- Pakistan Investment Bonds	461,461,674	-	463,990,379	-	463,990,379
- Ijarah Sukuks	14,027,812	5,184,500	-	-	5,184,500
- Foreign Currency Debt securities	9,597,900	-	9,597,900	-	9,597,900
- GOP Ijarah sukuks - Traded	4,999,075	-	14,176,100	-	14,176,100
- Bai Muajjal with Government of Pakistan (through)	8,466,335	-	8,466,335	-	8,466,335
	-	-	-	-	-
Foreign Securities					
- Government debt securities	36,712,987	-	36,712,987	-	36,712,987
- Non-Government debt securities	1,079	1,079	-	-	1,079
	-	-	-	-	-
	535,321,335	5,185,579	532,998,174	-	538,183,753
	4,923,034,659	367,152,523	4,549,349,569	9,394,985	4,925,897,077

Off-balance sheet financial instruments - measured at fair value**Commitments**

Foreign exchange contracts purchase and sale	857,254,846	(3,609,169)	-	(3,609,169)
Forward government securities transactions	16,508,022	24,389	-	24,389

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

Item	Valuation approach and input used
Market Treasury Bills (MTB) / Pakistan Investment Bonds (PIB), and GoP Sukuks (GIS) including their forward contracts	The fair value of MTBs and PIBs are derived using PKRV rates. Floating rate PIBs are revalued using PKFRV rates. The fair value of GoP sukuku listed on the Pakistan Stock Exchange has been determined through closing rates of the Pakistan Stock Exchange. The fair value of other GIS are revalued using PKISRV rates.
Debt Securities (TFCs and Sukuk other than Government)	Investment in sukuku, debt securities (comprising term finance certificates, bonds and any other security issued by a company or a body corporate for the purpose of raising funds in the form of redeemable capital) are valued on the basis of the rates announced by the Mutual Funds Association of Pakistan in accordance with the methodology prescribed by the Securities and Exchange Commission of Pakistan.
Overseas Sukuku, Overseas and GoP Euro Bonds	The fair value of overseas government sukuku, and overseas bonds are determined on the basis of price available on Bloomberg.
Mutual funds	The valuation has been determined based on net asset values declared by respective funds.
Ordinary shares - Listed	The fair value of investments in listed equity securities are valued on the basis of closing quoted market price available at the Pakistan Stock Exchange.
Ordinary shares - Unlisted	The fair value of investments in unlisted equity securities are valued on the basis of income and market approach.
Foreign Securities	The fair value of foreign securities is determined using the prices from Reuter page.
Forward foreign exchange contracts and Forward Government securities transactions	The valuation has been determined by interpolating the FX revaluation rates announced by the SBP.
Property and equipment and non-banking assets acquired in satisfaction of claims	Land, buildings and non-banking assets acquired in satisfaction of claims are revalued on a periodic basis using professional valuers. The valuation is based on their assessment of the market value of the assets. The effect of changes in the unobservable inputs used in the valuations cannot be determined with certainty. Accordingly, a qualitative disclosure of sensitivity has not been presented in these consolidated condensed interim financial statements.

35.2 Fair value of non-financial assets

Information about the fair value hierarchy of Bank's non-financial assets as at the end of the reporting period are as follows:

	March 31, 2026 (Un-audited)				
	Carrying Value	Level 1	Level 2	Level 3	Total
	(Rupees in '000)				
Land and building (Property)	54,654,112	-	-	54,654,112	54,654,112
Non-banking assets acquired in satisfaction of claims	4,386,009	-	-	4,386,009	4,386,009
	59,040,121	-	-	59,040,121	59,040,121
	December 31, 2025 (Audited)				
	Carrying Value	Level 1	Level 2	Level 3	Total
	(Rupees in '000)				
Land and building (Property)	54,673,276	-	-	54,673,276	54,673,276
Non-banking assets acquired in satisfaction of claims	4,390,139	-	-	4,390,139	4,390,139
	59,063,415	-	-	59,063,415	59,063,415

