askari bank
LIMITED

Half Yearly Report
June 30, 2026

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Corporate Information

Board Of Directors	Lt. Gen Anwar Ali Hyder, HI(M) (Retd) - Chairman Mr. Jahangir Piracha Maj Gen Muhammad Zafar Iqbal, HI (M) (Retd) Syed Bakhtiyar Kazmi Mr. Khurshid Zafar Ms. Sima Kamil Mr. Manzoor Ahmed Ms. Vadiyya Khalil Raja Muhammad Abbas Mr. Muhammad Asif Saleem Mr. Zia Ijaz - President & Chief Executive
Board Audit Committee	Ms. Sima Kamil - Chairperson Mr. Jahangir Piracha Syed Bakhtiyar Kazmi Mr. Manzoor Ahmed Ms. Vadiyya Khalil
Auditors	A. F. Ferguson & Co. Chartered Accountants
Legal Advisors	M/s RIAA, Barker Gillette Advocates & Corporate Counselors
Company Secretary	Syed Ali Safdar Naqvi
Registered Office	AWT Plaza, The Mall, P. O. Box No. 1084 Rawalpindi - 46000, Pakistan Tel: (92 51) 8092624, UAN: (92 51) 111 000 787 Fax: (92 51) 2857448 Email: ir@askaribank.com.pk
Registrar & Share Transfer Office	CDC Share Registrar Services Limited (CDCSRSL) Mezzanine Floor, South Tower, LSE Plaza 19-Khayaban-e-Aiwan-e-Iqbal, Lahore Tel: Customer Support Services (Toll Free) 0800-CDCPL (23275) Tel: (92 42) 36362061-66 Fax: (92 42) 36300072 Email: info@cdcsrsl.com Website: www.cdcsrsl.com
Entity Ratings	Long Term: AAA Short Term: A1+ By PACRA
Website	www.askaribank.com
Social Media	askaribankpakistan Askari_Bank askaribankpk askaribanklimited AskariBankOfficial

DIRECTORS' REVIEW

Dear Shareholders

The Directors present unconsolidated condensed interim unaudited financial statements for the six month period ended June 30, 2026.

Economy:

Pakistan's economy strengthened further during FY'26, supported by prudent macroeconomic management, continued structural reforms and policy implementation under the IMF Extended Fund Facility (EFF). Real GDP growth accelerated to 3.7%, the highest in four years, underpinned by broad-based expansion across the agriculture, industrial and services sectors. Inflation remained in the single-digit range for most of the year before rising during the final quarter in response to external supply-side shocks. Improved fiscal discipline, supported by strong workers' remittances, continued growth in IT exports and a current account surplus collectively reinforced macroeconomic stability. Investor's confidence continued to strengthen as KSE-100 Index gained approximately 44% during FY'26 to close at around 180,301 points.

The economy was, however, tested by heightened geopolitical tensions during the final quarter of the fiscal year, which disrupted global commodity markets and increased uncertainty. Despite these external headwinds, Pakistan demonstrated resilience, supported by stronger economic fundamentals and prudent policy management. Inflation increased from 7.3% in March to 11.7% in May before easing marginally to 11.0% in June 2026. The increase primarily reflected higher international energy prices arising from geopolitical developments in the Middle East, which translated into increased domestic fuel, transportation and production costs. In response to evolving inflationary conditions, the State Bank of Pakistan maintained a cautious monetary policy stance and increased the policy rate by 100 bps to 11.5% in April'26 while continuing to support macroeconomic stability.

Although the trade deficit widened during the year amid strengthening domestic demand, the external sector remained robust. The current account deficit was contained at US$139 million for the FY'26, supported by strong workers' remittances of US$41.6 billion (up by 8.6% YoY), resilient export performance and continued expansion in IT exports. Foreign exchange reserves increased to approximately US$22 billion, compared with US$19 billion a year earlier, providing a stronger buffer against external shocks. The exchange rate also remained broadly stable throughout the year, reflecting improved external sector dynamics and stronger market confidence.

Looking ahead, Pakistan's economic outlook remains positive, underpinned by improving macroeconomic fundamentals, continued fiscal consolidation and sustained structural reform efforts. Economic growth is expected to be supported by further expansion in Large-Scale Manufacturing (LSM), resilient agricultural output, increased private sector investment and a stable external account. While renewed geopolitical tensions and volatility in global commodity markets remain key downside risks that could moderate economic activity and keep inflationary pressures elevated in the near term, the economy appears well positioned to sustain its recovery and preserve macroeconomic stability.

Continued efforts to strengthen external buffers, broaden the tax base, improve energy sector sustainability, and build resilience to climate-related risks will be critical to achieving durable, inclusive and sustainable long-term economic growth.

Financial Performance:

The financial results of the Bank for the six-month period ended June 30, 2026 are summarized as under:

	(Rupees in Million)	
	Six month period ended June 30,	
	2026	2025
Net mark-up and non-fund income	56,525	49,206
Administrative and other expenses	(29,060)	(20,816)
Operating profit	27,465	28,390
Credit loss allowance and write offs - net	622	(635)
Profit before taxation	28,087	27,755
Taxation	(14,753)	(17,129)
Profit after taxation	13,334	10,626
Basic earnings per share – Rupees	9.20	7.33

Askari Bank posted Profit After Tax of Rs. 13.3 billion, for the six-month period ended June 30, 2026, a year-on-year increase of 25 percent. Earnings per share for the current period improved to Rs. 9.20 compared to Rs. 7.33 for the corresponding period last year.

Total revenues for the half year increased by 15 percent, to Rs. 56.5 billion mainly driven by 86 percent increase in non-markup income that reached Rs. 12.6 billion compared to Rs. 6.7 billion for the same period last year. Growth in non-markup income was contributed by a 49 percent increase in fee and commission income, 75 percent increase in forex income and 277 percent increase in capital gains. Net markup income increased by 4 percent as the impact of 23 percent growth in average earning assets was largely offset by decline in interest spreads with average policy rate being 100 bps lower than last year. Operating expenses increased by 40% during the year, reflecting the Bank's continued investment in its long-term growth strategy. The Bank expanded its footprint by adding 68 new branches to its network since June'25, while also investing in technology and digital capabilities, human capital and strategic marketing initiatives to strengthen customer acquisition, enhance service delivery and support sustainable business growth.

The Bank's asset base expanded to Rs.3.2 trillion marking a 12 percent increase compared to December 2025. Customer deposits closed at Rs. 1.8 trillion and the Bank's continued focus on expanding current deposits resulted in 37 percent growth in current deposits with CA ratio improving to 37 percent from 31 percent at the end of last calendar year. Advances grew by 18% during the year, driven by strong growth in both the corporate and consumer banking segments. Reflecting improved asset quality and effective recovery efforts, the Bank recorded a reversal of credit loss allowance of Rs. 622 million, compared with a charge of Rs. 635 million in the corresponding period last year. Asset quality remained robust, with the infection ratio and non-performing loans (NPL) coverage ratio standing at 4.3% and 119.0% respectively, underscoring the resilience of the Bank's credit portfolio and the strength of its risk management framework.

The Bank is well capitalized with adequate buffers over regulatory requirements. At June 30, 2026, leverage ratio was recorded at 3.32 percent and capital adequacy ratio 18.17 percent. The Bank is committed to sustaining capital ratios well above the prescribed regulatory benchmarks to ensure robust risk absorption capacity.

The Bank is pursuing conversion of its conventional banking business to Islamic and at present, more than 50 percent of the branch network is Islamic. All remaining branches are planned for conversion in the coming periods, however to facilitate such conversion and to provide a wider access across the entire network to Islamic customers, such branches now have Islamic Banking Windows to offer Shariah compliant products and services.

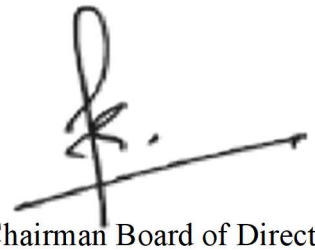
Pakistan Credit Rating Agency Limited (PACRA) has upgraded the Bank's long-term entity rating from 'AA+' to 'AAA' with a 'Stable' outlook – the highest possible long-term credit rating. The Bank's sustained financial performance, robust capitalization and strengthened balance sheet alongwith strategic support from its ownership structure and investment in digital capabilities and service excellence, are recognised as key rating drivers. Short-term rating was maintained at its maximum tier 'A1+'.

Askari Bank continues to enhance its market positioning to drive sustainable growth and maximize stakeholder value, building upon a long-standing institutional legacy of strength, trust and operational stability. While expanding its footprint in trade flows, cash management and transactional banking, the Bank remains focused on growing its retail market share, with specific emphasis on mobilizing low-cost deposits through network optimization and strategic branch expansion. The Bank's priority is to leverage emerging technologies to continually reform our suite of products and services to deliver transformational change for customers, to fast-track adoption of Shariah compliant offerings and to bring a meaningful impact by expeditious lending to priority segments. The Bank continues to operate with the intention to continuously deliver differentiated experiences to strengthen customer loyalty and ensure that Askari remains the trusted banking partner for years to come.

Acknowledgment:

On behalf of the Board, we would like to place on record our gratitude to our valued customers and shareholders for their continued patronage to the Askari brand; our profound thanks to the State Bank of Pakistan, Securities and Exchange Commission of Pakistan and other regulatory authorities for their guidance and assistance. We would also like to place on record our appreciation for the efforts of the Shariah Board for strengthening shariah compliance and governance framework for Askari Ikhlas Islamic Banking. Lastly, we record our appreciation to our employees for their hard work and dedication.

President & CEO



Chairman Board of Directors

Rawalpindi: July 31, 2026

مصنوعات اور خدمات کو تیزی سے فراہم کیا جائے اور ترجیحی شعبوں میں بروقت قرضوں کی فراہمی کے ذریعے مثبت اثرات پیدا کیے جائیں۔ بینک منفرد تجربات کی مسلسل فراہمی کے ذریعے صارفین کی وفاداری کو مضبوط بنانے اور اس امر کو یقینی بنانے کے عزم کے ساتھ کام جاری رکھے ہوئے ہے کہ عسکری بینک آنے والے برسوں میں بھی ایک قابلِ اعتماد بینک کی حیثیت سے اپنی خدمات کی فراہمی کو جاری رکھے۔

اعترافات:

بورڈ کی جانب سے ہم اس موقع پر اپنے معزز صارفین اور شیئر ہولڈرز کے مسلسل اعتماد اور عسکری برانڈ کی سرپرستی پر دلی تشکر کا اظہار کرتے ہیں۔ ہم اسٹیٹ بینک آف پاکستان، سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور دیگر ریگولیٹری اداروں کی رہنمائی اور معاونت پر بھی انتہائی ممنون ہیں۔ ہم شریعہ بورڈ کی کاوشوں کو بھی سراہتے ہیں جنہوں نے عسکری اخلاص اسلامی بینکاری کے لیے شریعہ کمپلائنس اور گورننس فریم ورک کو مضبوط بنانے میں اہم کردار ادا کیا۔ آخر میں، ہم اپنے عملے کی محنت اور لگن کو خراجِ تحسین پیش کرتے ہیں۔

چیئرمین بورڈ آف ڈائریکٹرز

صدر و چیف ایگزیکٹو آفیسر

اسلام آباد: 31 جولائی 2026

گزشتہ سال کے مقابلے میں 100 bps کم رہا۔ دورانِ سال آپریٹنگ اخراجات میں 40 فیصد اضافہ ہوا، جو بینک کی طویل مدتی ترقی کی حکمت عملی میں مسلسل سرمایہ کاری کی عکاسی کرتا ہے۔ بینک نے جون 2025 سے اب تک اپنے نیٹ ورک میں 68 نئی شاخوں کا اضافہ کر کے اپنا دائرہ کار وسیع کیا، جبکہ نئے صارفین کی تعداد میں اضافے، خدمات کی فراہمی بہتر بنانے اور پائیدار کاروباری ترقی کے لیے ٹیکنالوجی اور ڈیجیٹل صلاحیتوں، انسانی سرمائے اور تزویراتی مارکیٹنگ اقدامات میں بھی سرمایہ کاری کی گئی۔

بینک کے اثاثہ جات کے حجم میں دسمبر 2025 کے مقابلے میں 12 فیصد اضافہ ہوا جو اَب بڑھ کر 3.2 ٹریلین روپے تک پہنچ گیا۔ صارفین کے ڈپازٹس اس سال کے اختتام پر 1.8 ٹریلین روپے رہے۔ کرنٹ ڈپازٹس کی توسیع پر بینک کی مسلسل توجہ دینے کے نتیجے میں کرنٹ ڈپازٹس میں 37 فیصد تک اضافہ ہو گیا ہے، جبکہ کرنٹ اکاؤنٹ (CA) کا تناسب گزشتہ سال کے اختتام پر 31 فیصد کے مقابلے میں بہتر ہو کر 37 فیصد ہو گیا ہے۔ اس سال کے دوران ایڈوانسز میں 18 فیصد اضافہ ہوا، جس کی بنیادی وجہ کاروباری اور صارفین کی بینکاری، دونوں شعبوں میں ہونے والی مضبوط نمو تھی۔ اثاثوں کے بہتر معیار اور مؤثر ریکوری کوششوں کے نتیجے میں بینک نے کریڈٹ لاس الاؤنس میں 622 ملین روپے کا ریورسل ریکارڈ کیا، جبکہ گزشتہ سال کے اسی عرصے کے دوران 635 ملین روپے کا چارج ریکارڈ کیا گیا تھا۔ اثاثوں کا معیار مستحکم رہا اور انفیکشن ریشو اور نان پرفارمنگ لونز (NPL) کوریج کی شرح بالترتیب 4.3 فیصد اور 119.0 فیصد رہی جو بینک کے کریڈٹ پورٹ فولیو کے مستحکم ہونے اور رسک مینجمنٹ فریم ورک کی مضبوطی کو ظاہر کرتے ہیں۔

ریگولیٹری تقاضوں کے مناسب بفرز کے ساتھ بینک مضبوط سرمایہ جاتی بنیاد رکھتا ہے۔ 30 جون 2026 تک لیوریج ریشو 3.32 فیصد جبکہ کیپیٹل ایڈیکویسی ریشو 18.17 فیصد ریکارڈ کی گئی۔ بینک اس بات کے لیے پُرعزم ہے کہ کیپیٹل ریشوز کو مقررہ ریگولیٹری حدود سے نمایاں حد تک اوپر برقرار رکھا جائے تاکہ خطرات سے نمٹنے کی مضبوط صلاحیت یقینی بنائی جا سکے۔

بینک اپنے روایتی بینکاری کے کاروبار کو اسلامی بینکاری میں تبدیل کرنے کے عمل پر گامزن ہے اور اس وقت برانچ نیٹ ورک کا 50 فیصد سے زائد حصہ اسلامی بینکاری پر مشتمل ہے۔ باقی تمام شاخوں کو آئندہ عرصے میں اسلامی بینکاری میں تبدیل کرنے کا منصوبہ زیرِ عمل ہے۔ تاہم، اس تبدیلی کو آسان بنانے اور پورے نیٹ ورک میں اسلامی بینکاری کے صارفین کو وسیع تر رسائی فراہم کرنے کے لیے ان شاخوں میں اِب اسلامی بینکاری ونڈوز قائم کر دی گئی ہیں، جہاں شریعت کے مطابق بینک کی مصنوعات اور خدمات فراہم کی جاتی ہیں۔

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے بینک کی طویل المدت ادارہ جاتی درجہ بندی کو 'AA+' سے بڑھا کر مستحکم آؤٹ لک کے ساتھ 'AAA' کر دیا ہے، جو ممکنہ طور پر اعلیٰ ترین طویل المدت کریڈٹ ریٹنگ ہے۔ بینک کی مسلسل مضبوط مالیاتی کارکردگی، مستحکم سرمایہ کاری پوزیشن، مزید مستحکم بیلنس شیٹ، ملکیتی ڈھانچے سے حاصل شدہ تزویراتی معاونت اور ڈیجیٹل صلاحیتوں اور خدمات کے اعلیٰ معیار میں سرمایہ کاری کو ریٹنگ میں اضافے کے کلیدی عناصر کے طور پر تسلیم کیا گیا ہے۔ قلیل المدت ریٹنگ کو اس کے اعلیٰ ترین درجے 'A1+' پر برقرار رکھا گیا ہے۔

عسکری بینک بھرپور اعتماد اور آپریشنل استحکام پر مبنی اپنی دیرینہ ادارہ جاتی روایت کو آگے بڑھاتے ہوئے پائیدار ترقی اور اسٹیک ہولڈرز کے لیے زیادہ سے زیادہ آسانی پیدا کرنے کے حوالے سے مارکیٹ میں اپنی پوزیشن مسلسل مضبوط بنا رہا ہے۔ تجارتی بہاؤ، کیش مینجمنٹ اور ٹرانزیکشنل بینکاری میں اپنا دائرہ کار وسیع کرتے ہوئے بینک ریٹیل مارکیٹ میں اپنا کردار ادا کرنے پر بھی توجہ مرکوز رکھے ہوئے ہے، بالخصوص نیٹ ورک کی بہتری اور تزویراتی بنیادوں پر اپنی شاخوں کی توسیع کے ذریعے کم لاگت ڈپازٹس کے حصول پر خصوصی توجہ دی جا رہی ہے۔ بینک کی ترجیحی کوشش یہ ہے کہ جدید ٹیکنالوجیز سے استفادہ کرتے ہوئے اپنی مصنوعات اور خدمات میں بہتری اور جدت و اختراع لائی جائے، صارفین کے لیے بہتر اور جدید خدمات فراہم کی جائیں، شریعت کے مطابق

والے جغرافیائی سیاسی تناؤ اور اتار چڑھاؤ جیسے اہم منفی خطرات معاشی سرگرمیوں کو سست اور افراط زر کو مستقبل میں بلند رکھ سکتے ہیں، تاہم ملکی معیشت اپنی بحالی کو برقرار رکھنے اور کلیاتی معاشی استحکام کو برقرار رکھنے کے لیے بہتر پوزیشن میں دکھائی دیتی ہے۔