36. SEGMENT DETAILS WITH RESPECT TO BUSINESS ACTIVITIES

For the Three months period ended March 31, 2026 (Un-audited)										
Retail Banking Group	Inclusive Development Group	Corporate and Investment Banking Group	Treasury	International, Financial Institution and Remittance	Aitemaad and Islamic Banking	Head Office / Others	Sub total	Eliminations	Total	
----- (Rupees in '000) -----										
Profit and loss account										
Net mark-up / return / interest (expense) / income	(41,533,872)	5,706,644	(2,879,991)	78,170,501	907,409	10,139,586	1,484,301	51,994,579	-	51,994,579
Inter segment revenue - net	57,811,816	(5,228,094)	7,002,584	(63,569,468)	-	(4,066,447)	8,049,608	-	-	-
Non mark-up / return / interest income / (loss)	5,163,329	116,601	1,883,700	2,350,729	289,603	89,134	490,391	10,383,487	-	10,383,487
Total Income	21,441,273	595,152	6,006,293	16,951,763	1,197,012	6,162,274	10,024,299	62,378,066	-	62,378,066
Segment direct expenses	11,606,002	155,514	354,994	132,430	1,739,774	1,308,209	1,275,070	16,571,993	-	16,571,993
Inter segment expense allocation	-	-	-	-	-	-	14,620,685	14,620,685	-	14,620,685
Total expenses	11,606,002	155,514	354,994	132,430	1,739,774	1,308,209	15,895,755	31,192,678	-	31,192,678
Credit loss allowance / provisions and write offs / (reversal of provisions / credit loss allowance) -	199,730	(175,324)	(3,158,644)	(21)	103,355	340,387	(805,958)	(3,496,476)	-	(3,496,476)
Profit / (loss) before taxation	9,635,541	614,962	8,809,943	16,819,354	(646,117)	4,513,678	(5,065,498)	34,681,864	-	34,681,864
----- (Rupees in '000) -----										
As at March 31, 2026 (Un-audited)										
Retail Banking Group	Inclusive Development Group	Corporate and Investment Banking Group	Treasury	International, Financial Institution and Remittance	Aitemaad and Islamic Banking	Head Office / Others	Sub total	Eliminations	Total	
----- (Rupees in '000) -----										
Statement of financial position										
Cash and balances with treasury and other banks	205,891,229	14,463,091	355,078	97,852,637	41,164,122	23,324,846	3,144,386	386,195,389	-	386,195,389
Investments	-	-	16,746,134	4,747,728,182	80,451,967	312,141,240	4,910,442	5,161,977,964	-	5,161,977,964
Net inter segment lending	2,306,939,283	-	184,392,596	-	-	-	491,826,487	2,983,158,366	(2,983,158,366)	-
Lendings to financial institutions	-	-	-	18,115,192	-	-	-	18,115,192	-	18,115,192
Advances - performing	284,702,295	181,525,432	528,211,282	-	71,103,256	278,565,134	(8,085,431)	1,336,021,969	-	1,336,021,969
Advances - non-performing	7,749,926	31,342,437	20,963,574	-	60,874,157	2,175,924	103,102,757	226,208,774	-	226,208,774
Credit allowance against Advances	(7,366,097)	(39,141,235)	(58,251,660)	-	(59,058,856)	(3,939,817)	(104,282,360)	(272,040,024)	-	(272,040,025)
Advances - Net	285,086,123	173,726,634	490,923,196	-	72,918,557	276,801,241	(9,265,033)	1,290,190,719	-	1,290,190,719
Others	46,400,013	3,243,978	17,719,229	90,371,246	7,180,652	13,855,693	160,632,151	339,402,962	-	339,402,962
Total Assets	2,844,316,648	191,433,703	710,136,233	4,954,067,257	201,715,298	626,123,021	651,248,433	10,179,040,593	(2,983,158,366)	7,195,882,226
Borrowings	-	4,604,620	36,536,059	2,127,465,118	46,629,738	-	-	2,215,235,535	-	2,215,235,535
Deposits and other accounts	2,765,277,348	-	640,131,063	-	108,032,044	572,665,682	20,622,339	4,106,728,476	-	4,106,728,476
Net inter segment borrowing	-	181,334,352	-	2,707,506,361	44,465,905	49,851,748	-	2,983,158,366	(2,983,158,366)	-
Others	79,039,300	5,494,731	33,469,111	21,021,461	3,481,384	3,902,795	289,599,782	436,008,564	-	436,008,564
Total liabilities	2,844,316,648	191,433,703	710,136,233	4,855,992,940	202,609,071	626,420,225	310,222,121	9,741,130,941	(2,983,158,366)	6,757,972,575
Equity	-	-	-	98,074,317	(893,773)	(297,204)	341,026,311	437,909,651	-	437,909,651
Total equity and liabilities	2,844,316,648	191,433,703	710,136,233	4,954,067,257	201,715,298	626,123,021	651,248,432	10,179,040,592	(2,983,158,366)	7,195,882,226
Contingencies and commitments	-	92,245,428	2,259,707,160	784,875,088	21,659,291	-	26,465,130	3,184,952,097	-	3,184,952,097

For the three months period ended March 31, 2025 (Un-audited)										
Retail Banking Group	Inclusive Development Group	Corporate and Investment Banking Group	Treasury	International, Financial Institution and Remittance	Aitemaad and Islamic Banking	Head Office / Others	Sub total	Eliminations	Total	
(Rupees in '000)										
Profit and loss account										
Net mark-up / return / interest income / (expense)	(52,181,439)	12,786,947	2,513,234	96,935,992	802,142	7,584,327	1,311,714	69,752,917	-	69,752,917
Inter segment revenue - net	70,718,912	(9,040,167)	4,337,565	(65,125,144)	-	(3,565,775)	2,674,609	-	-	-
Non mark-up / return / interest income	6,003,285	131,022	1,633,889	2,965,102	508,747	74,820	1,630,421	12,947,286	-	12,947,286
Total Income	24,540,759	3,877,802	8,484,688	34,775,950	1,310,889	4,093,372	5,616,744	82,700,203	-	82,700,203
Segment direct expenses	11,265,508	123,348	335,661	123,567	1,872,398	1,021,645	1,117,989	15,860,114	-	15,860,114
Inter segment expense allocation	-	-	-	-	-	-	13,358,669	13,358,669	-	13,358,669
Total expenses	11,265,508	123,348	335,661	123,567	1,872,398	1,021,645	14,476,657	29,218,783	-	29,218,783
Credit loss allowance / provisions and write offs / (reversal of provisions / credit loss allowance)- net	329,903	1,411,586	1,372,778	1	338,435	737,782	2,203,312	6,393,799	-	6,393,799
Profit / (loss) before taxation	12,945,347	2,342,868	6,776,249	34,652,382	(899,944)	2,333,945	(11,063,225)	47,087,621	-	47,087,621
As at December 31, 2025 (Audited)										
Retail Banking Group	Inclusive Development Group	Corporate and Investment Banking Group	Treasury	International, Financial Institution and Remittance	Aitemaad and Islamic Banking	Head Office / Others	Sub total	Eliminations	Total	
(Rupees in '000)										
Statement of financial position										
Cash and balances with treasury and other banks	65,617,574	5,538,863	310,376	228,837,426	49,089,296	57,494,880	2,582,935	409,471,351	-	409,471,351
Investments	-	-	16,741,471	4,553,954,044	75,865,368	274,169,693	4,116,207	4,924,846,783	-	4,924,846,783
Net inter segment lending	2,722,751,375	-	210,940,044	-	-	-	464,197,106	3,397,888,525	(3,397,888,525)	-
Lendings to financial institutions	-	-	-	16,000,000	-	30,000,000	-	46,000,000	-	46,000,000
Advances - performing	286,541,911	247,306,913	542,448,102	-	73,574,286	248,313,158	(6,505,947)	1,391,678,423	-	1,391,678,423
Advances - non-performing	4,734,919	28,913,516	23,295,347	-	61,226,458	2,173,921	102,657,217	223,001,379	-	223,001,379
Provision against advances	(7,107,886)	(39,239,520)	(63,646,127)	-	(59,630,834)	(3,603,303)	(103,713,285)	(276,940,955)	-	(276,940,955)
Advances - net	284,168,944	236,980,909	502,097,323	-	75,169,910	246,883,776	(7,562,015)	1,337,738,847	-	1,337,738,847
Others	44,702,056	3,702,498	25,929,267	113,500,962	6,878,032	16,434,554	149,192,351	360,339,720	-	360,339,720
Total Assets	3,117,239,950	246,222,270	756,018,481	4,912,292,432	207,002,606	624,982,903	612,526,584	10,476,285,226	(3,397,888,525)	7,078,396,701
Borrowings	-	5,019,895	39,784,092	1,596,028,090	48,387,944	-	437,065	1,689,657,086	-	1,689,657,086
Deposits and other accounts	3,059,108,219	-	686,670,290	-	112,155,588	558,984,228	10,749,213	4,427,667,537	-	4,427,667,537
Net inter segment borrowing	-	236,416,880	1	3,061,016,810	41,648,541	58,806,294	-	3,397,888,525	(3,397,888,525)	-
Others	58,131,731	4,785,495	29,564,097	85,337,166	4,381,925	5,720,004	235,225,961	423,146,379	-	423,146,379
Total liabilities	3,117,239,950	246,222,270	756,018,480	4,742,382,066	206,573,997	623,510,525	246,412,239	9,938,359,527	(3,397,888,525)	6,540,471,002
Equity	-	-	-	169,910,366	428,609	1,472,379	366,114,345	537,925,699	-	537,925,699
Total equity and liabilities	3,117,239,950	246,222,270	756,018,480	4,912,292,432	207,002,606	624,982,904	612,526,584	10,476,285,226	(3,397,888,525)	7,078,396,701
Contingencies and commitments	-	91,942,598	2,257,591,624	893,980,284	20,827,070	-	27,132,020	3,291,473,596	-	3,291,473,596

37. RELATED PARTY TRANSACTIONS

The Group has related party transactions with its associates, joint venture, employee benefit plans and its directors and key management personnel. The details of investment in joint venture and associates and their provisions are stated in note 10 of the consolidated condensed interim financial statement of the Group.

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 to and accruals in respect of staff retirement benefits and other benefit plans are made in accordance with the actuarial valuations / terms of the contribution plan. Remuneration to the executives / officers is determined in accordance with the terms of their appointment.