بیرونی شعبہ جات کو مضبوط بنانے، ٹیکس کی بنیاد کو وسیع کرنے، شعبہ توانائی کی پائیداری کو بہتر بنانے اور موسمیاتی خطرات سے نمٹنے کے لیے مسلسل کوششیں کرنا ہوں گی تاکہ مضبوط، جامع اور پائیدار طویل المدت اقتصادی ترقی کے حصول کو ممکن بنایا جاسکے۔

مالیاتی کارکردگی:

30 جون 2026 کو ختم ہونے والی ششماہی کے لیے بینک کے مالیاتی نتائج کا خلاصہ (ملین روپے میں) درج ذیل ہے:

	(روپے ملین)	
	30 جون کو ختم ہونے والی ششماہی کی مدت	
	2026	2025
خالص مارک اپ اور نان فنڈ آمدنی	56,525	49,206
انتظامی اور دیگر اخراجات	(29,060)	(20,816)
آپریٹنگ منافع	27,465	28,390
کریڈٹ لاس الاؤنس اور رائٹ آفز۔خالص	622	(635)
منافع قبل از ٹیکس	28,087	27,755
ٹیکس	(14,753)	(17,129)
منافع بعد از ٹیکس	13,334	10,626
بنیادی آمدنی فی حصص ۔ روپے	9.20	7.33

عسکری بینک نے 30 جون 2026 کو ختم ہونے والے چھ ماہ کے عرصے کے لیے 13.3 ارب روپے کا منافع بعد از ٹیکس حاصل کیا، جو سال بہ سال 25 فیصد اضافے کی عکاسی کرتا ہے۔ موجودہ عرصے کے لیے فی حصص آمدنی گزشتہ سال کے اسی عرصے کے 7.33 روپے کے مقابلے میں بڑھ کر 9.20 روپے ہوگئی۔

چھ ماہ کے دوران کل آمدنی 15 فیصد اضافے کے ساتھ بڑھ کر 56.5 ارب روپے ہوگئی۔ اس اضافے کی بنیادی وجہ نان مارک اَپ آمدنی میں 86 فیصد اضافہ تھا، جو گزشتہ سال کے اسی عرصے کے 6.7 ارب روپے کے مقابلے میں بڑھ کر 12.6 ارب روپے تک پہنچ گئی۔ نان مارک اَپ آمدنی میں اضافے کا سبب فیس اور کمیشن آمدنی میں 49 فیصد، زرمبادلہ کی آمدنی میں 75 فیصد اور کیپٹل گین میں 277 فیصد اضافہ تھا۔ نیٹ مارک اَپ آمدنی میں 4 فیصد اضافہ ہوا، جیسا کہ اوسط منافع بخش اثاثوں میں 23 فیصد اضافے کے اثرات کو شرح سود کے فرق میں کمی نے بڑی حد تک زائل کر دیا، کیونکہ اوسط پالیسی ریٹ

ڈائریکٹرز کی جائزہ رپورٹ

معزز حصص داران

ڈائریکٹرز 30 جون 2026 کو ختم ہونے والی ششماہی کے لیے غیر مدغم مختصر عبوری غیر آڈٹ شدہ مالیاتی گوشوارے پیش کرتے ہیں۔

معیشت:

پاکستان کی معیشت مالی سال 2026 کے دوران مزید مضبوط ہوئی، جس میں بنیادی کردار کلیاتی معاشی مینجمنٹ، IMF توسیعی فنڈ کی سہولت (EFF) کے تحت جاری انتظامی ڈھانچہ جاتی اصلاحات اور پالیسی پر عمل درآمد کا رہا ہے۔ حقیقی GDP کی شرح نمو 3.7 فیصد تک پہنچ گئی، جو گزشتہ چار سالوں کے مقابلے میں سب سے زیادہ ہے، جس کا سبب زراعت، صنعتی اور خدمات کے شعبوں میں ہونے والی وسیع البنیاد توسیع و ترقی ہے۔ افراط زر، بیرونی رسد کے اتار چڑھاؤ کے باعث آخری سہ ماہی کے دوران بڑھی لیکن سال کے بیشتر حصے میں ایک ہندسے کی حد سے تجاوز نہیں کی۔ بہتر مالیاتی نظم وضبط، کارکنوں کی ترسیلاتِ زر، IT برآمدات میں مسلسل اضافہ اور جاری کھاتے کے سرپلس نے مجموعی طور پر معاشی استحکام کو تقویت دی۔ جس سے سرمایہ کاروں کا اعتماد مستحکم ہوتا چلا گیا اور KSE-100 انڈیکس مالی سال 26 کے دوران تقریباً 44 فیصد کے اضافہ کے ساتھ بڑھ کر 180,301 پوائنٹس پر بند ہوا۔

تاہم مالی سال کی آخری سہ ماہی کے دوران بڑھتی ہوئی علاقائی سیاسی کشیدگی کے نتیجے میں عالمی اجناس کی منڈیاں متاثر ہوئیں اور غیر یقینی صورتِ حال پیدا ہوگئی۔ اِن بیرونی مشکل حالات کے باوجود، مضبوط اقتصادی بنیادوں اور محتاط پالیسی مینجمنٹ کی بدولت پاکستان نے استحکام کا مظاہرہ کیا۔ افراطِ زر مارچ میں 7.3 فیصد سے بڑھ کر مئی میں 11.7 فیصد ہوگئی، تاہم اس سے قبل جون 2026 میں معمولی کمی کے ساتھ 11.0 فیصد پر آ گئی۔ یہ اضافہ بنیادی طور پر مشرق وسطیٰ میں جغرافیائی سیاسی کش مکش سے پیدا ہونے والی بین الاقوامی توانائی کی قیمتوں کے اتار چڑھاؤ کی وجہ سے ہوا، جس نے گھریلو ایندھن، نقل وحمل اور پیداواری لاگت میں اضافہ کیا۔ افراط زر کے بڑھتے ہوئے رجحانات کے جواب میں، اسٹیٹ بینک آف پاکستان نے محتاط زری پالیسی برقرار رکھی اور کلیاتی معاشی استحکام کی حمایت جاری رکھتے ہوئے اپریل 26 میں پالیسی ریٹ کو 100 bps سے بڑھا کر 11.5 فیصد کر دیا۔

اگرچہ مالی سالی کے دوران ملکی طلب میں اضافے کے باعث تجارتی خسارہ بڑھ گیا، لیکن بیرونی شعبہ مضبوط رہا۔ مالی سال 26 کے لیے جاری کھاتے کا اکاؤنٹ خسارہ 139 ملین ڈالر رہا جس کی بنیادی وجہ 41.6 بلین ڈالرز (سال بہ سال 8.6 فیصد اضافہ) کی ترسیلات زر، مستحکم برآمدی کارکردگی اور IT کی برآمدات میں ہونے والا مسلسل اضافہ تھا۔ غیر ملکی زرِمبادلہ کے ذخائر بڑھ کر تقریباً 22 بلین امریکی ڈالر ہوگئے جو ایک سال قبل صرف 19 بلین امریکی ڈالر تھے، جس نے بیرونی مشکلات کے خلاف ایک مضبوط سہارہ فراہم کیا۔ اس کے ساتھ ساتھ زرِمبادلہ کی شرح بھی پورے سال وسیع پیمانے پر مستحکم رہی جو بیرونی شعبے کی بہتر کارکردگی اور مارکیٹ کے مضبوط تر اعتماد کا اظہار کرتی ہے۔

مستقبل کے حوالے سے پاکستان کا معاشی نقطہ نظر بہت مثبت دکھائی دیتا ہے جس کی بنیاد کلیاتی معیشت کے اصولوں کی بہتری، مالیاتی استحکام اور مسلسل انتظامی اصلاحات کی کوششوں پر استوار ہے۔ ملک میں ہونے والی بڑے پیمانے پر بڑی صنعتوں میں مزید توسیع، مضبوط زرعی پیداوار، نجی شعبے کی سرمایہ کاری میں اضافہ اور مستحکم بیرونی کھاتے سے اقتصادی ترقی کی معاونت کی بہت زیادہ اُمیدیں وابستہ ہیں۔ جبکہ عالمی اجناس کی منڈیوں میں رونما ہونے

UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTH PERIOD ENDED
JUNE 30, 2026

pwc A·F·FERGUSON&CO.

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Askari Bank Limited

Report on review of Interim Financial Statements

Introduction

We have reviewed the accompanying unconsolidated condensed interim statement of financial position of Askari Bank Limited (the Bank) as at June 30, 2026 and the related unconsolidated condensed interim statement of profit and loss account, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim statement of changes in equity, and unconsolidated condensed interim cash flow statement, and notes to the unconsolidated condensed interim financial statements for the six month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these unconsolidated interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these unconsolidated interim financial statements based on our review.

Scope of Review

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

Conclusion

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

Other matter

Pursuant to the requirement of Section 237 (1) (b) of the Companies Act, 2017, only cumulative figures for the half year, presented in the second quarter accounts are subject to a limited scope review by the statutory auditors of the Bank. Accordingly, the figures of the unconsolidated condensed interim statement of profit and loss account and unconsolidated condensed interim statement of comprehensive income for the quarter ended June 30, 2026 and June 30, 2025 have not been reviewed by us.

The engagement partner on the audit resulting in this independent auditor's report is Tahir Shah.

A. F. Ferguson & Co.
Chartered Accountants
Islamabad
Date: August 18, 2026
UDIN: RR202610979rIFQuohm7

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ASKARI BANK LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2026

	Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
		------ Rupees in '000 ------	
ASSETS			
Cash and balances with treasury banks	6	108,800,930	108,637,978
Balances with other banks	7	27,682,658	13,774,428
Lendings to financial institutions	8	15,245,891	14,128,026
Investments	9	2,228,848,860	2,028,768,983
Advances	10	700,541,426	586,621,904
Property and equipment	11	28,549,232	26,225,450
Right-of-use assets	12	16,170,323	14,931,093
Intangible assets	13	2,651,329	2,204,973
Deferred tax assets	20	-	-
Other assets	14	118,258,058	99,708,733
Total Assets		3,246,748,707	2,895,001,568
LIABILITIES			
Bills payable	15	17,398,057	23,259,370
Borrowings	16	1,121,388,377	994,566,586
Deposits and other accounts	17	1,846,656,100	1,631,331,749
Lease liabilities	18	19,371,907	17,433,672
Subordinated debt	19	6,000,000	6,000,000
Deferred tax liabilities	20	5,296,220	14,303,187
Other liabilities	21	79,250,119	56,360,895
Total Liabilities		3,095,360,780	2,743,255,459
NET ASSETS		151,387,927	151,746,109
REPRESENTED BY			
Share capital		14,492,992	14,492,992
Reserves		104,853,026	88,855,771
Surplus on revaluation of assets - net of tax	22	23,614,961	31,153,056
Unappropriated profit		8,426,948	17,244,290
		151,387,927	151,746,109
CONTINGENCIES AND COMMITMENTS	23		

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

Chief Financial Officer | President & CEO | Director | Director | Chairman

ASKARI BANK LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2026

	Note	Quarter ended		Six month period ended	
		June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
		Rupees in '000			
Mark-up / return / interest earned	25	83,281,687	72,711,566	157,928,893	148,560,117
Mark-up / return / interest expensed	26	61,429,514	52,076,506	113,973,087	106,097,410
Net mark-up / interest income		21,852,173	20,635,060	43,955,806	42,462,707
NON MARK-UP / INTEREST INCOME					
Fee and commission income	27	2,834,548	1,661,554	4,842,934	3,260,903
Dividend income		472,125	181,218	719,971	459,333
Foreign exchange income		2,243,904	1,040,499	3,059,204	1,744,872
Income / (loss) from derivatives		-	-	-	-
Gain on securities	28	1,655,346	129,714	3,630,362	961,802
Net gains / (loss) on derecognition of financial assets measured at amortised cost		-	-	-	-
Other income	29	173,502	139,698	316,806	316,604
Total non-markup / interest income		7,379,425	3,152,683	12,569,277	6,743,514
Total income		29,231,598	23,787,743	56,525,083	49,206,221
NON MARK-UP / INTEREST EXPENSES					
Operating expenses	30	15,198,995	10,728,122	28,721,369	20,523,052
Workers' welfare fund		198,000	135,000	333,000	290,000
Other charges	31	2,575	1,857	5,310	3,303
Total non-markup / interest expenses		15,399,570	10,864,979	29,059,679	20,816,355
Profit before credit loss allowance / provisions		13,832,028	12,922,764	27,465,404	28,389,866
(Reversal of) / charge against credit loss allowance / provisions and write offs - net	32	(540,774)	379,570	(622,295)	635,368
Extra ordinary / unusual items		-	-	-	-
PROFIT BEFORE TAXATION		14,372,802	12,543,194	28,087,699	27,754,498
Taxation	33	7,604,686	9,040,374	14,753,425	17,128,962
PROFIT AFTER TAXATION		6,768,116	3,502,820	13,334,274	10,625,536
		Rupees			
Basic and diluted earnings per share	34	4.67	2.42	9.20	7.33

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

Chief Financial Officer	President & CEO	Director	Director	Chairman

ASKARI BANK LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2026

	Quarter ended		Six month period ended	
	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
	Rupees in '000			
Profit after taxation for the period	6,768,116	3,502,820	13,334,274	10,625,536
Other comprehensive (loss) / income				
Items that may be reclassified to statement of profit and loss account in subsequent periods:				
Effect of translation of net investment in Wholesale Bank Branch	(22,609)	71,287	(44,188)	103,311
Movement in surplus on revaluation of debt investments through FVOCI - net of tax	10,924,851	9,709,736	(5,224,552)	7,501,485
Gain on sale of debt securities carried at FVOCI reclassified to profit and loss – net of tax	(1,213,570)	(451,638)	(1,781,946)	(510,680)
	9,688,672	9,329,385	(7,050,686)	7,094,116
Items that will not be reclassified to statement of profit and loss account in subsequent periods:				
Movement in surplus on revaluation of equity investments through FVOCI - net of tax	1,142,934	754,218	(286,828)	1,293,494
Remeasurement loss on defined benefit obligation	(425,226)	(86,173)	(425,226)	(86,173)
	717,708	668,045	(712,054)	1,207,321
Total comprehensive income	17,174,496	13,500,250	5,571,534	18,926,973

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

Chief Financial Officer	President & CEO	Director	Director	Chairman

ASKARI BANK LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2026

	Share capital	Capital Reserve	Statutory reserve	Revenue Reserve	Surplus / (deficit) on revaluation of		Un-appropriated profit	Total
		Exchange translation reserve		General reserve	Investments	Property and equipment / Non banking assets		
	Rupees in '000							
Balance as at December 31, 2024 (audited)	14,492,992	1,862,044	19,850,796	52,861,190	5,267,770	10,967,967	16,325,800	121,628,559
Impact of adoption of IFRS 9 - net of tax	-	-	-	-	1,323,384	-	(434,970)	888,414
Balance as at January 1, 2025 - restated	14,492,992	1,862,044	19,850,796	52,861,190	6,591,154	10,967,967	15,890,830	122,516,973
Total comprehensive income for the six month period ended June 30, 2025								
Profit after taxation for the six month period ended June 30, 2025	-	-	-	-	-	-	10,625,536	10,625,536
Other comprehensive income - net of tax								
Effect of translation of net investment in foreign branch	-	103,311	-	-	-	-	-	103,311
Movement in surplus on revaluation of debt investments through FVOCI – net of tax	-	-	-	-	7,501,485	-	-	7,501,485
Gain on sale of debt securities carried at FVOCI reclassified to profit and loss – net of tax	-	-	-	-	(510,680)	-	-	(510,680)
Remeasurement loss on defined benefit plan	-	-	-	-	-	-	(86,173)	(86,173)
Movement in surplus on revaluation of investments in equity securities through FVOCI – net of tax	-	-	-	-	1,293,494	-	-	1,293,494
	-	103,311	-	-	8,284,299	-	(86,173)	8,301,437
Transfer to								
Statutory reserve	-	-	1,062,554	-	-	-	(1,062,554)	-
General reserve	-	-	-	11,977,902	-	-	(11,977,902)	-
	-	-	1,062,554	11,977,902	-	-	(13,040,456)	-
Gain on disposal of equity securities measured at FVOCI - net of tax	-	-	-	-	(168,796)	-	168,796	-
Transactions with owners, recorded directly in equity								
Final dividend 2024: Rs. 3 per share	-	-	-	-	-	-	(4,347,898)	(4,347,898)
Balance as at June 30, 2025 (un-audited)	14,492,992	1,965,355	20,913,350	64,839,092	14,706,657	10,967,967	9,210,635	137,096,048
Total comprehensive income for the six month period ended December 31, 2025								
Profit after taxation for the six month period ended December 31, 2025	-	-	-	-	-	-	12,177,783	12,177,783
Other comprehensive income - net of tax								
Effect of translation of net investment in foreign branch	-	(79,804)	-	-	-	-	-	(79,804)
Movement in surplus on revaluation of debt investments through FVOCI – net of tax	-	-	-	-	4,898,291	-	-	4,898,291
Gain on sale of debt securities carried at FVOCI reclassified to profit and loss – net of tax	-	-	-	-	(1,037,907)	-	-	(1,037,907)
Movement in surplus on revaluation of equity investments through FVOCI – net of tax	-	-	-	-	1,470,650	-	-	1,470,650
Remeasurement gain on defined benefit plan	-	-	-	-	-	-	108,041	108,041
Movement in surplus on revaluation of property and equipment	-	-	-	-	-	1,823,229	-	1,823,229
	-	(79,804)	-	-	5,331,034	1,823,229	108,041	7,182,500
Transfer from surplus on revaluation of assets to unappropriated profit on disposal	-	-	-	-	-	(980,987)	980,987	-
Transfer to								
Statutory reserve	-	-	1,217,778	-	-	-	(1,217,778)	-
General reserve	-	-	-	-	-	-	-	-
	-	-	1,217,778	-	-	-	(1,217,778)	-
Gain on disposal of equity instruments measured at FVOCI - net of tax	-	-	-	-	(694,844)	-	694,844	-
Transactions with owners, recorded directly in equity								
Interim Dividend 2025: Rs 2 per share	-	-	-	-	-	-	(2,898,598)	(2,898,598)
Interim Dividend 2025: Rs 1.25 per share	-	-	-	-	-	-	(1,811,624)	(1,811,624)
Balance as at December 31, 2025 (audited)	14,492,992	1,885,551	22,131,128	64,839,092	19,342,847	11,810,209	17,244,290	151,746,109
Impact of adoption of IFRS 9 - net of tax (note 3.1)	-	-	-	-	-	-	(494,844)	(494,844)
Balance as at January 1, 2026 - restated	14,492,992	1,885,551	22,131,128	64,839,092	19,342,847	11,810,209	16,749,446	151,251,265
Total comprehensive income for the six month period ended June 30, 2026								
Profit after taxation for the six month period ended June 30, 2026	-	-	-	-	-	-	13,334,274	13,334,274
Other comprehensive loss - net of tax								
Effect of translation of net investment in foreign branch	-	(44,188)	-	-	-	-	-	(44,188)
Movement in surplus on revaluation of debt investments through FVOCI – net of tax	-	-	-	-	(5,224,552)	-	-	(5,224,552)
Gain on sale of debt securities carried at FVOCI reclassified to profit and loss – net of tax	-	-	-	-	(1,781,946)	-	-	(1,781,946)
Remeasurement loss on defined benefit plan	-	-	-	-	-	-	(425,226)	(425,226)
Movement in surplus on revaluation of equity investments through FVOCI – net of tax	-	-	-	-	(286,828)	-	-	(286,828)
	-	(44,188)	-	-	(7,293,326)	-	(425,226)	(7,762,740)
Transfer to								
Statutory reserve	-	-	1,333,427	-	-	-	(1,333,427)	-
General reserve	-	-	-	14,708,016	-	-	(14,708,016)	-
	-	-	1,333,427	14,708,016	-	-	(16,041,443)	-
Gain on disposal of equity securities measured at FVOCI - net of tax	-	-	-	-	(244,769)	-	244,769	-
Transactions with owners, recorded directly in equity								
Final dividend 2025: Rs. 1.75 per share	-	-	-	-	-	-	(2,536,274)	(2,536,274)
Interim Dividend 2026: Rs 2 per share							(2,898,598)	(2,898,598)
Balance as at June 30, 2026 (un-audited)	14,492,992	1,841,363	23,464,555	79,547,108	11,804,752	11,810,209	8,426,948	151,387,927

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

Chief Financial Officer | President & CEO | Director | Director | Chairman

ASKARI BANK LIMITED
UNCONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2026

	Note	Six month period ended June 30, 2026	Six month period ended June 30, 2025
		------ Rupees in '000 ------	
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before taxation		28,087,699	27,754,498
Less: dividend income		(719,971)	(459,333)
		27,367,728	27,295,165
Adjustments:			
Net mark–up / interest income		(43,955,806)	(42,462,707)
Depreciation		1,217,612	901,971
Amortization	30	144,427	112,577
Depreciation on right-of-use assets	30	1,350,339	1,151,706
Interest expense on lease liability against right-of-use assets	26	1,131,536	931,807
Gain on termination of lease contracts under IFRS - 16 - net	29	(6,532)	(11,129)
Charge for defined benefit plans		564,270	395,597
(Reversal of) / charge against credit loss allowance / provisions and write offs - net		(502,212)	709,429
Unrealised loss on revaluation of securities - FVTPL	28	156,398	163,604
Gain on sale of property and equipment - net	29	(27,512)	(25,282)
		(39,927,480)	(38,132,427)
		(12,559,752)	(10,837,262)
(Increase) / decrease in operating assets			
Lendings to financial institutions		(1,104,033)	(34,520,824)
Net investment in securities classified as FVTPL		(654,201)	3,091,700
Advances		(113,264,202)	179,170,202
Other assets		(15,739,744)	(210,717)
		(130,762,180)	147,530,361
Increase / (decrease) in operating liabilities			
Bills payable		(5,861,313)	(40,470,603)
Borrowings from financial institutions		127,976,913	109,355,758
Deposits		215,324,351	158,561,481
Other liabilities		21,617,670	7,337,057
		359,057,621	234,783,693
		215,735,689	371,476,792
Payment made to defined benefit plan		(40,155)	(39,907)
Mark–up / interest paid		(113,735,491)	(111,397,739)
Mark–up / interest received		153,611,446	162,650,479
Income tax paid		(14,864,200)	(18,457,173)
Net cash flow generated from operating activities		240,707,289	404,232,452
CASH FLOW FROM INVESTING ACTIVITIES			
Net investment in securities classified as FVOCI		(221,443,678)	(402,615,537)
Net investment in securities measured at amortized cost		6,544,837	(790,331)
Dividend received		721,086	443,764
Investments in property and equipment		(3,551,650)	(2,038,558)
Investments in intangible assets		(590,783)	(97,794)
Proceeds from sale of property and equipment		37,768	48,841
Effect of translation of net investment in foreign branch		(44,188)	103,311
Net cash flow used in investing activities		(218,326,608)	(404,946,304)
CASH FLOW FROM FINANCING ACTIVITIES			
Payments against lease liabilities under IFRS-16	18	(1,776,338)	(1,730,601)
Dividend paid		(5,384,173)	(4,302,507)
Net cash flow used in financing activities		(7,160,511)	(6,033,108)
Increase / (decrease) in cash and cash equivalents		15,220,170	(6,746,960)
Cash and cash equivalents at beginning of the period		121,210,624	144,297,350
Credit loss allowance on cash and cash equivalents - net		6,134	(16,878)
Cash and cash equivalents at end of the period	35	136,436,928	137,533,512

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

Chief Financial Officer | President & CEO | Director | Director | Chairman

ASKARI BANK LIMITED
NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2026

1 STATUS AND NATURE OF BUSINESS

Askari Bank Limited (the Bank) was incorporated in Pakistan on October 9, 1991 as a Public Limited Company and is listed on the Pakistan Stock Exchange. The registered office of the Bank is situated at AWT Plaza, the Mall, Rawalpindi. The Bank is a scheduled commercial bank and is principally engaged in the business of banking as defined in the Banking Companies Ordinance, 1962. The Fauji Consortium: comprising of Fauji Foundation (FF) and Fauji Fertilizer Company Limited (FFCL) collectively own 71.91 (2025: 71.91) percent shares of the Bank. The ultimate parent of the Bank is Fauji Foundation. The Bank has 788 branches (2025: 757 branches); 787 (2025: 756 branches) in Pakistan and Azad Jammu and Kashmir including 396 (2025: 365) Islamic Banking branches and 66 (2025: 66) sub–branches and a Wholesale Bank Branch (WBB) in the Kingdom of Bahrain. The Pakistan Credit Rating Agency (PACRA) has assigned long term rating of AA+ and short term rating of A1+ to the Bank with stable outlook.

2 BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

2.1 BASIS OF PREPARATION

2.1.1 These unconsolidated condensed interim financial statements represent separate financial statements of the Bank in which investment in subsidiaries is accounted for on the basis of cost less accumulated impairment losses, if any.

2.1.2 The Islamic banking branches of the Bank have complied with the requirements as set out in the Islamic Financial Accounting Standards (IFAS), issued by the Institute of Chartered Accountants of Pakistan (ICAP) as are notified under the provisions of Companies Act, 2017. Key financial figures of the Islamic Banking Branches are disclosed in note 40 to these unconsolidated condensed interim financial statements.

2.1.3 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 assets and related lease liabilities are measured at present value on initial recognition and all financial instruments except as disclosed in note 3.1.3 are measured at fair value on initial recognition.

2.1.4 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.

2.1.5 These unconsolidated condensed interim financial statements have been presented in Pak Rupees, which is the Bank's functional and presentation currency. The figures have been rounded off to the nearest thousand rupees, unless otherwise stated.

2.2 STATEMENT OF COMPLIANCE

2.2.1 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 notified under the Companies Act, 2017;

- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan (ICAP) as are notified under the Companies Act, 2017;

- Provisions of, directives and notifications 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).

Whenever the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 or the directives and notifications 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 and notifications, shall prevail.

2.2.2 The disclosures made in these unconsolidated condensed interim financial statements have been limited based on the format prescribed by the SBP vide BPRD Circular No. 2 dated February 9, 2023 and IAS 34. These unconsolidated condensed interim financial statements do not include all the information and disclosures required in the audited annual unconsolidated financial statements, and should be read in conjunction with the audited annual unconsolidated financial statements for the year ended December 31, 2025.

2.2.3 SBP vide BSD Circular Letter No. 10, dated August 26, 2002, has deferred the applicability of International Accounting Standard (IAS) 40, Investment Property for banking companies till further instructions. Moreover, SBP vide BPRD Circular No. 4, dated February 25, 2015, has deferred the applicability of Islamic Financial Accounting Standards (IFAS) 3, Profit and Loss Sharing on Deposits. Accordingly, the requirements of these standards have not been considered in the preparation of these unconsolidated condensed interim financial statements.

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

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 period beginning on January 1, 2026 but are considered not to be relevant or do not have any material effect on the Bank's unconsolidated condensed interim financial statements including the following:

- IFRS 7, 'Financial Instruments: Disclosures'; the SECP through S.R.O. 742(1)/2025 dated April 16, 2025 has required disclosures regarding the significance of financial instruments to the Bank’s financial position and performance, as well as the nature, extent, and management of risks arising from such instruments. Accordingly, the Bank will adopt IFRS 7 in preparing its annual financial statements for the year ending December 31, 2026. However, the disclosure requirements of IFRS 7 do not apply to these unconsolidated condensed interim financial statements except for those specified in paragraph 16A(j) of IAS 34, 'Interim Financial Reporting'.

- Certain amendments to IFRS 7 'Financial Instruments: Disclosures' and IFRS 9 'Financial Instruments' have become applicable on the Bank which clarify the date of recognition and derecognition of a financial asset or financial liability. These amendments do not have any material impact and therefore, have not been detailed in these unconsolidated condensed interim financial statements.

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

There are certain new and amended standards, issued by IASB, interpretations and amendments that are mandatory for the Bank's accounting periods beginning on or after January 1, 2027 but are considered not to be relevant or do not have any material effect on the Bank's unconsolidated condensed interim financial statements except for:

- the new standard - IFRS 18 'Presentation and Disclosure in Financial Statements' (published in April 2024) with applicability date of January 1, 2027. Application of IFRS 18 will impact the presentation of the 'Statement of Profit and Loss Account' with certain additional disclosures as and when instructed by the SBP.

3 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 except as disclosed in note 3.1 below.

3.1 IFRS 9 - Financial Instruments

3.1.1 The Bank adopted IFRS 9 effective from January 1, 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 audited unconsolidated financial statements of the Bank for the years ended December 31, 2024 and 2025, with the modified retrospective approach as permitted under IFRS 9.

3.1.2 In addition, the SBP, in a separate instruction vide BPRD/RPD/822456/25 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 as at January 1, 2026. Accordingly, cumulative impact of application of EIR amounting to Rs. 494,844 thousand, net of tax, has decreased the equity at the beginning of the current period with a corresponding impact on income / mark-up accrued and mark-up / return / interest payable.

3.1.3 The SBP has directed the banks through its BPRD Circular Letter No. 1 dated January 22, 2025, to continue applying the existing revenue recognition methodology for Islamic operations, including the requirements of IFAS 1 and IFAS 2 until further instructions. Had IFRS 9 been adopted for revenue recognition related to Islamic operations, the revenue of the Bank would have been higher by Rs. 1,391,819 thousand (June 30, 2025: Rs 605,532 thousand).

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The basis for accounting estimates adopted in the preparation of these unconsolidated condensed interim financial statements are same as that applied in the preparation of the audited annual unconsolidated financial statements for the year ended December 31, 2025, except for matter related to IFRS 9 which has been disclosed in note 3.1 to these unconsolidated condensed interim financial statements.

5 FINANCIAL RISK MANAGEMENT

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

		Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
6	**CASH AND BALANCES WITH TREASURY BANKS**		------ Rupees in '000 ------	
	In hand			
	Local currency		25,960,567	28,388,776
	Foreign currencies		5,417,422	6,277,042
			31,377,989	34,665,818
	With State Bank of Pakistan in			
	Local currency current accounts		51,426,875	49,154,044
	Foreign currency current account		7,297,152	6,935,682
	Foreign currency deposit account		12,522,023	12,842,042
			71,246,050	68,931,768
	With National Bank of Pakistan in			
	Local currency current accounts		6,165,005	5,038,319
	Prize Bonds		18,543	18,615
			108,807,587	108,654,520
	Less: Credit loss allowance held against cash and balances with treasury banks		(6,657)	(16,542)
	Cash and balances with treasury banks - net of credit loss allowance		108,800,930	108,637,978
7	**BALANCES WITH OTHER BANKS**			
	In Pakistan			
	In current accounts		2,431,852	1,543,213
	Outside Pakistan			
	In current accounts		3,025,538	7,071,368
	In deposit accounts		22,229,355	5,160,183
			25,254,893	12,231,551
			27,686,745	13,774,764
	Less: Credit loss allowance held against balances with other banks		(4,087)	(336)
	Balances with other banks - net of credit loss allowance		27,682,658	13,774,428
8	**LENDINGS TO FINANCIAL INSTITUTIONS**			
	Call / clean money lendings		-	6,600,000
	Repurchase agreement lendings (Reverse Repo)		2,886,600	-
	Bai Muajjal - financial institutions		4,999,056	-
	Placements with financial institutions		7,361,263	7,528,026
	Purchase under resale arrangement of equity securities		14,861	29,721
			15,261,780	14,157,747
	Less: Credit loss allowance / provision held against lending to financial institutions	8.1	(15,889)	(29,721)
	Lendings to financial institutions - net of credit loss allowance / provision		15,245,891	14,128,026

			June 30, 2026 (Un-audited)		December 31, 2025 (Audited)	
8.1	**Lendings To Financial Institutions - particulars of credit loss allowance / provision**		Lending	Credit loss allowance / provision held	Lending	Credit loss allowance / provision held
			---------- Rupees in '000 ----------			
	Domestic					
	Performing	Stage 1	7,885,656	1,028	6,600,000	-
	Non-performing	Stage 3				
	Loss		14,861	14,861	29,721	29,721
			7,900,517	15,889	6,629,721	29,721
	Overseas					
	Performing	Stage 1	7,361,263	-	7,528,026	-
			15,261,780	15,889	14,157,747	29,721

9 INVESTMENTS

	June 30, 2026 (Un-audited)				December 31, 2025 (Audited)			
	Cost / amortized cost	Credit Loss allowance / provision	Surplus / (deficit)	Carrying value	Cost / amortized cost	Credit Loss allowance / provision	Surplus / (deficit)	Carrying value
	---------- Rupees in '000 ----------							
9.1 Investments by type:								
FVTPL								
Shares	544,910	-	(11,522)	533,388	2,012,345	-	2,730	2,015,075
Units of open end mutual funds	2,544,769	-	(143,892)	2,400,877	2,742,718	-	(197,948)	2,544,770
Federal Government Securities	892,806	-	-	892,806	593,439	-	-	593,439
Non Government Debt Securities	5,290,491	-	(984)	5,289,507	3,517,573	-	(52,082)	3,465,491
	9,272,976	-	(156,398)	9,116,578	8,866,075	-	(247,300)	8,618,775
FVOCI								
Federal Government Securities	2,138,507,296	(193,535)	14,689,694	2,153,003,455	1,916,513,443	(32,419)	29,278,307	1,945,759,331
Shares	7,760,706	-	9,912,436	17,673,142	6,501,734	-	11,031,317	17,533,051
Fully paid preference shares	27,314	-	10,286	37,600	27,314	-	(1,100)	26,214
Non Government Debt Securities	7,274,360	(364,032)	(19,184)	6,891,144	8,573,569	(391,163)	(10,925)	8,171,481
	2,153,569,676	(557,567)	24,593,232	2,177,605,341	1,931,616,060	(423,582)	40,297,599	1,971,490,077
Amortised cost								
Federal Government Securities	40,930,241	-	-	40,930,241	47,475,078	(11,647)	-	47,463,431
Non Government Debt Securities	90,903	(90,903)	-	-	90,903	(90,903)	-	-
	41,021,144	(90,903)	-	40,930,241	47,565,981	(102,550)	-	47,463,431
Subsidiaries	1,196,700	-	-	1,196,700	1,196,700	-	-	1,196,700
Total investments	2,205,060,496	(648,470)	24,436,834	2,228,848,860	1,989,244,816	(526,132)	40,050,299	2,028,768,983

	(Un-audited) June 30, 2026	(Audited) December 31, 2025
9.1.1 Investments given as collateral	------ Rupees in '000 ------	
The market value of investments given as collateral:		
Market Treasury Bills	-	22,068,937
Pakistan Investment Bonds	1,026,313,581	780,800,697
Overseas Bonds	20,796,582	-
Overseas Sukuks	2,281,124	-
Shares	322,381	379,380
	1,049,713,668	803,249,014

9.2 Summary of financial information of subsidiaries

			As at June 30, 2026			For the six month period ended June 30, 2026		
	Note	Country of incorporation	Holding	Assets	Liabilities	Revenue / Income	Profit / (loss) after tax	Total comprehensive income / (loss) for the period
				---------- Rupees in '000 ----------				
Foundation Securities (Private) Limited	9.2.1	Pakistan	51%	4,020,878	2,666,406	485,488	136,519	136,519
Askari Currency Exchange (Private) Limited	9.2.2	Pakistan	100%	1,301,124	436,680	66,768	(87,392)	(87,392)

		As at December 31, 2025			For the Six month period ended June 30, 2025		
	Country of incorporation	Holding	Assets	Liabilities	Revenue / Income	Profit / (loss) after tax	Total comprehensive income / (loss) for the period
			---------- Rupees in '000 ----------				
Foundation Securities (Private) Limited	Pakistan	51%	4,454,841	3,150,497	428,012	118,118	118,902
Askari Currency Exchange (Private) Limited	Pakistan	100%	1,354,427	402,593	9,604	(4,103)	(4,103)

9.2.1 Foundation Securities (Private) Limited (FSL), was incorporated in Pakistan as a Private Limited Company on January 18, 2005, under the Companies Ordinance, 1984 (repealed with the enactment of the Companies Act, 2017) and its registered office is situated at Ground Floor, Bahria Complex II, M.T. Khan Road, Karachi - 74000. FSL is a Trading Right Entitlement Certificate (TREC) holder of the Pakistan Stock Exchange Limited (PSX) and a corporate member of Pakistan Mercantile Exchange Limited. FSL is principally engaged in the business of equity and commodities brokerage, equity research and corporate financial advisory services.