Details of transactions with related parties during the period, other than those which have been disclosed elsewhere in these consolidated financial statements, are as follows:

	March 31, 2026 (Un-audited)							December 31, 2025 (Audited)						
	Directors	Key management personnel	Associates	Pension Fund (Current)	Pension Fund (N.I.D.A A/c)	Provident Fund	Other related parties	Directors	Key management personnel	Associates	Pension Fund (Current)	Pension Fund (N.I.D.A A/c)	Provident Fund	Other related parties
	(Rupees in '000)							(Rupees in '000)						
Balances with other banks														
In current accounts	-	-	-	-	-	-	-	-	-	-	-	-	-	69,472
	-	-	-	-	-	-	-	-	-	-	-	-	-	69,472
Investments														
Opening balance	-	-	-	-	-	-	1,292,340	-	-	-	-	-	-	100
Investment made during the period / year	-	-	-	-	-	-	204,728	-	-	-	-	-	-	-
Investment redeemed / disposed off during the period / year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer in / (out) - net	-	-	-	-	-	-	-	-	-	-	-	-	-	1,292,240
Closing balance	-	-	-	-	-	-	1,497,067	-	-	-	-	-	-	1,292,340
Credit loss allowance for diminution in value of investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances														
Opening balance	-	285,184	183,172	-	-	-	18,471,971	-	258,612	183,172	-	-	-	-
Addition during the period / year	-	-	-	-	-	-	-	-	106,284	-	-	-	-	-
Repaid during the period / year	-	(15,875)	-	-	-	-	(633,256)	-	(55,143)	-	-	-	-	-
Transfer in / (out) - net	-	-	-	-	-	-	-	-	(24,569)	-	-	-	-	18,471,971
Closing balance	-	269,310	183,172	-	-	-	17,838,715	-	285,185	183,172	-	-	-	18,471,971
Credit loss allowance held against advances	-	-	183,172	-	-	-	-	-	-	183,172	-	-	-	-
Other Assets														
Interest / mark-up accrued	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Commission paid in advance	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent and utility receivable	-	-	2,285	-	-	-	-	-	-	70	-	-	-	-
	-	-	2,285	-	-	-	-	-	-	70	-	-	-	-
Credit loss allowance against other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowings														
Opening balance	-	-	-	-	-	-	119,385	-	-	-	-	-	-	575,441
Borrowings during the period / year	-	-	-	-	-	-	-	-	-	-	-	-	-	(456,056)
Settled during the period / year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer in / (out) - net	-	-	-	-	-	-	(119,385)	-	-	-	-	-	-	-
Closing balance	-	-	-	-	-	-	-	-	-	-	-	-	-	119,385
Deposits and other accounts														
Opening balance	30,849	129,995	574,105	100	701,583	15,036,171	10,011,660	21,088	96,412	77,968	87,283	268,614	14,199,203	4,528,343
Received during the period / year	992	265,279	-	9,200,882	4,099,010	217,580	1,466,871	45,868	1,098,623	496,137	56,585,775	22,950,794	3,210,515	91,857,367
Withdrawn during the period / year	(2,462)	(225,180)	(464,531)	(9,148,141)	(3,484,178)	(410,176)	(1,415,602)	(36,107)	(1,060,791)	-	(56,672,958)	(22,517,825)	(2,373,547)	(86,574,892)
Transfer in / (out) - net *	(29,337)	(54,031)	-	-	-	-	(9,959,158)	-	(4,250)	-	-	-	-	200,841
Closing balance	41	116,062	109,574	52,841	1,316,415	14,843,575	103,771	30,849	129,994	574,105	100	701,583	15,036,171	10,011,660
Provident Fund Subsidiary	-	-	-	-	-	38,273	-	-	-	-	-	-	-	-
Other Liabilities														
Interest / mark-up payable	-	257	3,219	-	18,165	-	-	270	1,671	14,974	-	112,119	-	-
Other liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Brokerage	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	257	3,219	-	18,165	-	-	270	1,671	14,974	-	112,119	-	-
Contingencies and commitments	-	-	-	-	-	-	5,873,689	-	-	-	-	-	-	6,111,725

* Transfer in / (out) - net due to retirement / appointment of directors and changes in key management executives.

	For the Three months period ended March 31, 2026 (Un-audited)					For the three months period ended March 31, 2025 (Un-audited)						
	Directors	Key management personnel	Associates	Pension Fund	Provident Fund	Other related parties	Directors	Key management personnel	Associates	Pension Fund	Provident Fund	Other related parties
	(Rupees in '000)					(Rupees in '000)						
Income												
Mark-up / return / interest earned	-	1,442	-	-	-	541,994	-	1,783	-	-	-	125,074
Dividend income	-	-	-	-	-	60,776	-	-	2,219	-	-	68,657
Rent income / lighting and power and bank charges	-	-	2,223	-	-	5,257	-	-	1,851	-	-	5,257
Commission Fee	-	-	-	-	-	5,088	-	-	-	-	-	-
Expense												
Mark-up / return / interest paid	-	322	1,516	130,668	453,024	3,944	978	3,103	4,137	102,653	466,082	501,365
Provident Fund Deposit Markup	-	-	-	-	-	-	-	-	-	-	-	-
Expenses paid to company in which Directors of the bank are interested as CEO and Director	-	-	-	-	-	54,732	-	-	-	-	-	247,500
Remuneration to key management executives including charge for defined benefit plan	-	330,517	-	-	-	-	-	212,797	-	-	-	-
Commission paid to subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-
Directors' fee & other allowances	22,042	-	-	-	-	-	14,848	-	-	-	-	-

37.1 Transactions with Government-related entities

The entities which are owned and / or controlled by the Federal Government, or where the Federal Government may exercise significant influence, are related parties of the Bank.