9.2.2 Askari Currency Exchange (Private) Limited (ACEL) was incorporated in Pakistan on April 19, 2024, under the Companies Act 2017 (XIX of 2017) as a private limited company. The company is principally engaged in currency exchange services. The registered address of ACEL is situated at Ground Floor, Old Building, Marine Trade Centre, Kehkashan Block 9, Clifton, Karachi 75600.

		(Un-audited) June 30, 2026	(Audited) December 31, 2025
9.3	**Credit loss allowance / provision against diminuition in value of investments**	------ Rupees in '000 ------	
9.3.1	Opening balance	526,132	1,086,264
	Charge / (reversals) for the period / year	122,338	(560,132)
	Closing balance	648,470	526,132

9.3.2 Particulars of credit loss allowance / provision against debt securities

		June 30, 2026 (Un-audited)		December 31, 2025 (Audited)	
		Outstanding Amount	Credit loss allowance held / provision held	Outstanding Amount	Credit loss allowance held / provision held
		---------- Rupees in '000 ----------			
Domestic					
Performing	Stage 1	1,017,500	1,149	1,527,491	18,976
Non-performing	Stage 3				
Loss		453,786	453,786	463,090	463,090
		1,471,286	454,935	1,990,581	482,066
Overseas					
Performing	Stage 1	28,062,827	193,535	13,228,712	44,066
Total		29,534,113	648,470	15,219,293	526,132

9.4 The market value of securities classified as amortised cost as at June 30, 2026 is Rs. 39,543,050 thousand (December 31, 2025: Rs. 47,107,927 thousand).

10 ADVANCES	Performing		Non Performing		Total	
	(Un-audited) June 30, 2026	(Audited) December 31, 2025	(Un-audited) June 30, 2026	(Audited) December 31, 2025	(Un-audited) June 30, 2026	(Audited) December 31, 2025
	Rupees in '000					
Loans, cash credits, running finances, etc.	497,807,374	406,859,651	24,775,916	26,441,769	522,583,290	433,301,420
Islamic financing and related assets	178,668,218	167,292,060	4,992,505	4,535,752	183,660,723	171,827,812
Bills discounted and purchased	30,129,846	17,937,163	2,070,061	2,113,323	32,199,907	20,050,486
Advances - gross	706,605,438	592,088,874	31,838,482	33,090,844	738,443,920	625,179,718
Credit loss allowance / provision against advances						
- Stage 1	(1,494,975)	(1,548,519)	-	-	(1,494,975)	(1,548,519)
- Stage 2	(5,195,756)	(4,708,881)	-	-	(5,195,756)	(4,708,881)
- Stage 3	-	-	(31,211,763)	(32,300,414)	(31,211,763)	(32,300,414)
	(6,690,731)	(6,257,400)	(31,211,763)	(32,300,414)	(37,902,494)	(38,557,814)
Advances - net of credit loss allowance / provision	699,914,707	585,831,474	626,719	790,430	700,541,426	586,621,904

10.1 Particulars of advances (gross)	(Un-audited) June 30, 2026	(Audited) December 31, 2025
	Rupees in '000	
In local currency	676,424,513	583,564,620
In foreign currencies	62,019,407	41,615,098
	738,443,920	625,179,718

10.2 Advances include amount of Rs. 31,838,482 thousand (2025: Rs. 33,090,844 thousand) which have been placed under non-performing status / stage 3 as detailed below:

Category of classification (Stage 3)	June 30, 2026 (Un-audited)		December 31, 2025 (Audited)	
	Non Performing Loans	Credit loss allowance / provision	Non Performing Loans	Credit loss allowance / provision
Domestic	Rupees in '000			
Other Assets Especially Mentioned (OAEM)	148,777	66,368	422,081	209,943
Substandard	60,086	25,595	747,157	540,675
Doubtful	238,908	97,653	296,534	131,046
Loss	31,390,711	31,022,147	31,625,072	31,418,750
	31,838,482	31,211,763	33,090,844	32,300,414

10.3 Particulars of credit loss allowance / provision against advances

	June 30, 2026 (Un-audited)			
	Stage 1	Stage 2	Stage 3	Total
	Rupees in '000			
Opening balance	1,548,519	4,708,881	32,300,414	38,557,814
Charge for the period	876,331	3,931,009	2,149,228	6,956,568
Reversal for the period	(929,875)	(3,444,134)	(3,237,879)	(7,611,888)
	(53,544)	486,875	(1,088,651)	(655,320)
Closing balance	1,494,975	5,195,756	31,211,763	37,902,494

	December 31, 2025 (Audited)			
	Stage 1	Stage 2	Stage 3	Total
	Rupees in '000			
Opening balance	1,140,828	3,893,372	32,280,864	37,315,064
Impact of ECL recognised on adoption of IFRS–9	213,087	589,201	-	802,288
Balances as at January 1	1,353,915	4,482,573	32,280,864	38,117,352
Charge for the year	1,001,577	2,402,543	2,591,860	5,995,980
Reversal for the year	(806,973)	(2,176,235)	(1,332,991)	(4,316,199)
	194,604	226,308	1,258,869	1,679,781
Amounts written off / charged off	-	-	(1,239,319)	(1,239,319)
Closing balance	1,548,519	4,708,881	32,300,414	38,557,814

10.4 Advances - particulars of credit loss allowance / provision

	June 30, 2026 (Un-audited)		
	Stage 1	Stage 2	Stage 3
	Rupees in '000		
Opening balance	1,548,519	4,708,881	32,300,414
New Advances	874,799	3,354,771	-
Advances repaid	(738,687)	(1,453,488)	(2,716,620)
Transfer to / from stage 1	1,532	(1,532)	-
Transfer to / from stage 2	(54,979)	576,238	(521,259)
Transfer to / from stage 3	(3,132)	(1,954,869)	1,958,001
	79,533	521,120	(1,279,878)
Changes in risk parameters	(133,077)	(34,245)	191,227
Closing balance	1,494,975	5,195,756	31,211,763

	December 31, 2025 (Audited)		
	Stage 1	Stage 2	Stage 3
	Rupees in '000		
Opening balance	1,140,828	3,893,372	32,280,864
Impact of ECL recognised on adoption of IFRS–9	213,087	589,201	-
Balances as at January 1	1,353,915	4,482,573	32,280,864
New Advances	868,618	1,703,946	-
Advances repaid	(435,042)	(2,038,873)	(1,308,304)
Transfer to / from stage 1	132,959	(109,320)	(23,639)
Transfer to / from stage 2	(79,383)	80,431	(1,048)
Transfer to / from stage 3	(30,560)	(28,042)	58,602
	456,592	(391,858)	(1,274,389)
Amounts written off / charged off	-	-	(1,239,319)
Changes in risk parameters	(261,988)	618,166	2,533,258
Closing balance	1,548,519	4,708,881	32,300,414

10.5 Advances - category of classification

		June 30, 2026 (Un-audited)		December 31, 2025 (Audited)	
		Outstanding amount	Credit loss allowance / provision held	Outstanding amount	Credit loss allowance / provision held
		Rupees in '000			
Domestic					
Performing	Stage 1	593,705,970	1,466,175	483,618,998	1,548,519
Underperforming	Stage 2	102,315,651	5,156,076	106,228,892	4,652,904
Non-Performing	Stage 3				
Other assets especially mentioned		148,777	66,368	422,081	209,943
Substandard		60,086	25,595	747,157	540,675
Doubtful		238,908	97,653	296,534	131,046
Loss		31,390,711	31,022,147	31,625,072	31,418,750
		31,838,482	31,211,763	33,090,844	32,300,414
Sub Total		727,860,103	37,834,014	622,938,734	38,501,837
Overseas					
Performing	Stage 1	8,729,408	28,800	-	-
Underperforming	Stage 2	1,854,409	39,680	2,240,984	55,977
		10,583,817	68,480	2,240,984	55,977
Total		738,443,920	37,902,494	625,179,718	38,557,814

		Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
11	**PROPERTY AND EQUIPMENT**		------ Rupees in '000 ------	
	Capital work-in-progress	11.1	1,673,702	1,541,438
	Property and equipment		26,875,530	24,684,012
			28,549,232	26,225,450

11.1 This represents civil works in progress and advances to suppliers and contractors.

		(Un-audited) Six month period ended	
		June 30, 2026	June 30, 2025
11.2	**Additions to property and equipment**	------- Rupees in '000 -------	
	The following additions have been made to property and equipment during the period:		
	Capital work-in-progress - net	132,264	535,273
	Property and equipment		
	Renovation of premises	906,675	328,986
	Furniture, fixtures and office equipment	500,188	361,496
	Machine and equipment	1,210,422	599,410
	Computer equipment	547,034	408,687
	Vehicles	255,067	102,228
		3,419,386	1,800,807
	Total	3,551,650	2,336,080

11.3 Disposal of property and equipment

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

Renovation of premises	943	2,953
Furniture, fixtures and office equipment	6,672	3,841
Machine and equipment	1,880	2,216
Computer equipment	310	238
Vehicles	451	14,311
Total	10,256	23,559

		(Un-audited) June 30, 2026	(Audited) December 31, 2025
12	**RIGHT-OF-USE ASSETS**	------ Rupees in '000 ------	
	Net carrying amount at January 1,	14,931,093	12,161,484
	Additions during the period / year	2,909,450	5,509,766
	Depreciation for the period / year	(1,350,339)	(2,410,862)
	Terminations and other adjustments	(319,881)	(329,295)
	Net carrying amount at period / year end	16,170,323	14,931,093

13	**INTANGIBLE ASSETS**		
	Computer software	2,084,950	1,721,103
	Capital work-in-progress	566,379	483,870
		2,651,329	2,204,973

	(Un-audited) Six month period ended	
	June 30, 2026	June 30, 2025
13.1 Additions to intangible assets	------- Rupees in '000 -------	
The following additions have been made to intangible assets during the period:		
Software addition	508,274	42,915
Capital work-in-progress - net	82,509	54,879
	590,783	97,794

	Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
		------ Rupees in '000 ------	
14 OTHER ASSETS			
Income / mark-up accrued in local currency		63,405,971	59,291,206
Income / mark-up accrued in foreign currencies		1,158,484	955,802
Advances, deposits, advance rent and other prepayments	14.1	10,160,573	8,523,435
Advance taxation		9,104,685	9,563,691
Deferred cost on recognition of loan at fair value	14.2	4,023,396	4,412,757
Non-banking assets acquired in satisfaction of claims		354,648	366,160
Receivable against trading of securities		-	147,388
Stationary and stamps in hand		574,054	413,469
Receivable from defined benefit plan		-	75,070
Dividend receivable		3,223	4,338
Margin against stand by letter of credit (SBLC)		173,724	158,828
Acceptances		23,830,338	12,242,718
Rebate receivable against home remittances		4,777,402	2,857,255
Others		750,340	787,674
		118,316,838	99,799,791
Less: Credit loss allowance / provision held against other assets	14.3	(661,010)	(693,288)
Other assets - net of credit loss allowance / provision		117,655,828	99,106,503
Surplus on revaluation of non-banking assets acquired in satisfaction of claims		602,230	602,230
Other assets - total		118,258,058	99,708,733

14.1 This includes the prepaid employment benefit amounting to Rs. 7,665,283 thousand (December 31, 2025: 7,299,665 thousand) recognized in connection with concessional staff facilities provided to employees. These facilities have been recognized at fair value on the date of disbursement. The resultant benefit arising from these concessional facilities is subsequently accounted for under IAS 19 Employee Benefits. The current period amortization of prepaid employee benefit asset amounts to Rs. 1,012,857 thousand (June 30, 2025: Rs. 847,356 thousand).

14.2 This represents deferred portion of fair value loss arisen on initial recognition of loan to PIA Holding Company Limited (PIAHCL). SBP through its circular 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 of 5%, 10%, 15%, 20%, 25%, and 25% from year 1 to year 6. Accordingly, 15% is being amortized on monthly proportionate basis during the current period (December 31, 2025: 10%).

	(Un-audited) June 30, 2026	(Audited) December 31, 2025
	------ Rupees in '000 ------	
14.3 Credit loss allowance / provision held against other assets		
Advances, deposits, advance rent and other prepayments	4,838	4,838
Acceptances	506,390	538,317
Others	149,782	150,133
	661,010	693,288

		(Un-audited) June 30, 2026	(Audited) December 31, 2025
14.3.1	**Movement in credit loss allowance / provision held against other assets**	------ Rupees in '000 ------	
	Opening balance	693,288	442,747
	(Reversal) / charge for the period / year - net	(32,278)	250,541
	Closing balance	661,010	693,288
15	**BILLS PAYABLE**		
	In Pakistan	17,398,057	23,259,370
16	**BORROWINGS**		
	Secured		
	Borrowings from the State Bank of Pakistan under:		
	- Export refinance scheme	6,988,463	9,456,104
	- Long term financing facility	3,767,044	4,525,856
	- Financing facility for storage of agricultural produce	79,000	56,200
	- Renewable energy financing facility	3,076,830	3,382,492
	- Refinance from SBP		
	- Credit guarantee scheme for women entrepreneurs	43,614	54,573
	- Temporary economic refinance facility	5,330,822	5,944,439
	- Modernization of SME	262,696	302,878
	- Combating COVID-19	-	73,958
	- Rupee based discounting of bills / receivable	3,588,303	3,705,624
	- Special persons	320	360
	- Working capital financing	-	40,000
		23,137,092	27,542,484
	Repurchase agreement borrowings		
	- State Bank of Pakistan	1,012,499,466	704,004,760
	- Financial institutions	22,886,865	92,479,644
		1,035,386,331	796,484,404
	Refinance from Pakistan Mortgage Refinance Company	2,016,087	2,761,911
	Total secured	1,060,539,510	826,788,799
	Unsecured		
	Call borrowings	41,789,156	165,175,390
	Overdrawn nostro accounts	46,660	1,201,782
	Bai Muajjal - financial institutions	13,449,823	-
	Financial institutions	5,563,228	1,400,615
	Total unsecured	60,848,867	167,777,787
		1,121,388,377	994,566,586

	June 30, 2026 (Un-audited)			December 31, 2025 (Audited)		
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
17 DEPOSITS AND OTHER ACCOUNTS	---------- Rupees in '000 ----------					
Customers						
Current deposits	650,784,749	36,760,010	687,544,759	465,138,119	34,773,304	499,911,423
Savings deposits	890,214,289	62,859,113	953,073,402	842,360,003	69,651,930	912,011,933
Fixed deposits	155,824,150	31,731,059	187,555,209	155,541,683	32,219,310	187,760,993
	1,696,823,188	131,350,182	1,828,173,370	1,463,039,805	136,644,544	1,599,684,349
Financial institutions						
Current deposits	2,153,904	44,331	2,198,235	1,558,139	199,083	1,757,222
Savings deposits	7,387,024	47,471	7,434,495	6,892,451	53,727	6,946,178
Fixed deposits	8,850,000	-	8,850,000	22,944,000	-	22,944,000
	18,390,928	91,802	18,482,730	31,394,590	252,810	31,647,400
	1,715,214,116	131,441,984	1,846,656,100	1,494,434,395	136,897,354	1,631,331,749

	(Un-audited) June 30, 2026	(Audited) December 31, 2025
18 LEASE LIABILITIES	------ Rupees in '000 ------	
Outstanding amount at the start of the period / year	17,433,672	14,136,598
Additions during the period / year	2,909,450	5,509,766
Lease payments including interest	(1,776,338)	(3,807,888)
Interest expense for the period / year	1,131,536	1,984,326
Termination and other adjustments	(326,413)	(389,130)
Outstanding amount at the end of the period / year	19,371,907	17,433,672
18.1 Contractual maturities of lease liabilities		
Not later than one year	1,510,188	1,225,932
Later than one year and upto five years	7,656,236	6,813,647
Over five years	10,205,483	9,394,093
Total at the end of the period / year	19,371,907	17,433,672

18.2 For the purpose of discounting, PKRV rates are being used.

	(Un-audited) June 30, 2026	(Audited) December 31, 2025
19 SUBORDINATED DEBT	------ Rupees in '000 ------	
Term Finance Certificates - VI (ADT-1)	6,000,000	6,000,000

19.1 The Bank has raised unsecured sub-ordinated loan through issuance of Term Finance Certificates (TFC) to improve the Bank's capital adequacy. Liability to the TFC holders is subordinated to and rank inferior to all other indebtedness of the Bank including deposits and is not redeemable before maturity without prior approval of the SBP. The salient features of outstanding issue are as follows:

	Term Finance Certificates - VI (ADT-1)
Outstanding amount - Rupees in '000	6,000,000
Issue amount	Rupees 6,000 million
Issue date	July 03, 2018
Maturity Date	Perpetual
Rating	AA-
Security	Unsecured
Listing	Listed
Profit payment frequency	Payable six monthly
Redemption	Perpetual
Mark-Up	Base Rate plus 1.50% Base Rate is the simple average of the ask rate of six month KIBOR prevailing on the base rate setting date.
Call option	Exercisable after 60 months from the date of issue subject to approval by the SBP.
Lock-in clause	Payment of profit will be subject to the condition that such payment will not result in breach of the Bank's regulatory Minimum Capital Requirement or Capital Adequacy Ratio set by SBP from time to time. Any inability to exercise lock-in clause or the non-cumulative features will subject these TFCs to mandatory conversion into common shares / write off at the discretion of SBP.
Loss absorption clause	The Instrument will be subject to loss absorption and / or any other requirements of SBP upon the occurrence of a Point of Non-Viability event as per Section A-5-3 of Annexure 5 of the Circular, which stipulates that SBP may, at its option, fully and permanently convert the TFCs into common shares of the issuer and / or have them immediately written off (either partially or in full). Number of shares to be issued to TFC holders at the time of conversion will be equal to the 'Outstanding Value of the TFCs' divided by market value per share of the Bank's common share on the date of trigger event as declared by SBP, subject to a specified cap.

	Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
		------ Rupees in '000 ------	
20 DEFERRED TAX LIABILITIES			
Taxable / (deductible) temporary differences on			
- Accelerated tax depreciation		449,386	521,674
- Surplus on revaluation of investments		12,788,480	20,954,752
- Lease liabilities net of right-of-use assets		(2,214,509)	(1,810,790)
- ECL against financial instruments		(4,959,540)	(5,244,642)
- Others including impacts of EIR		(767,597)	(117,807)
		5,296,220	14,303,187
21 OTHER LIABILITIES			
Mark-up / return / interest payable in local currency		10,984,379	10,723,369
Mark-up / return / interest payable in foreign currencies		1,379,593	1,403,007
Unearned commission and income on bills discounted		1,730,077	1,443,072
Accrued expenses		6,800,187	6,854,278
Advance payments		414,811	338,529
Acceptances		23,830,338	12,242,718
Dividend payable		379,333	328,634
Advance against sale of non-banking assets		204,383	142,290
Mark to market loss on forward foreign exchange contracts		142,211	9,100
Branch adjustment account		1,266,680	1,424,599
Payable to defined benefit plan		607,261	-
Provision for employees' compensated absences		1,255,220	988,210
Security deposit against lease / ijarah financing		9,219,318	6,360,164
Levies and taxes payable		1,646,522	1,620,392
Workers' Welfare Fund		2,784,596	2,451,596
Liability against trading of securities		191,353	-
Switch settlement accounts		10,599,960	5,480,541
Deferred grant on subsidised refinance loans		62,252	78,610
Credit loss allowance against / provision off-balance sheet obligations	21.1	1,525,797	1,442,783
Others		4,225,848	3,029,003
		79,250,119	56,360,895
21.1 Credit loss allowance / provision against off-balance sheet obligations			
Opening balance		1,442,783	755,760
Impact of ECL recognised on adoption of IFRS 9		-	103,899
Balances as at January 1		1,442,783	859,659
Charge for the period / year		83,014	583,124
Closing balance		1,525,797	1,442,783
22 SURPLUS ON REVALUATION OF ASSETS - NET OF TAX			
Surplus on revaluation of:			
- Securities measured at FVOCI - Debt		14,670,510	29,267,382
- Securities measured at FVOCI - Equity		9,922,722	11,030,217
- Property and equipment		11,207,979	11,207,979
- Non-banking assets acquired in satisfaction of claims		602,230	602,230
		36,403,441	52,107,808
Deferred tax on surplus on revaluation of:			
- Securities measured at FVOCI - Debt		(7,628,665)	(15,219,039)
- Securities measured at FVOCI - Equity		(5,159,815)	(5,735,713)
		(12,788,480)	(20,954,752)
		23,614,961	31,153,056

		Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
23	**CONTINGENCIES AND COMMITMENTS**		------ Rupees in '000 ------	
	- Guarantees	23.1	377,548,541	293,435,427
	- Commitments	23.2	505,673,719	447,746,557
	- Other contingent liabilities	23.3	809,024	1,109,184
			884,031,284	742,291,168
23.1	**Guarantees**			
	Financial guarantees		14,607,847	16,865,466
	Performance guarantees		184,496,002	173,693,662
	Other guarantees		178,444,692	102,876,299
			377,548,541	293,435,427
23.2	**Commitments**			
	Documentary credits and short-term trade-related transactions			
	- letters of credit		216,766,254	149,611,561
	Commitments in respect of:			
	- forward foreign exchange contracts	23.2.1	257,478,586	249,321,861
	- forward government securities transactions	23.2.2	15,389,950	23,000,000
	- forward non government securities transactions	23.2.3	783,545	1,715,934
	Commitments for acquisition of:			
	- property and equipment		884,684	849,893
	- intangible assets		467,608	253,849
	- undrawn loan commitments	23.2.4	13,903,092	22,993,459
			505,673,719	447,746,557
23.2.1	**Commitments in respect of forward foreign exchange contracts**			
	Purchase		129,362,433	144,329,274
	Sale		128,116,153	104,992,587
			257,478,586	249,321,861
	The above commitments have maturities falling within one year.			
23.2.2	**Commitments in respect of forward government securities transactions**			
	Purchase		5,661,950	11,000,000
	Sale		9,728,000	12,000,000
			15,389,950	23,000,000
23.2.3	**Commitments in respect of forward non government securities transactions**			
	Purchase		358,687	-
	Sale		424,858	1,715,934
			783,545	1,715,934

23.2.4 Undrawn loan commitments

The Bank makes commitments to extend credit in the normal course of business but these being revocable commitments do not attract any significant penalty or the expense if the facility is unilaterally withdrawn, other than commitments in respect of syndicated long term financings amounting to Rs 13,903,092 thousand (December 31, 2025: Rs 22,993,459 thousand).

		(Un-audited) June 30, 2026	(Audited) December 31, 2025
23.3	**Other contingent liabilities**	------ Rupees in '000 ------	
	These represent certain claims by third parties against the Bank, which are being contested in the Courts of law. Based on legal advice and / or internal assessment, management is confident that the matters will be decided in Bank's favour and the possibility of any outcome against the Bank is not probable and accordingly no provision has been made in these unconsolidated condensed interim financial statements.	259,180	574,236
	This represents stand by letters of credit issued by a correspondent bank on behalf of the Bank.	549,844	534,948
		809,024	1,109,184

23.4 Tax related contingencies are disclosed in note 33.1 to these unconsolidated condensed interim financial statements.

24 DERIVATIVE INSTRUMENTS

The Bank at present does not offer derivative products such as Interest Rate Swaps, Cross Currency Swaps, Forward Rate Agreements or Foreign Exchange Options. The Bank's Treasury and Investment Banking Groups buy and sell derivative instruments such as Forward Exchange Contracts (FECs) and Equity Futures (EFs).

	Note	(Un-audited) Six month period ended June 30, 2026	June 30, 2025
25 MARK-UP / RETURN / INTEREST EARNED		------ Rupees in '000 ------	
Loans and advances		32,683,312	34,543,442
Investments		122,668,720	111,568,623
Lendings to financial institutions		815,925	551,720
Balances with banks		511,306	418,835
Securities purchased under resale agreements (Reverse Repo)		236,773	630,141
Amortization of loans under IFRS 9		1,012,857	847,356
		157,928,893	148,560,117
25.1 Interest income calculated using effective interest rate method recognised on:			
Financial assets measured at amortised cost		28,874,015	5,749,583
Financial assets measured at fair value through OCI		120,594,251	-
		149,468,266	5,749,583
26 MARK-UP / RETURN / INTEREST EXPENSED			
Deposits		48,297,457	49,527,349
Borrowings		63,327,397	54,139,033
Subordinated debts		359,592	799,614
Cost of foreign currency swaps against foreign currency deposits / borrowings		467,744	440,033
Interest expense on lease liability against right-of-use assets		1,131,536	931,807
Amortization of deferred cost on recognition of loan at fair value	14.2	389,361	259,574
		113,973,087	106,097,410
26.1 Interest expense calculated using effective interest rate method recognised on:			
Financial liabilities		113,973,087	1,556,397
27 FEE AND COMMISSION INCOME			
Branch banking customer fees		461,704	487,545
Consumer finance related fees		114,534	59,869
Card related fees (debit and credit cards)		1,718,218	992,789
Credit related fees		327,677	303,294
Investment banking fees		180,898	121,981
Commission on trade		878,015	518,447
Commission on guarantees		801,202	668,905
Commission on remittances including home remittances		251,868	43,401
Commission on cash management		86,994	30,246
Commission on bancassurance		18,279	14,400
Others		3,545	20,026
		4,842,934	3,260,903
28 GAIN ON SECURITIES			
Realised gain	28.1	3,786,760	1,125,406
Unrealised loss on securities measured at FVTPL		(156,398)	(163,604)
		3,630,362	961,802
28.1 Realised gain on:			
Federal government securities		3,712,387	1,086,553
Shares		74,373	19,677
Non government debt securities		-	19,176
		3,786,760	1,125,406

		Note	(Un-audited) Six month period ended June 30, 2026	June 30, 2025
29	**OTHER INCOME**		------ Rupees in '000 ------	
	Gain on sale of property and equipment - net		27,512	25,282
	Rent of lockers		28,303	28,694
	Recovery of expenses from customers		238,101	229,455
	Gain on termination of lease contracts under IFRS 16 - net		6,532	11,129
	Amortization of deferred liability under IFRS 9		16,358	22,044
			316,806	316,604
30	**OPERATING EXPENSES**			
	Total compensation expenses	30.1	13,966,926	10,442,478
	Property expense			
	Rent and taxes		40,205	60,667
	Insurance		77,683	65,838
	Utilities cost		1,005,638	777,670
	Security cost (including guards)		712,947	650,978
	Repair & maintenance (including janitorial charges)		476,887	351,268
	Depreciation on right-of-use assets		1,350,339	1,151,706
	Depreciation		300,481	200,561
			3,964,180	3,258,688
	Information technology expenses			
	Software maintenance		796,796	526,571
	Hardware maintenance		165,304	106,189
	Depreciation		339,793	289,352
	Amortisation		144,427	112,577
	Network charges		264,741	201,116
			1,711,061	1,235,805
	Other operating expenses			
	Directors' fees, allowances		23,200	26,160
	Fees and allowances to shariah board		6,061	5,936
	Rates, taxes, insurance etc.		158,892	82,034
	Legal and professional charges		86,243	70,094
	Travelling, conveyance and entertainment		420,603	298,774
	Brokerage and commission		128,884	93,206
	NIFT clearing charges		82,400	66,544
	Repair and maintenance		563,577	507,549
	Communications		537,826	592,685
	Postage & Courier		119,957	72,222
	Stationery and printing		614,297	735,671
	Marketing, advertisement and publicity		1,845,271	210,275
	Donations		20,000	-
	Auditors' remuneration		5,825	3,500
	Depreciation		577,338	412,058
	Security service charges		404,941	345,615
	Training and development		49,474	32,692
	Deposit premium expense		576,543	492,962
	Outsourced service cost		749,579	468,610
	Card related expenses		1,277,476	685,777
	CNIC verification		156,997	104,477
	Others		673,818	279,240
			9,079,202	5,586,081
			28,721,369	20,523,052

30.1	**Total compensation expense**			
	Managerial remuneration		11,158,702	8,375,869
	Charge for defined benefit / contribution plan		870,505	632,572
	Amortization of loans under IFRS 9		1,012,857	847,356
	Other staff cost	30.1.1	924,862	586,681
			13,966,926	10,442,478

30.1.1 Other staff cost includes incentive to consumer sales staff, dearness allowance, cash handling allowance, staff group insurance, provision for severance etc.

31 This represents penalties imposed by the State Bank of Pakistan.

	(Un-audited) Six month period ended	
	June 30, 2026	June 30, 2025
32 (REVERSAL OF) / CHARGE AGAINST CREDIT LOSS ALLOWANCE / PROVISIONS AND WRITE OFFS - NET	------ Rupees in '000 ------	
Credit loss allowance for diminution / provision in value of investments	122,338	215,081
(Reversal of) / charge against credit loss allowance / provision against loans and advances	(655,320)	948,078
(Reversal of) / charge against credit loss allowance / provision against other assets	(32,278)	133,388
Reversal of credit loss allowance / provision against lendings to financial institutions	(13,832)	(14,539)
Charge / (reversal of) credit loss allowance / provision against off-balance sheet obligations	83,014	(575,196)
(Reversal of) / charge against credit loss allowance against cash and balances with treasury banks	(9,885)	2,901
Charge / (reversal of) credit loss allowance against balances with other banks	3,751	(284)
Recovery of written off / charged off bad debts	(120,083)	(74,061)
	(622,295)	635,368
33 TAXATION		
Current	15,058,040	15,108,518
Prior periods	-	4,374,038
Deferred	(304,615)	(2,353,594)
	14,753,425	17,128,962

33.1 Tax status and contingencies

i) The Bank has filed tax returns for and up to tax year 2025. The assessments for and up to tax year 2025 were amended by the tax authorities creating accumulated additional tax demand, mainly in the matters of admissibility of recoveries against doubtful debts for Rs 1,539 million (December 31, 2025: Rs. 1,539 million), provision for diminution in the value of investments for Rs 2,630 million (December 31, 2025: Rs. 3,144 million), bad debts written off for Rs 244 million (December 31, 2025: Rs. 244 million), provision for substandard advances for Rs 75 million (December 31, 2025: Rs. 75 million), provision against other assets/fixed assets for Rs 164 million (December 31, 2025: Rs. 165 million), disallowance of credit loss allowance for Rs. 911 million (December 31, 2025: Nil), disallowance of employee benefit expenses for Rs 1,162 million (December 31, 2025: Rs. 625 million), and recoveries / other disallowances of expenses/credits for Rs 2,685 million (December 31, 2025: Rs. 1,453 million). Bank's appeals against these orders are currently pending before Commissioner Appeals, Appellate Tribunal and Islamabad High Court. The management and tax advisor of the Bank are confident that these matters will be decided in favor of the Bank and consequently no provision has been made thereon. Tax payments by the Bank against certain matters are being carried forward as receivable, as management and tax advisor of the Bank are confident of their realization.

ii) Consequent upon the amalgamation with and into the Bank, the outstanding tax issues relating to Askari Leasing Limited (ALL) are as follows:

Tax returns of ALL have been filed for and up to tax year 2010. The returns for the tax years 2003 to 2010 were amended by the tax authorities mainly in the matter of admissibility of initial allowance claimed on leased vehicles. On appeals filed by ALL, partial relief was provided by the CIR(A) by allowing initial allowance on commercial vehicles. Re–assessment has not yet been carried out by the tax department. A tax demand is however not likely to arise after re–assessment.

For and up to the assessment years 2002–2003, reference applications filed by the tax authorities in the matter of computation of lease income are pending decisions by the High Court. However, the likelihood of an adverse decision is considered low due to a favorable decision of the High Court in a parallel case.

34 BASIC AND DILUTED EARNINGS PER SHARE

	(Un-audited) six month period ended	
	June 30, 2026	June 30, 2025
Profit for the period - Rupees in '000	13,334,274	10,625,536
Weighted average number of Ordinary Shares - numbers	1,449,299,207	1,449,299,207
Basic earnings per share - Rupees	9.20	7.33

There is no dilutive effect on the basic earnings per share of the Bank, therefore dilutive earnings per share have not been presented separately.

35 CASH AND CASH EQUIVALENTS

	Note	(Un-audited) Six month period ended	
		June 30, 2026	June 30, 2025
		------ Rupees in '000 ------	
Cash and balances with treasury banks	6	108,800,930	124,532,736
Balances with other banks	7	27,682,658	13,000,776
Overdrawn nostro accounts	16	(46,660)	-
		136,436,928	137,533,512

36 FAIR VALUE MEASUREMENTS

The fair value of quoted securities other than those classified as Amortised Cost, is based on quoted market price. Quoted securities classified as Amortised Cost are carried at cost. The fair value of unquoted equity securities, other than investments in subsidiaries, is determined using valuation techniques / valuation models. The inputs to these models are taken from observable markets where possible and where this is not possible, estimation is required in establishing fair values.

The fair value of unquoted debt securities, fixed term advances, fixed term deposits and borrowings, other assets and other liabilities cannot be calculated with sufficient reliability due to the absence of a current and active market for such 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 they are either short-term in nature or, in the case of customer advances, deposits and certain long term borrowings, are frequently repriced.

All assets and liabilities for which fair value is measured or disclosed in these unconsolidated financial statements are categorized within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement.

36.1 Fair value of financial instruments

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 liabilities, 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:

	June 30, 2026 (Un-audited)			
	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	161,052,075	1,992,844,186	-	2,153,896,261
Shares	14,341,886	-	3,864,644	18,206,530
Units of open end mutual funds	1,139,454	1,261,423	-	2,400,877
Fully paid preference shares	37,600	-	-	37,600
Non government debt securities	1,052,188	11,128,463	-	12,180,651
	177,623,203	2,005,234,072	3,864,644	2,186,721,919
Financial assets - disclosed but not measured at fair value				
Investments				
Federal government securities	-	40,930,241	-	40,930,241
	177,623,203	2,046,164,313	3,864,644	2,227,652,160
Off-balance sheet financial instruments - measured at fair value				
Forward purchase of foreign exchange	-	(781,388)	-	(781,388)
Forward sale of foreign exchange	-	639,177	-	639,177

	December 31, 2025 (Audited)			
	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	97,331,600	1,849,021,170	-	1,946,352,770
Listed shares	15,683,482	-	-	15,683,482
Unlisted shares	-	-	3,864,644	3,864,644
Units of open end mutual funds	1,186,616	1,358,154	-	2,544,770
Fully paid preference shares	26,214	-	-	26,214
Non government debt securities	1,126,677	10,510,295	-	11,636,972
	115,354,589	1,860,889,619	3,864,644	1,980,108,852
Financial assets - disclosed but not measured at fair value				
Investments				
Federal government securities	-	47,463,431	-	47,463,431
	115,354,589	1,908,353,050	3,864,644	2,027,572,283
Off-balance sheet financial instruments - measured at fair value				
Forward purchase of foreign exchange	-	(1,194,100)	-	(1,194,100)
Forward sale of foreign exchange	-	1,185,000	-	1,185,000

36.2 The Bank's policy is to recognize transfers into and out of the different fair value hierarchy levels at the date the event or change in circumstances that caused such transfer to takes place. There were no transfers between levels 1 and 2 during the period.

36.3 Valuation techniques used in determination of fair values

36.3.1 Fair value of financial assets

(a) Financial instruments in level 1

Financial instruments included in level 1 comprise of investments in listed GoP Sukuks, ordinary shares of listed companies, units of open end listed mutual funds, listed fully paid preference shares, and listed non government debt securities.

(b) Financial instruments in level 2

Financial instruments included in level 2 comprise of Market Treasury Bills, Pakistan Investment Bonds, GoP Sukuks, Overseas Bonds and Overseas Sukuks, units of open end mutual funds, unlisted non government debt securities, and forward foreign exchange contracts.

(c) Financial instruments in level 3

Financial instruments included in level 3 comprise of unlisted ordinary shares. Valuation techniques are mentioned in the table below.

The fair value of fixed term loans, other assets, other liabilities, fixed term deposits and borrowings cannot be calculated with sufficient reliability due to the absence of a current and active market for these assets and liabilities and reliable data regarding market rates for similar instruments.

36.3.2 Fair value of non financial assets

	(Un-audited) June 30, 2026	(Audited) December 31, 2025
	------ Rupees in '000 ------	
	Level 3	Level 3
Property and equipment		
Freehold and leasehold land	15,164,996	15,164,996
Other assets		
Non-banking assets acquired in satisfaction of claims	956,878	968,390

36.3.3 Valuation techniques

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.
Overseas Bonds and Overseas Sukuks	The fair value of overseas sukuks and overseas bonds are determined on the basis of price available on Reuters.
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.
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.
Shares - unlisted	The fair value of investments in unlisted equity securities are valued on the basis of income approach.
Preference shares - unlisted	The fair value of investment in unlisted preference shares are valued at market approach.
Forward foreign exchange contracts	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	The valuation experts used a market based approach to determined the fair value of the Bank's properties. The market approach uses prices and other relevant information generated by market transactions involving identical, comparable or similar properties. These values are adjusted to reflect the current condition of the properties. 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.

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements of investment and advances, (The valuation techniques are stated above):

Description	(Un-audited) Fair value as at June 30, 2026	(Audited) Fair value as at December 31, 2025	Unobservable inputs	Discount rate	Relationship of unobservable inputs to fair value
	------ Rupees in '000 ------				
Shares - unlisted (income approach)	3,217,000	3,217,000	Discount rate	20%	Increase / (decrease) in discount rate by 1% with all other variables held constant, would (decrease) / increase the fair value by Rs. 111 million and Rs. 127 million respectively.
	647,644	647,644		18%	Increase / (decrease) in discount rate by 1% with all other variables held constant, would (decrease) / increase the fair value by Rs. 13 million and Rs. 15 million respectively.

37 SEGMENT INFORMATION

37.1 Segment details with respect to business activities

The segment analysis with respect to business activity is as follows:

	Branch banking	Corporate banking	Treasury	Consumer banking	Islamic banking	Foreign operations	Head Office / others	Total
	For the Six month period ended June 30, 2026 (Un-audited)							
	Rupees in '000							
Statement of Profit and Loss account								
Net mark-up / return / profit	(31,268,699)	8,840,245	52,686,825	2,041,770	10,522,465	674,779	458,421	43,955,806
Inter segment revenue - net	50,243,091	(4,314,875)	(47,120,501)	(1,092,718)	(255,840)	(231,458)	2,772,301	-
Non mark-up / return / interest income	1,494,329	2,264,932	7,178,441	347,830	886,923	24,814	372,008	12,569,277
Total income	20,468,721	6,790,302	12,744,765	1,296,882	11,153,548	468,135	3,602,730	56,525,083
Segment direct expenses	8,985,910	1,231,059	389,871	1,305,207	6,451,872	136,910	10,558,850	29,059,679
Inter segment expense allocation	401,213	1,033,539	125	71,687	-	-	(1,506,564)	-
Total expenses	9,387,123	2,264,598	389,996	1,376,894	6,451,872	136,910	9,052,286	29,059,679
Credit loss allowance	26,298	(905,105)	(50,849)	74,187	64,092	163,147	5,935	(622,295)
Profit before tax	11,055,300	5,430,809	12,405,618	(154,199)	4,637,584	168,078	(5,455,491)	28,087,699
	As at June 30, 2026 (Un-audited)							
	Rupees in '000							
Statement of Financial Position								
Cash and bank balances	23,223,999	-	86,774,982	116,183	24,804,812	1,563,612	-	136,483,588
Investments	-	7,709,675	1,952,192,167	-	235,984,208	27,869,292	5,093,518	2,228,848,860
Lendings to financial institutions	-	-	2,885,731	-	4,998,897	7,361,263	-	15,245,891
Advances - performing	15,258,251	462,145,596	4,489,508	23,663,750	178,014,031	10,515,337	5,828,234	699,914,707
Advances - non-performing	147,736	157,334	-	99,226	212,947	-	9,476	626,719
Others	5,909,087	9,885,833	69,226,448	3,843,717	33,979,614	410,787	42,373,456	165,628,942
Total assets	44,539,073	479,898,438	2,115,568,836	27,722,876	477,994,509	47,720,291	53,304,684	3,246,748,707
Borrowings	46,660	22,466,816	1,040,955,045	2,016,087	34,637,377	21,266,392	-	1,121,388,377
Subordinated debt	-	-	-	-	-	-	6,000,000	6,000,000
Deposits and other accounts	1,105,191,697	360,067,953	-	3,153	378,966,273	2,427,024	-	1,846,656,100
Net inter segment balances - net	(1,085,290,192)	67,711,832	1,070,395,064	22,006,255	6,500,000	17,291,625	(98,614,584)	-
Others	24,590,908	29,651,837	4,218,727	3,697,381	24,074,783	6,735,250	28,347,417	121,316,303
Total liabilities	44,539,073	479,898,438	2,115,568,836	27,722,876	444,178,433	47,720,291	(64,267,167)	3,095,360,780
Equity	-	-	-	-	33,816,076	-	117,571,851	151,387,927
Total equity and liabilities	44,539,073	479,898,438	2,115,568,836	27,722,876	477,994,509	47,720,291	53,304,684	3,246,748,707
Contingencies and commitments	26,820,111	520,854,453	273,052,506	552,531	61,566,569	-	1,185,114	884,031,284
	For the Six month period ended June 30, 2025 (Un-audited)							
	Rupees in '000							
Statement of Profit and Loss account								
Net mark-up / return / profit	(35,581,735)	16,775,333	54,185,334	2,070,894	5,177,412	1,003,689	(1,168,220)	42,462,707
Inter segment revenue - net	54,521,490	(11,913,744)	(43,587,911)	(1,180,632)	(44,211)	(497,172)	2,702,180	-
Non mark-up / return / interest income	1,316,375	2,096,113	2,535,144	301,675	311,653	3,590	178,964	6,743,514
Total income	20,256,130	6,957,702	13,132,567	1,191,937	5,444,854	510,107	1,712,924	49,206,221
Segment direct expenses	11,048,461	786,689	259,941	1,008,063	2,725,657	125,871	4,861,673	20,816,355
Inter segment expense allocation	(79,430)	1,102,535	5,663	67,136	-	-	(1,095,904)	-
Total expenses	10,969,031	1,889,224	265,604	1,075,199	2,725,657	125,871	3,765,769	20,816,355
Credit loss allowance	(397,516)	164,832	215,081	(8,478)	380,130	270,243	11,076	635,368
Profit before tax	9,684,615	4,903,646	12,651,882	125,216	2,339,067	113,993	(2,063,921)	27,754,498
	As at December 31, 2025 (Audited)							
	Rupees in '000							
Statement of Financial Position								
Cash and bank balances	39,713,267	-	52,665,636	102,803	29,816,282	114,418	-	122,412,406
Investments	-	10,120,611	1,840,134,305	-	163,750,022	13,228,464	1,535,581	2,028,768,983
Lendings to financial institutions	-	-	-	-	6,600,000	7,528,026	-	14,128,026
Advances - performing	26,502,676	353,989,560	-	21,945,763	166,356,832	2,185,007	14,851,636	585,831,474
Advances - non-performing	315,112	293,975	-	108,383	72,960	-	-	790,430
Others	3,935,204	22,944,180	38,335,112	680,778	21,079,591	278,113	55,817,271	143,070,249
Total Assets	70,466,259	387,348,326	1,931,135,053	22,837,727	387,675,687	23,334,028	72,204,488	2,895,001,568
Borrowings	1,060,876	23,136,571	942,714,152	2,761,911	23,492,461	1,400,615	-	994,566,586
Subordinated debt	-	-	-	-	-	-	6,000,000	6,000,000
Deposits and other accounts	1,029,651,457	284,823,966	-	3,200	312,152,823	4,634,386	65,917	1,631,331,749
Net inter segment balances - net	(990,090,551)	62,214,574	972,209,047	12,452,605	-	17,129,897	(73,915,572)	-
Others	29,844,477	17,173,215	16,211,854	7,620,011	21,205,973	169,130	19,132,464	111,357,124
Total liabilities	70,466,259	387,348,326	1,931,135,053	22,837,727	356,851,257	23,334,028	(48,717,191)	2,743,255,459
Equity	-	-	-	-	30,824,430	-	120,921,679	151,746,109
Total equity and liabilities	70,466,259	387,348,326	1,931,135,053	22,837,727	387,675,687	23,334,028	72,204,488	2,895,001,568
Contingencies and commitments	12,285,507	433,612,602	273,353,287	541,416	21,023,984	1,995	1,472,377	742,291,168

38 RELATED PARTY TRANSACTIONS

Fauji Consortium comprising of Fauji Foundation and Fauji Fertilizer Company Limited (the Parent) holds 71.91% of the Bank's share capital at the period end. Accordingly, all the subsidiaries and associates of the Fauji consortium are the related parties of the Bank. The Bank also has related party relationships with its directors, key management personnel and employees' funds.

The Bank 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 and balances are as follows:

	As at June 30, 2026 (Un-audited)					As at December 31, 2025 (Audited)				
	Parent	Directors	Key management personnel & their relatives	Subsidiaries	Other related parties	Parent	Directors	Key management personnel & their relatives	Subsidiaries	Other related parties
	Rupees in '000									
Investments										
Opening balance	-	-	-	1,196,700	10,121,783	-	-	-	1,196,700	4,283,287
Investment made during the period / year	-	-	-	-	-	-	-	-	-	20,614
Revaluation adjustment	-	-	-	-	(1,691,573)	-	-	-	-	5,405,563
Investment redeemed / disposed off during the period / year	-	-	-	-	(15,837)	-	-	-	-	(119,316)
Transfer in / (out) - net	-	-	-	-	6,264	-	-	-	-	531,635
Closing balance	-	-	-	1,196,700	8,420,637	-	-	-	1,196,700	10,121,783
Deficit on revaluation of investments	-	-	-	-	898,458	-	-	-	-	898,458
Advances										
Opening balance	7,971,902	3,570	202,082	499,457	12,809,917	17,970,281	1,292	266,833	71,926	13,638,055
Addition during the period / year	400,594,352	8,802	434,312	999,808	56,168,686	635,348,507	33,444	136,891	3,438,531	55,316,196
Repaid during the period / year	(400,206,115)	(11,604)	(101,460)	(999,265)	(36,059,770)	(645,346,886)	(31,083)	(91,762)	(3,011,000)	(56,144,334)
Transfer in / (out) - net	-	-	(650)	-	(2,245,876)	-	(83)	(109,880)	-	-
Closing balance	8,360,139	768	534,284	500,000	30,672,957	7,971,902	3,570	202,082	499,457	12,809,917
Credit loss allowance against advances	736	-	1,094	634	2,765,245	1,091	6	85	1,190	1,984,522
Other Assets										
Interest / mark-up accrued	119,673	23	30,853	-	428,517	187,427	55	28,581	-	233,036
Advance rent	372	-	-	-	-	2,000	-	-	-	1,670
Receivable from staff retirement fund	-	-	-	-	-	-	-	-	-	75,070
Acceptances	4,027,513	-	-	-	454,546	860,234	-	-	-	227,238
Others	68,000	-	-	216,089	-	-	-	-	181,371	-
Borrowings										
Opening balance	-	-	-	-	2,761,911	-	-	-	-	4,252,855
Borrowings during the period / year	-	-	-	-	-	-	-	-	-	-
Settled during the period	-	-	-	-	(745,823)	-	-	-	-	(1,490,944)
Closing balance	-	-	-	-	2,016,088	-	-	-	-	2,761,911
Deposits and other accounts										
Opening balance	44,177,045	173,118	129,151	1,291,764	49,860,541	18,698,701	43,251	234,398	884,611	25,168,932
Received during the period / year	240,510,252	790,196	846,903	23,942,878	614,547,786	716,688,077	757,192	837,811	48,152,755	1,010,264,386
Withdrawn during the period / year	(243,149,738)	(816,229)	(789,672)	(23,753,380)	(617,511,934)	(691,209,733)	(713,783)	(790,873)	(47,745,602)	(985,995,795)
Transfer in / (out) - net	-	-	(8,745)	-	(859,196)	-	86,458	(152,185)	-	423,018
Closing balance	41,537,559	147,085	177,637	1,481,262	46,037,197	44,177,045	173,118	129,151	1,291,764	49,860,541
Other Liabilities										
Interest / mark-up payable	32,617	65	325	15	317,295	345,982	3,634	837	6	849,976
Payable to staff retirement fund	-	-	-	-	607,261	-	-	-	-	-
Acceptances	4,027,513	-	-	-	454,546	860,234	-	-	-	227,238
Security deposits payable	-	-	-	-	993,908	-	-	-	-	831,716
Others	-	-	52,071	-	35,777	-	-	60,244	-	25,426
Guarantees and Commitments										
Guarantees and Commitments	3,318,087	-	-	-	9,702,104	6,468,035	-	-	-	7,425,207
Others										
Dividend paid	3,908,342	-	-	-	39,581	6,513,901	-	-	-	63,689
Securities held as custodian	25,367,000	-	42,000	-	14,367,440	32,840,000	9,400	76,000	300,500	15,408,455

	For the six month period ended June 30, 2026 (Un-audited)					For the six month period ended June 30, 2025 (Un-audited)				
	Parent	Directors	Key management personnel & their relatives	Subsidiaries	Other related parties	Parent	Directors	Key management personnel & their relatives	Subsidiaries	Other related parties
	------ Rupees in '000 ------									
Income										
Mark-up / return / interest earned	271,728	241	4,473	543	1,227,860	419,432	258	2,827	464	397,992
Fee and commission income	2,125	-	-	-	99,030	1,531	-	-	-	21,642
Dividend income	-	-	-	44,064	354,880	-	-	-	44,064	155,653
Other Income	1,668	-	-	-	91,656	3,116	-	-	-	9,788
Gain on securities	-	-	-	-	2,997	-	-	-	-	-
Expense										
Mark-up / return / interest expensed	610,969	6,554	5,864	45,796	1,390,769	1,675,672	5,130	4,496	32,816	1,470,480
Charge to defined benefit plan	-	-	-	-	564,270	-	-	-	-	395,597
Contribution to defined contribution plan	-	-	-	-	306,235	-	-	-	-	236,975
Remuneration and allowances	-	-	560,136	-	6,061	-	-	316,316	-	5,936
Rent	1,663	-	-	-	8,491	2,055	-	-	-	132
Communications	-	-	-	-	241,082	-	-	-	-	130,253
Brokerage and Commission	-	-	-	51	102,666	-	-	-	-	46,903
Directors' Fee, Allowances	-	23,200	-	-	-	-	26,160	-	-	-
Marketing, advertisement and publicity	-	-	-	-	9,398	-	-	-	-	-
Others	-	-	-	-	1,134	1,356	-	-	-	-

In addition to above, rent free sub-branches are operating at FFC Sona Tower, FFBL Tower and Foundation University (along with booths and ATMs).
The term 'key management personnel' shall have the same meaning as defined in IAS 24 - Related party disclosures.

39 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

	(Un-audited) June 30, 2026	(Audited) December 31, 2025
	------ Rupees in '000 ------	
Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	14,492,992	14,492,992
Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier 1 (CET 1) Capital	125,746,513	119,371,547
Eligible Additional Tier 1 (ADT 1) Capital	4,476,554	5,425,000
Total Eligible Tier 1 Capital	130,223,067	124,796,547
Eligible Tier 2 Capital	23,614,961	31,153,056
Total Eligible Capital (Tier 1 + Tier 2)	153,838,028	155,949,603
Risk Weighted Assets (RWAs):		
Credit Risk	552,846,080	445,113,700
Market Risk	136,930,975	120,268,765
Operational Risk	156,830,777	156,830,777
Total	846,607,832	722,213,242
Common Equity Tier 1 Capital Adequacy Ratio	14.85%	16.53%
Tier 1 Capital Adequacy Ratio	15.38%	17.28%
Total Capital Adequacy Ratio	18.17%	21.59%
Leverage Ratio (LR):		
Eligible Tier-1 Capital	130,223,067	124,796,547
Total Exposures	3,917,714,292	3,370,148,603
Leverage Ratio	3.32%	3.70%
Liquidity Coverage Ratio (LCR):		
Total High Quality Liquid Assets	1,286,852,871	1,099,326,272
Total Net Cash Outflow	630,539,882	536,214,959
Liquidity Coverage Ratio	204.09%	205.02%
Net Stable Funding Ratio (NSFR):		
Total available stable funding	1,807,518,769	1,597,593,843
Total required stable funding	720,001,632	637,667,792
Net Stable Funding Ratio	251.04%	250.54%

39.1 The SBP in its application instructions for IFRS 9 has permitted the banks to adopt a transitional approach to phase in the initial impact of ECL for stage 1 and 2 financial assets over a period of five years. Had this relaxation not been availed, the Bank's CAR and Leverage Ratio would have been lower by 0.19% and 0.04% respectively.

40 ISLAMIC BANKING BUSINESS

The Bank is operating 396 (2025: 365) Islamic banking branches including 18 sub-branches (2025: 18) and 343 Islamic banking windows (2025: 1).

	Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
		------- Rupees in '000 -------	
ASSETS			
Cash and balances with treasury banks		23,673,906	27,337,908
Balances with other banks		1,130,906	2,478,374
Due from financial Institutions	40.1	4,998,897	6,600,000
Investments	40.2	235,984,208	163,750,022
Islamic financing and related assets - net	40.3	178,226,978	166,429,792
Property and equipment		4,008,071	2,968,954
Right-of-use assets		6,747,715	6,013,607
Other assets		23,223,828	12,097,030
Total assets		477,994,509	387,675,687
LIABILITIES			
Bills payable		4,921,383	6,517,679
Due to financial institutions		34,637,377	23,492,461
Deposits and other accounts	40.4	378,966,273	312,152,823
Due to head office		6,500,000	-
Lease liabilities		8,091,539	7,056,495
Other liabilities		11,061,861	7,631,799
Total liabilities		444,178,433	356,851,257
NET ASSETS		33,816,076	30,824,430
REPRESENTED BY			
Islamic Banking Fund		4,600,000	4,600,000
(Deficit) / surplus on revaluation of assets		(766,504)	954,680
Unappropriated profit	40.5	29,982,580	25,269,750
		33,816,076	30,824,430
CONTINGENCIES AND COMMITMENTS	40.6		

The statement of profit and loss account of the Bank's Islamic banking branches for the period ended June 30, 2026 is as follows:

	Note	(Un-audited) Six month period ended June 30, 2026	June 30, 2025
		------- Rupees in '000 -------	
Profit / return earned	40.7	18,699,306	11,427,098
Profit / return expensed	40.8	8,432,681	6,293,896
Net Profit / return		10,266,625	5,133,202
Other income			
Fee and commission income		646,836	192,097
Dividend income		10,019	13,813
Foreign exchange income		157,739	39,330
Loss on securities		(13,154)	(343)
Other income		85,483	66,755
Total other income		886,923	311,652
Total Income		11,153,548	5,444,854
Other expenses			
Operating expenses		6,450,337	2,725,535
Other charges		1,535	122
Total other expenses		6,451,872	2,725,657
Profit before credit loss allowance		4,701,676	2,719,197
Credit loss allowance and write offs - net		64,092	380,130
Profit before taxation		4,637,584	2,339,067

	June 30, 2026 (Un-audited)			December 31, 2025 (Audited)		
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
40.1 Due from financial institutions	---------- Rupees in '000 ----------					
Unsecured	-	-	-	6,600,000	-	6,600,000
Bai Muajjal receivable from other financial institutions	4,999,056	-	4,999,056	-	-	-
	4,999,056	-	4,999,056	6,600,000	-	6,600,000
Less: Credit loss allowance						
Stage 1	159	-	159	-	-	-
Due from financial institutions - net of credit loss allowance	4,998,897	-	4,998,897	6,600,000	-	6,600,000

	June 30, 2026 (Un-audited)				December 31, 2025 (Audited)			
	Cost / amortized cost	Credit loss allowance	Surplus / (deficit)	Carrying value	Cost / amortized cost	Credit loss allowance	Surplus / (deficit)	Carrying value
40.2 Investments by segments:	---------- Rupees in '000 ----------							
Debt Instruments								
Classified / measured at amortised cost								
Non Government Debt Securities	90,903	(90,903)	-	-	90,903	(90,903)	-	-
Classified / measured at FVOCI								
Federal Government Securities:								
- Ijarah Sukuks	231,128,763	-	(766,504)	230,362,259	156,948,891	-	954,680	157,903,571
Non Government Debt Securities	2,739,656	(151,092)	-	2,588,564	3,253,377	(154,099)	-	3,099,278
	233,868,419	(151,092)	(766,504)	232,950,823	160,202,268	(154,099)	954,680	161,002,849
Classified / measured at FVTPL								
Non Government Debt Securities	2,047,310	-	(8,379)	2,038,931	2,040,185	-	7,126	2,047,311
Islamic Naya Pakistan Certificates	892,806	-	-	892,806	593,439	-	-	593,439
Units of open end mutual funds	106,423	-	(4,775)	101,648	109,212	-	(2,789)	106,423
Total investments	237,005,861	(241,995)	(779,658)	235,984,208	163,036,007	(245,002)	959,017	163,750,022

	June 30, 2026 (Un-audited)				December 31, 2025 (Audited)			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
40.2.1 Particulars of credit loss allowance	---------- Rupees in '000 ----------							
Non Government Debt Securities	1,092	-	240,903	241,995	4,099	-	240,903	245,002
	1,092	-	240,903	241,995	4,099	-	240,903	245,002

40.3 Islamic financing and related assets	Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
		------- Rupees in '000 -------	
Ijarah		24,704,904	16,035,057
Murabaha	40.3.1	6,234,223	5,911,855
Musharakah		23,682,184	52,322,201
Musawamah		23	-
Diminishing Musharakah		57,882,376	46,970,551
Salam		19,236,419	9,928,931
Istisna		10,446,917	10,805,153
Receivable against sale of Istisna / Salam inventory		1,540,622	1,535,148
Service Ijarah		4,781,522	5,167,210
Wakalah		1,939,034	1,734,163
Bai Muajjal		10,665,191	11,574,719
Qard		2,380,526	1,420,349
Advances against Islamic assets	40.3.2	5,563,553	3,293,309
Inventory related to Islamic financing	40.3.3	14,603,229	5,129,166
Gross Islamic financing and related assets		183,660,723	171,827,812
Less: credit loss allowance against Islamic financings			
- Stage 1		351,544	478,842
- Stage 2		302,643	456,386
- Stage 3		4,779,558	4,462,792
		5,433,745	5,398,020
Islamic financing and related assets - net of credit loss allowance		178,226,978	166,429,792

40.3.1 This includes advance against Murabaha of Rs.1,387,227 thousand (December 31, 2025: Rs.162,347 thousand).

40.3.2 Advance against Islamic assets

	Ijarah	Musawamah	Diminishing Musharakah	Salam	Istisna	Total
	---------- Rupees in '000 ----------					
June 30, 2026 (Un-audited)	2,284,138	-	3,279,415	-	-	5,563,553
December 31, 2025 (Audited)	1,542,635	-	1,750,674	-	-	3,293,309

40.3.3 Inventory related to Islamic financing

	Murabaha	Musawamah	Diminishing Musharakah	Salam	Istisna	Total
	---------- Rupees in '000 ----------					
June 30, 2026 (Un-audited)	542,719	1,058,477	-	7,582,987	5,419,046	14,603,229
December 31, 2025 (Audited)	-	1,019,055	-	1,770,180	2,339,931	5,129,166

		(Un-audited) June 30, 2026	(Audited) December 31, 2025
40.4	**Deposits and other accounts**	------- Rupees in '000 -------	
	Customers		
	Current deposits - non remunerative	208,368,499	145,136,462
	Current deposits - remunerative	3,178,635	2,372,671
	Savings deposits	113,447,073	111,490,556
	Term deposits	13,266,087	19,863,500
	Others	28,459,259	5,378,842
		366,719,553	284,242,031
	Financial Institutions		
	Current deposits - non remunerative	609,985	639,046
	Current deposits - remunerative	522,430	9,147
	Savings deposits	2,304,305	4,328,599
	Term deposits	8,810,000	22,934,000
		12,246,720	27,910,792
		378,966,273	312,152,823
40.5	**Islamic banking business unappropriated profit**		
	Opening balance	25,269,750	19,270,458
	Less: Impact of adoption of IFRS 9	75,246	(63,166)
	Balance as at January 1,	25,344,996	19,207,292
	Add: Islamic banking profit for the period	4,637,584	6,062,458
	Closing Balance	29,982,580	25,269,750
40.6	**Contingencies and commitments**		
	- Guarantees	21,283,891	8,800,810
	- Commitments	40,282,678	12,223,174
		61,566,569	21,023,984

	(Un-audited) Six month period ended	
	June 30, 2026	June 30, 2025
	------- Rupees in '000 -------	

40.7 Profit / return earned on financing, investments and placements

Profit earned on:		
Financing	8,367,906	5,014,656
Investments	9,721,038	6,362,556
Placements	610,362	49,886
	18,699,306	11,427,098

40.8 Profit on deposits and other dues expensed

Deposits and other accounts	5,327,098	3,761,589
Due to financial institutions	2,394,178	1,388,450
Due to head office	255,840	911,348
Lease liability against right-of-use assets	455,565	232,509
	8,432,681	6,293,896

	(Un-audited) June 30, 2026	(Audited) December 31, 2025
	------- Rupees in '000 -------	

40.9 Charity fund

Opening balance	18,107	29,496
Additions during the period		
- Received from customers on delayed payments	17,129	21,819
- Profit on charity account	8	25
- Others	181	731
	17,318	22,575
Payments / utilization during the period		
- Health	-	(33,964)
Closing balance	35,425	18,107

41 GENERAL

41.1 Non-adjusting events after the balance sheet date

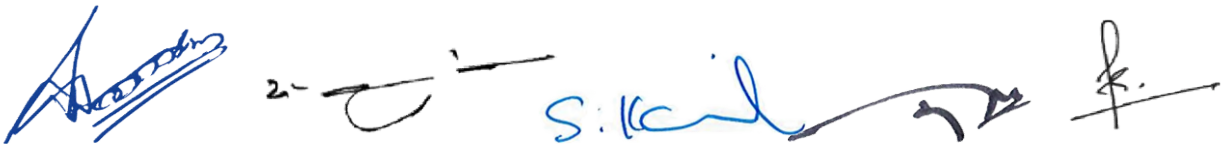
The Board of Directors in its meeting held on July 31, 2026 has announced an interim cash dividend of Rs. 2 per share for the six month period ended June 30, 2026. These unconsolidated condensed interim financial statements for the six month period ended June 30, 2026 do not include the effect of this appropriation which will be accounted for subsequent to the period end.

41.2 Reclassification of comparative figures

Comparative information within operating expenses has been re-arranged or additionally incorporated to facilitate comparison.

42 DATE OF AUTHORIZATION

These unconsolidated condensed interim financial statements were authorized for issue by the Board of Directors on July 31, 2026.



Chief Financial Officer | President & CEO | Director | Director | Chairman

CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTH PERIOD ENDED
JUNE 30, 2026

ASKARI BANK LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2026

	Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
		------ Rupees in '000 ------	
ASSETS			
Cash and balances with treasury banks	6	109,208,484	108,988,768
Balances with other banks	7	29,021,875	14,988,447
Lendings to financial institutions	8	15,245,891	14,128,026
Investments	9	2,228,025,203	2,028,240,826
Advances	10	700,041,426	586,121,904
Property and equipment	11	28,783,330	26,397,266
Right-of-use assets	12	16,354,074	15,128,302
Intangible assets	13	2,662,940	2,215,160
Deferred tax assets		-	-
Other assets	14	119,185,670	101,281,135
Total Assets		3,248,528,893	2,897,489,834
LIABILITIES			
Bills payable	15	17,398,057	23,259,370
Borrowings	16	1,121,388,377	994,566,586
Deposits and other accounts	17	1,845,174,837	1,630,039,984
Lease liabilities	18	19,576,979	17,642,967
Subordinated debt	19	6,000,000	6,000,000
Deferred tax liabilities	20	5,255,217	14,280,694
Other liabilities	21	81,416,639	58,992,466
Total Liabilities		3,096,210,106	2,744,782,067
NET ASSETS		152,318,787	152,707,767
REPRESENTED BY			
Share capital		14,492,992	14,492,992
Reserves		104,969,123	88,971,868
Surplus on revaluation of assets - net of tax	22	23,614,961	31,153,056
Unappropriated profit		8,625,720	17,498,418
Non-controlling interest		615,991	591,433
		152,318,787	152,707,767
CONTINGENCIES AND COMMITMENTS	23		

The annexed notes 1 to 40 form an integral part of these consolidated condensed interim financial statements.

Chief Financial Officer | President & CEO | Director | Director | Chairmar

ASKARI BANK LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2026

	Note	Quarter ended		Six month period ended	
		June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
		Rupees in '000			
Mark-up / return / interest earned	25	83,325,316	72,756,025	158,002,632	148,691,671
Mark-up / return / interest expensed	26	61,412,541	52,055,468	113,938,990	106,067,833
Net mark-up / interest income		21,912,775	20,700,557	44,063,642	42,623,838
NON MARK-UP / INTEREST INCOME					
Fee and commission income	27	3,014,071	1,824,184	5,223,290	3,588,397
Dividend income		428,061	181,218	675,907	415,269
Foreign exchange income		2,289,102	1,046,970	3,125,972	1,754,476
Income / (loss) from derivatives		-	-	-	-
Gain on securities	28	1,687,792	133,376	3,639,981	962,051
Net gains / (loss) on derecognition of financial assets measured at amortised cost		-	-	-	-
Other income	29	173,648	139,583	317,200	313,542
Total non-markup / interest income		7,592,674	3,325,331	12,982,350	7,033,735
Total income		29,505,449	24,025,888	57,045,992	49,657,573
NON MARK-UP / INTEREST EXPENSES					
Operating expenses	30	15,451,767	10,901,395	29,187,824	20,845,085
Workers' welfare fund		198,900	135,600	334,700	292,078
Other charges	31	2,575	1,857	5,310	3,303
Total non-markup / interest expenses		15,653,242	11,038,852	29,527,834	21,140,466
Profit before credit loss allowance		13,852,207	12,987,036	27,518,158	28,517,107
Credit loss allowance / (reversals) and write offs - net	32	(540,773)	380,820	(622,294)	636,618
Extra ordinary / unusual items		-	-	-	-
PROFIT BEFORE TAXATION		14,392,980	12,606,216	28,140,452	27,880,489
Taxation	33	7,631,853	9,066,981	14,794,641	17,185,002
PROFIT AFTER TAXATION		6,761,127	3,539,235	13,345,811	10,695,487
Profit attributable to					
Non-controlling interest		42,622	26,357	66,894	57,878
Equity holders of the Group		6,718,505	3,512,878	13,278,917	10,637,609
		6,761,127	3,539,235	13,345,811	10,695,487
		Rupees			
Basic and diluted earnings per share	34	4.67	2.44	9.21	7.38

The annexed notes 1 to 40 form an integral part of these consolidated condensed interim financial statements.

Chief Financial Officer | President & CEO | Director | Director | Chairman

ASKARI BANK LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2026

	Quarter ended		Six month period ended	
	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
	Rupees in '000			
Profit after taxation for the period	6,761,127	3,539,235	13,345,811	10,695,487
Other comprehensive (loss) / income				
Items that may be reclassified to statement of profit and loss account in subsequent periods:				
Effect of translation of net investment in Wholesale Bank Branch	(22,610)	71,287	(44,188)	103,311
Movement in surplus on revaluation of debt investments through FVOCI - net of tax	8,497,712	9,709,736	(5,224,552)	7,501,485
Gain on sale of debt securities carried at FVOCI reclassified to profit and loss – net of tax	(568,376)	(451,638)	(1,781,946)	(510,680)
	7,906,726	9,329,385	(7,050,686)	7,094,116
Items that will not be reclassified to statement of profit and loss account in subsequent periods:				
Movement in surplus on revaluation of equity investments through FVOCI - net of tax	1,142,934	754,218	(286,828)	1,293,494
Remeasurement loss on defined benefit obligation	(425,226)	(75,287)	(425,226)	(73,930)
	717,708	678,931	(712,054)	1,219,564
Total comprehensive income	15,385,561	13,547,551	5,583,071	19,009,167

The annexed notes 1 to 40 form an integral part of these consolidated condensed interim financial statements.

Total comprehensive income attributable to				
Non-controlling interest	42,622	26,357	66,894	57,878
Equity holders of the Group	15,342,939	13,521,194	5,516,177	18,951,289
	15,385,561	13,547,551	5,583,071	19,009,167