The Bank in the ordinary course of business enters into transaction with Government-related entities. Such transactions include lending to, deposits from and provision of other banking services to Government-related entities.

The Bank also earned commission on handling treasury transactions on behalf of the Government of Pakistan amounting to Rs.2,953 million (March 31, 2025: Rs. 3,552 million) for the three months ended March 31, 2026. As at the statement of financial position date, the loans and advances, deposits and contingencies relating to Government-related entities amounted to Rs. 343,883 million (December 31, 2025: Rs. 363,960 million), Rs. 2,033,308 million (December 31, 2025: Rs. 1,931,350 million) and Rs. 2,041,267 million (December 31, 2025: Rs. 2,073,574 million) respectively and income earned on advances and investment and profit paid on deposits amounted to Rs. 9,016 million (March 31, 2025: Rs. 16,955 million) and Rs. 107,349 million (March 31, 2025: Rs. 69,283 million) respectively.

38. CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
	----- (Rupees in '000) -----	
Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	<u>21,275,131</u>	<u>21,275,131</u>
Capital Adequacy Ratio (CAR)		
Eligible Common Equity Tier 1 (CET 1) Capital	<u>343,942,165</u>	416,132,062
Eligible Additional Tier 1 (ADT 1) Capital	-	-
Total Eligible Tier 1 Capital	<u>343,942,165</u>	416,132,062
Eligible Tier 2 Capital	<u>97,886,868</u>	137,018,612
Total Eligible Capital (Tier 1 + Tier 2)	<u>441,829,033</u>	<u>553,150,674</u>
Risk Weighted Assets (RWAs):		
Credit Risk	<u>1,153,916,403</u>	1,182,909,902
Market Risk	<u>426,767,162</u>	458,002,737
Operational Risk	<u>455,602,112</u>	462,352,850
Total	<u>2,036,285,677</u>	<u>2,103,265,488</u>
Common Equity Tier 1 Capital Adequacy Ratio	<u>16.89%</u>	19.79%
Tier 1 Capital Adequacy Ratio	<u>16.89%</u>	19.79%
Total Capital Adequacy Ratio	<u>21.70%</u>	<u>26.30%</u>
Leverage Ratio (LR):		
Eligible Tier-1 Capital	<u>343,942,165</u>	416,132,062
Total Exposure	<u>9,708,654,256</u>	9,390,144,210
Leverage Ratio	<u>3.54%</u>	<u>4.43%</u>
Liquidity Coverage Ratio (LCR):		
Total High Quality Liquid Assets	<u>1,316,629,625</u>	2,886,883,909
Total Net Cash Outflow	<u>660,867,252</u>	1,341,932,335
Liquidity Coverage Ratio	<u>199%</u>	<u>215%</u>
Net Stable Funding Ratio (NSFR):		
Total Available Stable Funding	<u>3,692,142,186</u>	4,181,169,255
Total Required Stable Funding	<u>2,419,060,304</u>	2,370,313,223
Net Stable Funding Ratio	<u>153%</u>	<u>176%</u>

38.1 Impact on Regulatory Capital:

The introduction of IFRS 9 has resulted in reduction in regulatory capital of the Banks, which has reduced their lending capacity and ability to support their clients. In order to mitigate the impact of ECL models on capital, SBP has permitted Banks to opt for transitional arrangement for the ECL impact on regulatory capital from the application of ECL accounting. Annexure B of the 'Application Instructions' issued by SBP has detailed the transitional arrangement.

Accordingly, Bank has opted for transition arrangement to phase in ECL impact and below tabulated is the impact on key ratios, had the transitional arrangement not applied.

Key Ratios	With Transitional arrangement	Without Transitional arrangement
Total Capital to total RWA (CAR)	21.70%	21.10%
Leverage Ratio	3.54%	3.41%

38.2 As per SBP Circular No. BPRD/BA&CP/881411/2025 dated May 16, 2025, banks and DFIs are required to gradually reclassify their AFS/FVOCI portfolio from the Banking Book to the Trading Book for CAR calculation purposes, with a minimum of 25% by December 2025, 50% by December 2026 and 100% by December 2027. In order to adopt a prudent and conservative approach, the bank has already reclassified 50% of its FVOCI portfolio into the Trading Book.

39. ISLAMIC BANKING BUSINESS

The bank is operating with 312 (December 31, 2025: 312) Islamic banking branches and 399 (December 31, 2025: 350) Islamic banking windows as at March 31, 2026.

The statement of financial position of the Bank's Islamic banking branches as at March 31, 2026 is as follows:

		(Un-audited) March 31, 2026	(Audited) December 31, 2025
	Note	----- (Rupees in '000) -----	
ASSETS			
Cash and balances with treasury banks		23,283,117	57,468,760
Balances with other banks		41,729	26,120
Due from financial institutions	39.1	-	30,000,000
Investments	39.2	312,141,239	274,169,693
Islamic financing and related assets - net	39.3	276,801,241	246,883,716
Property and equipment		254,892	215,071
Right of use assets		596,349	602,879
Intangible assets		-	-
Due from Head Office	39.4	-	-
Other assets		13,004,452	15,616,604
Total Assets		626,123,019	624,982,843
LIABILITIES			
Bills payable		612,611	521,444
Due to financial Institutions		-	-
Deposits and other accounts	39.5	572,665,712	558,984,258
Due to Head Office		16,788,616	30,256,644
Lease liabilities		837,920	841,857
Subordinated debts		-	-
Other liabilities		2,452,258	4,356,700
		593,357,117	594,960,903
NET ASSETS		32,765,902	30,021,940
REPRESENTED BY			
Islamic Banking Fund		14,864,000	14,864,000
Reserves		-	-
(Deficit) / Surplus on revaluation of assets		(297,204)	1,472,380
Unremitted profit	39.6	18,199,106	13,685,560
		32,765,902	30,021,940
CONTINGENCIES AND COMMITMENTS			
	39.7		

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

		(Un-audited) Quarter ended	
		March 31, 2026	March 31, 2025
	Note	----- (Rupees in '000) -----	
Profit / return earned	39.8	14,884,261	10,952,979
Profit / return expensed	39.9	8,811,125	6,934,428
Net profit / return		6,073,136	4,018,551
Other income			
Fee and commission income		85,818	74,240
Dividend Income		-	-
Foreign exchange (loss) / income		5,818	(3,758)
Gain / (loss) on securities		(2,638)	4,331
Other income		9	6
Total other income		89,007	74,819
Total income		6,162,143	4,093,370
Other expenses			
Operating expenses		1,308,209	1,021,544
Worker welfare Fund		-	-
Other charges		-	100
		1,308,209	1,021,644
Profit before credit loss allowance		4,853,934	3,071,726
Credit loss allowance and write offs - net		340,388	737,808
Profit before taxation		4,513,546	2,333,918
Taxation		-	-
Profit after taxation		4,513,546	2,333,918

March 31, 2026 (Un-audited)			December 31, 2025 (Audited)		
In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total

39.1 Due from Financial Institutions

	(Rupees in '000)					
Call money placement	-	-	-	30,000,000	-	30,000,000
Due from financial Institutions - net of credit loss allowance	-	-	-	30,000,000	-	30,000,000

39.2 Investments by segments:

March 31, 2026 (Un-audited)				December 31, 2025 (Audited)			
Cost / amortised cost	Credit loss allowance	Surplus / (deficit)	Carrying value	Cost / amortised cost	Credit loss allowance for diminution	Surplus / (deficit)	Carrying value

(Rupees in '000)

Debt Instruments**Classified / Measured at amortised cost**

Federal Government securities

- GOP Ijarah Sukuks	24,019,594	-	-	24,019,594	19,026,887	-	-	19,026,887
- Bai Muajjal with GoP	8,466,335	-	-	8,466,335	8,466,335	-	-	8,466,335
- Non Government debt securities S	113,446	(113,446)	-	-	113,446	(113,446)	-	-
	32,599,375	(113,446)	-	32,485,929	27,606,668	(113,446)	-	27,493,222

Classified / Measured at FVOCI

Federal Government securities

- GOP Ijarah Sukuks	267,905,404	-	(349,790)	267,555,614	232,907,863	-	1,376,114	234,283,977
- Non Government debt securities S	11,030,599	(427,103)	52,586	10,656,082	11,230,599	(454,292)	96,266	10,872,573
	278,936,003	(427,103)	(297,204)	278,211,696	244,138,462	(454,292)	1,472,380	245,156,550

Classified / Measured at FVTPL

Non Government debt securities

-Sukuks	1,394,666	-	6,394	1,401,060	1,394,666	-	1,328	1,395,994
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Mutual Funds Units (for the purpose of personal finance)

	41,730	-	824	42,554	124,991	-	(1,064)	123,927
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Total Investments

	312,971,774	(540,549)	(289,986)	312,141,239	273,264,787	(567,738)	1,472,644	274,169,693
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39.2.1 Particulars of credit loss allowance

March 31, 2026 (Un-audited)				December 31, 2025 (Audited)			
Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total

(Rupees in '000)

Non Government debt securities

	2,929	84,174	453,446	540,549	3,628	110,664	453,446	567,738
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(Un-audited) (Audited)
March 31, December 31,
2026 2025

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

39.3 Islamic financing and related assets

Ijarah	39.3.1	28,614,851	33,447,156
Murabaha		45,534,654	47,649,156
Musawama		26,761,733	16,260,863
Running Musharaka		112,171,961	108,853,414
Diminishing Musharaka		37,980,486	19,911,201
Advance for Murabaha		300,000	-
Advance for Diminishing Musharaka		1,013,971	937,269
Advance for Istisna		23,083,837	19,077,274
Inventories against Tijara		200,000	500,000
Inventories against Istisna		5,079,565	3,850,754
Gross Islamic financing and related assets		280,741,058	250,487,086
Less: Credit loss allowance against Islamic financings			
Stage 1		(1,404,546)	(1,250,869)
Stage 2		(429,306)	(247,855)
Stage 3		(2,105,965)	(2,104,647)
		(3,939,817)	(3,603,371)
Islamic financing and related assets - net of credit loss allowance		276,801,241	246,883,715

39.3.1 Ijarah

March 31, 2026 (Un-audited)							
Cost			Accumulated Depreciation			Book value as at Mar 31, 2026	
As at Jan 01, 2026	Additions / (deletions) / (adjustment)	As at Mar 31, 2026	As at Jan 01, 2026	Charge/ adjustment for the period	As at Mar 31, 2026		
-----Rupees in 000-----							
Plant & Machinery	34,677,404	-	34,675,804	1,230,248	4,830,705	6,060,953	28,614,851
		(1,600)			-		
Total	34,677,404	-	34,675,804	1,230,248	4,830,705	6,060,953	28,614,851
	-	(1,600)	-	-	-	-	-

December 31, 2025 (Audited)							
Cost			Accumulated Depreciation			Book value as at Dec 31, 2025	
As at Jan 01, 2025	Additions / (deletions) / (adjustment)	As at Dec 31, 2025	As at Jan 01, 2025	Charge/ adjustment for the year	As at Dec 31, 2025		
-----Rupees in 000-----							
Plant & Machinery	55,484	34,624,145	34,677,404	47,048	1,183,200	1,230,248	33,447,156
		(2,225)			-		
Vehicles	2,645	-	-	2,645	-	-	-
		(2,645)			(2,645)		
Total	58,129	34,624,145	34,677,404	49,693	1,183,200	1,230,248	33,447,156
	-	(4,870)	-	-	(2,645)	-	-

Future Ijarah payments receivable

	March 31, 2026 (Un-audited)				December 31, 2025 (Audited)			
	Not later than 1 year	Later than 1 year and less than 5 years	Over five years	Total	Not later than 1 year	Later than 1 year and less than 5 years	Over five years	Total
-----Rupees in 000-----								
Ijarah rental receivables	16,946,194	15,427,482	-	32,373,676	22,594,767	15,502,885	-	38,097,652

39.4 Due from Head Office

Due from Head Office Rs. Nil (2025: Rs. Nil)

39.5 Deposits and other accounts

	March 31, 2026 (Un-audited)			December 31, 2025 (Audited)		
	In local currency	In foreign currency	Total	In local currency	In foreign currency	Total
-----Rupees in 000-----						
Customers						
Current deposits - remunerative	2,002,564	-	2,002,564	4,282,135	-	4,282,135
Current deposits - non remunerative	98,608,365	249,590	98,857,955	102,986,536	254,621	103,241,157
Savings deposits	234,998,308	-	234,998,308	184,103,510	-	184,103,510
Term deposits	16,512,732	-	16,512,732	17,845,260	-	17,845,260
Others	4,632,491	-	4,632,491	7,390,576	-	7,390,576
	356,754,460	249,590	357,004,050	316,608,017	254,621	316,862,638
Financial Institutions						
Current deposits - remunerative	809,823	-	809,823	696,562	-	696,562
Current deposits - non remunerative	181,530,683	-	181,530,683	197,508,539	-	197,508,539
Savings deposits	32,708,156	-	32,708,156	43,244,519	-	43,244,519
Term deposits	613,000	-	613,000	672,000	-	672,000
	215,661,662	-	215,661,662	242,121,620	-	242,121,620
	572,416,122	249,590	572,665,712	558,729,637	254,621	558,984,258

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
	----- (Rupees in '000) -----	
39.6 Islamic Banking Business Unremitted Profit		
Opening Balance	13,685,560	4,892,128
Add: Islamic Banking profit for the period	4,513,546	13,685,560
Less: Transferred / Remitted to Head Office	-	(4,892,128)
Closing Balance	<u>18,199,106</u>	<u>13,685,560</u>
39.7 Contingencies and commitments		
-Guarantees	-	-
-Commitments	-	-
-Other contingent liabilities	-	-
	<u>-</u>	<u>-</u>
	(Un-audited)	
	Quarter ended	
	March 31,	March 31,
	2026	2025
	----- (Rupees in '000) -----	
39.8 Profit / Return Earned of Financing, Investments and Placement		
Profit earned on:		
Financing	6,914,598	4,978,448
Investments	7,961,115	5,964,004
Placements	8,548	10,527
	<u>14,884,261</u>	<u>10,952,979</u>
39.9 Profit on Deposits and Other Dues Expensed		
Deposits and other accounts	4,709,337	3,333,456
Others (general account)	4,066,446	3,565,775
Amortisation of lease liability against right-of-use assets	35,342	35,197
	<u>8,811,125</u>	<u>6,934,428</u>
39.10 Pool management		

NBP-AIBG has managed following pools for profit and loss distribution.

a) General depositor pool

The General pool consists of all other remunerative deposits. NBP Aitemaad (the Mudarib) accept deposits on the basis of Mudaraba from depositors (Rabbulmaal). The net return on the pool is arrived at after deduction of direct costs from the gross return earned on the pool. The entire net return after paying equity share to Mudarib is considered as distributable profit of the pool.

b) Special depositor pools (Total 59 during the period and 40 as at March 31, 2026)

Special pool(s) are created where the customers desire to invest in high yield assets. These pool(s) rates is(are) higher than the general pool depending on the assets. In case of loss in special pool, the loss will be borne by the special pool members. The net return on the pool is arrived at after deduction of direct costs from the gross return earned on the pool. From the net return, and after allocation of share of profit to commingled equity, profit is paid to the Mudarib in the ratio of the Mudarib's equity in the pool to the total pool. The balance represents the distributable profit.

c) Equity pool

Equity pools include AIBG's fund and current account deposits. The equity pool may have constructive liquidation every month and risk associated with assets of pool includes operational, market, equity, return and shariah.

Key features and risk & reward characteristics

Deposits are accepted from customers on the basis of Qard (current accounts) and Mudarabah (Saving and term deposits). No profit or loss is passed on to current account depositors.

For deposits accepted on Mudarabah basis from depositors (Rab ul Maal) the Bank acts as Manager (Mudarib) and invests the funds in the Shariah Compliant modes of financings. Rab ul Maal share is distributed among depositors according to weightages declared for a month before start of the period.

In case of loss in a pool during the profit calculation period, the loss is distributed among the depositors (remunerative) according to their ratio of investment.

For all pools, the Mudarib's share is deducted from the distributable profit to calculate the profit to be allocated to depositors. The allocation of the profit to various deposit categories is determined by the amount invested in that category relative to the total pool, as well as by the weightage assigned to the various deposit categories.

The assets, liabilities, equities, income and expenses are segregated for each of the pool. No pool investment is intermingled with each other. The risk associated with each pool is thus equally distributed among the pools.

Avenues/sectors of economy/business where Mudaraba based deposits have been deployed.

Sector	(Un-audited)	(Audited)
	March 31, 2026	December 31, 2025
	Percentage	
Fertilizer	0.30%	0.42%
Textile	0.90%	1.07%
Fuel & energy	14.83%	17.06%
Leasing / Mudarbas	0.05%	0.06%
Sugar	3.53%	1.76%
Cement	3.95%	0.96%
Gas	0.10%	0.11%
Financial	0.25%	7.23%
Federal Government	50.59%	45.49%
Real Estate	0.53%	0.58%
Agriculture	0.40%	0.43%
Commodity Operations	20.69%	20.24%
Others	3.87%	4.60%
Total	100.0%	100.0%

Parameters for profit allocation and charging expenses

Profit of the pools has been distributed between Mudarib and Rab-ul-Mall by using preagreed profit sharing ratios. The share of Rab-ul-Mall's profit has been distributed among different customers using the various weightages assigned to the different categories of the pool.

Administrative expense are borne by mudarib and not charged to Mudaraba pool.

	March 31, 2026
	---Rupees in '000---
Mudarib Share	
Gross Distributable Income	12,008,732
Mudarib (Bank) share of profit before Hiba	5,014,983
Mudarib Share in %age	41.76%
Hiba from Mudarib Share	
Mudarib (Bank) share of profit before Hiba	5,014,983
Hiba from bank's share to depositors	1,774,666
Hiba from bank's share to depositors in %age	35.39%

Profit rates

During three month ended March 31, 2026, the average profit rate earned by NBP Aitemaad Islamic Banking Group is 10.55 % and the profit distributed to the depositors is 8.34%.

40. GENERAL

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

41 CORRESPONDING FIGURES

41.1 Comparative information has been re-classified, re-arranged, restated or additionally incorporated in these consolidated condensed interim financial statements, wherever necessary to facilitate comparison.

42. DATE OF AUTHORIZATION FOR ISSUE

The consolidated condensed interim financial statements were authorized for issue on April 29, 2026 by the Board of Directors of the Bank.

Chairman

President / CEO

Chief Financial Officer

Director

Director



Head Office

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