Chief Financial Officer | President & CEO | Director | Director | Chairman

ASKARI BANK LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2026

	Share capital	Capital Reserve: Exchange translation reserve	Marger reserve	Statutory reserve	Revenue Reserve: General reserve	Surplus / (deficit) on revaluation of: Investments	Surplus / (deficit) on revaluation of: Property and equipment / non banking assets	Un-appropriated profit	Non-Controlling Interest	Total
	Rupees in '000									
Balance as at December 31, 2024 (audited)	14,492,992	1,862,044	128,355	19,850,796	52,848,932	5,267,770	10,967,967	16,522,092	469,340	122,410,288
Effect of remeasurement on adoption of IFRS-9 (net of tax)	-	-	-	-	-	1,323,384	-	-	-	1,323,384
Effect of adoption of IFRS-9 - credit loss allowance (net of tax)	-	-	-	-	-	-	-	(434,970)	-	(434,970)
Balance as at January 1, 2025	14,492,992	1,862,044	128,355	19,850,796	52,848,932	6,591,154	10,967,967	16,087,122	469,340	123,298,702
Total comprehensive income for the six month period ended June 30, 2025										
Profit after taxation for the six month period ended June 30, 2025	-	-	-	-	-	-	-	10,637,609	57,878	10,695,487
Other comprehensive income - net of tax										
Effect of translation of net investment in foreign branch	-	103,311	-	-	-	-	-	-	-	103,311
Movement in surplus on revaluation of debt investments through FVOCI – net of tax	-	-	-	-	-	7,501,485	-	-	-	7,501,485
Gain on sale of debt securities carried at FVOCI reclassified to profit and loss – net of tax	-	-	-	-	-	(510,680)	-	-	-	(510,680)
Remeasurement loss on defined benefit plan	-	-	-	-	-	-	-	(73,930)	-	(73,930)
Movement in surplus on revaluation of investments in equity securities through FVOCI – net of tax	-	-	-	-	-	1,293,494	-	-	-	1,293,494
	-	103,311	-	-	-	8,284,299	-	(73,930)	-	8,313,680
Transfer to										
Statutory reserve	-	-	-	1,063,761	-	-	-	(1,063,761)	-	-
General reserve	-	-	-	-	11,977,902	-	-	(11,977,902)	-	-
	-	-	-	1,063,761	11,977,902	-	-	(13,041,663)	-	-
Gain on disposal of equity securities measured at FVOCI - net of tax	-	-	-	-	-	(168,796)	-	168,796	-	-
Transactions with owners, recorded directly in equity										
Final dividend 2024: Rs 3 per share	-	-	-	-	-	-	-	(4,347,898)	-	(4,347,898)
Final dividend of subsidiary 2024: Rs 1.5 per share	-	-	-	-	-	-	-	-	(42,336)	(42,336)
Balance as at June 30, 2025 (un-audited)	14,492,992	1,965,355	128,355	20,914,557	64,826,834	14,706,657	10,967,967	9,430,036	484,882	137,917,635
Total comprehensive income for the six month period ended December 31, 2025										
Profit after taxation for the six month period ended December 31, 2025	-	-	-	-	-	-	-	12,223,203	106,222	12,329,425
Other comprehensive income - net of tax										
Effect of translation of net investment in foreign branch	-	(79,804)	-	-	-	-	-	-	-	(79,804)
Movement in surplus on revaluation of debt investments through FVOCI – net of tax	-	-	-	-	-	4,898,291	-	-	-	4,898,291
Gain on sale of debt securities carried at FVOCI reclassified to profit and loss – net of tax	-	-	-	-	-	(1,037,907)	-	-	-	(1,037,907)
Movement in surplus on revaluation of equity investments through FVOCI – net of tax	-	-	-	-	-	1,470,650	-	-	-	1,470,650
Remeasurement gain on defined benefit plan	-	-	-	-	-	-	-	96,141	329	96,470
Movement in surplus on revaluation of property and equipment	-	-	-	-	-	-	1,823,229	-	-	1,823,229
	-	(79,804)	-	-	-	5,331,034	1,823,229	96,141	329	7,170,929
Transfer from surplus on revaluation of assets to unappropriated profit on disposal	-	-	-	-	-	-	(980,987)	980,987	-	-
Transfer to										
Statutory reserve	-	-	-	1,216,571	-	-	-	(1,216,571)	-	-
General reserve	-	-	-	-	-	-	-	-	-	-
	-	-	-	1,216,571	-	-	-	(1,216,571)	-	-
Gain on disposal of equity instruments measured at FVOCI - net of tax	-	-	-	-	-	(694,844)	-	694,844	-	-
Transactions with owners, recorded directly in equity										
Interim Dividend 2025: Rs 2 per share	-	-	-	-	-	-	-	(2,898,598)	-	(2,898,598)
Interim Dividend 2025: Rs 1.25 per share	-	-	-	-	-	-	-	(1,811,624)	-	(1,811,624)
Balance as at December 31, 2025 (audited)	14,492,992	1,885,551	128,355	22,131,128	64,826,834	19,342,847	11,810,209	17,498,418	591,433	152,707,767
Impact of adoption of IFRS 9 - net of tax (note 3.1)	-	-	-	-	-	-	-	(494,844)	-	(494,844)
Balance as at January 1, 2026	14,492,992	1,885,551	128,355	22,131,128	64,826,834	19,342,847	11,810,209	17,003,574	591,433	152,212,923
Total comprehensive income for the six month period ended June 30, 2026										
Profit after taxation for the six month period ended June 30, 2026	-	-	-	-	-	-	-	13,278,917	66,894	13,345,811
Other comprehensive loss - net of tax										
Effect of translation of net investment in foreign branch	-	(44,188)	-	-	-	-	-	-	-	(44,188)
Movement in surplus on revaluation of debt investments through FVOCI – net of tax	-	-	-	-	-	(5,224,552)	-	-	-	(5,224,552)
Gain on sale of debt securities carried at FVOCI reclassified to profit and loss – net of tax	-	-	-	-	-	(1,781,946)	-	-	-	(1,781,946)
Remeasurement loss on defined benefit plan	-	-	-	-	-	-	-	(425,226)	-	(425,226)
Movement in surplus on revaluation of equity investments through FVOCI – net of tax	-	-	-	-	-	(286,828)	-	-	-	(286,828)
	-	(44,188)	-	-	-	(7,293,326)	-	(425,226)	-	(7,762,740)
Transfer to										
Statutory reserve	-	-	-	1,333,427	-	-	-	(1,333,427)	-	-
General reserve	-	-	-	-	14,708,016	-	-	(14,708,016)	-	-
	-	-	-	1,333,427	14,708,016	-	-	(16,041,443)	-	-
Gain on disposal of equity securities measured at FVOCI - net of tax	-	-	-	-	-	(244,769)	-	244,769	-	-
Transactions with owners, recorded directly in equity										
Final dividend 2025: Rs. 1.75 per share	-	-	-	-	-	-	-	(2,536,273)	-	(2,536,273)
Interim Dividend 2026: Rs 2 per share	-	-	-	-	-	-	-	(2,898,598)	-	(2,898,598)
Final dividend of subsidiary 2025: Rs 1.5 per share	-	-	-	-	-	-	-	-	(42,336)	(42,336)
Balance as at June 30, 2026 (un-audited)	14,492,992	1,841,363	128,355	23,464,555	79,534,850	11,804,752	11,810,209	8,625,720	615,991	152,318,787

The annexed notes 1 to 40 form an integral part of these consolidated condensed interim financial statements.

Chief Financial Officer | President & CEO | Director | Director | Chairman

ASKARI BANK LIMITED
CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2026

	Note	Six month period ended	
		June 30, 2026	June 30, 2025
		------ Rupees in '000 ------	
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before taxation		28,140,452	27,880,489
Less: dividend income		(675,907)	(415,269)
		27,464,545	27,465,220
Adjustments:			
Net mark–up / interest income	27	(44,063,642)	(42,623,838)
Depreciation		1,242,432	901,971
Amortization	30	145,384	113,180
Depreciation on right-of-use assets	30	1,378,208	1,151,706
Interest expense on lease liability against right-of-use assets	26	1,143,235	934,807
Gain on termination of lease contracts under IFRS - 16	29	(6,532)	(11,129)
Charge for defined benefit plans		564,270	395,597
Credit loss allowance & write offs - net		(502,212)	710,679
Unrealised loss on revaluation of securities - FVTPL	28	147,450	163,355
Gain on sale of property and equipment	29	(27,906)	(22,220)
		(39,979,313)	(38,285,892)
		(12,514,768)	(10,820,672)
(Increase) / decrease in operating assets			
Lendings to financial institutions		(1,104,033)	(34,520,824)
Net investment in securities classified as FVTPL		(349,615)	2,432,142
Advances		(113,264,202)	179,598,139
Other assets		(15,128,514)	4,157,805
		(129,846,364)	151,667,262
Increase / (decrease) in operating liabilities			
Bills payable		(5,861,313)	(40,470,603)
Borrowings from financial institutions		127,976,913	109,355,758
Deposits		215,134,853	158,329,201
Other liabilities		21,147,990	2,039,995
		358,398,443	229,254,351
		216,037,311	370,100,941
Payment made to defined benefit plan		(50,720)	(32,236)
Mark–up / interest paid		(113,701,394)	(110,433,355)
Mark–up / interest received		153,671,493	162,782,033
Income tax paid		(14,910,450)	(18,472,275)
Net cash flow generated from operating activities		241,046,240	403,945,108
CASH FLOW FROM INVESTING ACTIVITIES			
Net investment in securities classified as FVOCI		(221,443,678)	(403,246,847)
Net investment in securities measured at amortized cost		6,544,699	(209,291)
Dividend received		677,022	399,700
Investments in property and equipment		(3,633,980)	(2,066,803)
Investments in intangible assets		(591,414)	(97,794)
Proceeds from sale of property and equipment		38,274	45,779
Effect of translation of net investment in foreign branch		(44,188)	103,311
Net cash flow used in investing activities		(218,453,265)	(405,071,945)
CASH FLOW FROM FINANCING ACTIVITIES			
Payments against lease liabilities under IFRS-16	18	(1,806,671)	(1,730,601)
Dividend paid		(5,384,172)	(4,344,843)
Net cash flow used in financing activities		(7,190,843)	(6,075,444)
Increase / (decrease) in cash and cash equivalents		15,402,132	(7,202,281)
Cash and cash equivalents at beginning of the period		122,792,311	146,511,213
Credit loss allowance on cash and cash equivalents - net		(10,744)	(16,878)
Cash and cash equivalents at end of the period		138,183,699	139,292,054

The annexed notes 1 to 40 form an integral part of these consolidated condensed interim financial statements.

Chief Financial Officer

President & CEO

Director

Director

Chairman

ASKARI BANK LIMITED
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2026

1 STATUS AND NATURE OF BUSINESS

The Group consists of Askari Bank Limited, the holding company, Foundation Securities (Private) Limited, a 51% owned subsidiary and Askari Currency Exchange (Private) Limited, a 100% owned subsidiary.

Askari Bank Limited (the Bank) was incorporated in Pakistan on October 9, 1991 as a Public Limited Company and is listed on the Pakistan Stock Exchange. The registered office of the Bank is situated at AWT Plaza, the Mall, Rawalpindi. The Bank is a scheduled commercial bank and is principally engaged in the business of banking as defined in the Banking Companies Ordinance, 1962. The Fauji Consortium: comprising of Fauji Foundation (FF) and Fauji Fertilizer Company Limited (FFCL) collectively own 71.91 (2025: 71.91) percent shares of the Bank. The ultimate parent of the Bank is Fauji Foundation. The Bank has 788 branches (2025: 757 branches); 787 (2025: 756 branches) in Pakistan and Azad Jammu and Kashmir including 396 (2025: 365) Islamic Banking branches and 66 (2025: 66) sub–branches and a Wholesale Bank Branch (WBB) in the Kingdom of Bahrain. The Pakistan Credit Rating Agency (PACRA) has assigned long term rating of AA+ and short term rating of A1+ to the Bank with stable outlook.

Foundation Securities (Private) Limited (FSL) was incorporated in Pakistan on January 18, 2005 under the repealed Companies Ordinance, 1984 as a private limited company. FSL is a Trading Right Entitlement Certificate (TREC) holder of the PSX and a coporate member of Pakistan Mercantile Exchange Limited. FSL is principally engaged in the business of equity and commodities brokerage, equity research and corporate financial advisory services. The registered office of FSL is situated at Ground Floor, Bahria Complex II, M.T. Khan Road, Karachi.

Askari Currency Exchange (Private) Limited (ACEL) was incorporated in Pakistan on April 18, 2024 under the Companies Act 2017 (XIX of 2017) as a private limited company. ACEL is principally engaged in business of dealing in currency exchange. The registered office of ACEL is situated at Ground Floor, Old Building, Marine Trade Centre, Kehkashan Block 9, Clifton, Karachi.

2 BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

2.1 BASIS OF PREPARATION

2.1.1 These consolidated financial statements represent financial statements of the Holding Company – Askari Bank Limited and its subsidiaries. The assets and liabilities of the subsidiaries have been consolidated on a line–by line basis and the investments held by the Holding Company is eliminated against the corresponding share capital of the subsidiaries in these consolidated financial statements.

2.1.2 These consolidated financial statements have been prepared in accordance with the format for preparation of the annual financial statements of the banks issued by the State Bank of Pakistan (SBP), vide its BPRD Circular No. 13 dated July 01, 2024.

2.1.3 In accordance with the directives of the Federal Government regarding the shifting of the banking system to Islamic modes, the State Bank of Pakistan (SBP) has issued various circulars from time to time. Permissible forms of trade–related modes of financing include purchase of goods by the banks from their customers and immediate resale to them at appropriate profit in price on deferred payment basis. The purchases and sales arising under the respective arrangements (except for Murabaha financings accounted for under Islamic Financial Accounting Standard – 1 “Murabaha”) are not reflected in these consolidated financial statements as such, but are restricted to the amount of facility actually utilized and the appropriate portion of profit thereon.

2.1.4 Items included in the consolidated financial statements are measured using the currency of the primary economic environment in which the Group operates. The consolidated financial statements are presented in Pakistan Rupee (Rupees), which is the Group's functional and presentation currency. Figures have been rounded off to the nearest thousand of rupees unless otherwise stated.

2.1.5 Subsidiary is that enterprise in which the holding company directly or indirectly controls, beneficially owns or holds more than 50% of the voting securities or otherwise has the power to elect and appoint more than 50% of its directors. The financial statements of the subsidiary are included in the consolidated financial statements from the date control commences until the date that control ceases.

2.2 STATEMENT OF COMPLIANCE

2.2.1 These consolidated financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards comprise of:

- International Accounting Standard (IAS) 34, 'Interim Financial Reporting', and IFRS accounting standards issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;

- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan (ICAP) as are notified under the Companies Act, 2017;

- Provisions of, directives and notifications 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).

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

2.2.2 The disclosures made in these consolidated condensed interim financial statements have been limited based on the format prescribed by the SBP vide BPRD Circular No. 2 dated February 9, 2023 and IAS 34. These consolidated condensed interim financial statements do not include all the information and disclosures required in the audited annual consolidated financial statements, and should be read in conjunction with the audited annual consolidated financial statements for the year ended December 31, 2025.

2.2.3 The State Bank of Pakistan has deferred the applicability of IFAS 3 'Profit and Loss Sharing on Deposits', vide BPRD Circular No.04 dated February 25, 2015 and International Accounting Standard 40, Investment Property, vide BSD Circular Letter no. 10 dated August 26, 2002, for banking companies till further instructions. Further, the SECP, through S.R.O 411(1)/2008 dated April 28, 2008, has deferred the applicability of IFRS 7, Financial Instruments: Disclosures, to banks. Accordingly, the requirements of these standards have not been considered in the preparation of these consolidated financial statements.

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

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

- IFRS 7, 'Financial Instruments: Disclosures'; the SECP through S.R.O. 742(1)/2025 dated April 16, 2025 has required disclosures regarding the significance of financial instruments to the Group's financial position and performance, as well as the nature, extent, and management of risks arising from such instruments. Accordingly, the Group will adopt IFRS 7 in preparing its annual financial statements for the year ending December 31, 2026. However, the disclosure requirements of IFRS 7 do not apply to these condensed interim financial statements except for those specified in paragraph 16A(j) of IAS 34, 'Interim Financial Reporting'.

- Certain amendments to IFRS 7 'Financial Instruments: Disclosures' and IFRS 9 'Financial Instruments' have become applicable on the Group which clarify the date of recognition and derecognition of a financial asset or financial liability. These amendments do not have any material impact and therefore, have not been detailed in these consolidated condensed interim financial statements.

2.2.5 Standards, interpretations of and amendments to published approved accounting standards that ar

There are certain new and amended standards, issued by IASB, interpretations and amendments that are mandatory for the Group's accounting periods beginning on or after January 1, 2026 but are considered not to be relevant or do not have any material effect on the Group's financial statements except for:

- the new standard - IFRS 18 'Presentation and Disclosure in Financial Statements' (published in April 2024) with applicability date of January 1, 2027. Application of IFRS will impact the presentation of the 'Statement of Profit and Loss Account' with certain additional disclosures as and when instructed by the SBP.

3 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 Group for the year ended December 31, 2025 except as disclosed in note 3.1 below.

3.1 IFRS 9 - Financial Instruments

3.1.1 The Group adopted IFRS 9 effective from January 1, 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 audited consolidated financial statements of the Group for the years ended December 31, 2024 and 2025, with the modified retrospective approach as permitted under IFRS 9.

3.1.2 In addition, the SBP, in a separate instruction vide BPRD/RPD/822456/25 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 Group has applied EIR on the financial instruments as at January 1, 2026. Accordingly, cumulative impact of application of EIR amounting to Rs. 494,844 thousand, net of tax, has decreased the equity at the beginning of the current period with a corresponding impact on income / mark-up accrued and mark-up / return / interest payable.

3.1.3 The SBP has directed the banks through its BPRD Circular Letter No. 1 dated January 22, 2025, to continue applying the existing revenue recognition methodology for Islamic operations, including the requirements of IFAS 1 and IFAS 2 until further instructions. Had IFRS 9 been adopted for revenue recognition related to Islamic operations, the revenue of the Group would have been higher by Rs. 1,391,819 thousand (June 30, 2025: Rs 605,532 thousand).

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The basis for accounting estimates adopted in the preparation of these consolidated condensed interim financial statements are same as that applied in the preparation of the audited annual consolidated financial statements for the year ended December 31, 2025, except for matter related to IFRS 9 which have been disclosed in note 3.1 to these consolidated condensed interim financial statements.

5 FINANCIAL RISK MANAGEMENT

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

		Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
6	**CASH AND BALANCES WITH TREASURY BANKS**		------ Rupees in '000 ------	
	In hand			
	Local currency		26,096,565	28,559,141
	Foreign currencies		5,682,182	6,457,427
			31,778,747	35,016,568
	With State Bank of Pakistan in			
	Local currency current accounts		51,433,671	49,154,084
	Foreign currency current account		7,297,152	6,935,682
	Foreign currency deposit account		12,522,023	12,842,042
			71,252,846	68,931,808
	With National Bank of Pakistan in			
	Local currency current accounts		6,165,005	5,038,319
	Prize Bonds		18,543	18,615
			109,215,141	109,005,310
	Less: Credit loss allowance held against cash and balances with treasury banks		(6,657)	(16,542)
	Cash and balances with treasury banks - net of credit loss allowance		109,208,484	108,988,768
7	**BALANCES WITH OTHER BANKS**			
	In Pakistan			
	In current accounts		2,695,612	1,708,710
	In deposit accounts		1,075,457	1,048,522
			3,771,069	2,757,232
	Outside Pakistan			
	In current accounts		3,025,538	7,071,368
	In deposit accounts		22,229,355	5,160,183
			25,254,893	12,231,551
			29,025,962	14,988,783
	Less: Credit loss allowance held against balances with other banks		(4,087)	(336)
	Balances with other banks - net of credit loss allowance		29,021,875	14,988,447
8	**LENDINGS TO FINANCIAL INSTITUTIONS**			
	Call / clean money lendings		-	6,600,000
	Repurchase agreement lendings (Reverse Repo)		2,886,600	-
	Bai Muajjal - financial institutions		4,999,056	-
	Placements with financial institutions		7,361,263	7,528,026
	Purchase under resale arrangement of equity securities		14,861	29,721
			15,261,780	14,157,747
	Less: Credit loss allowance / provision held against lending to financial institutions	8.1	(15,889)	(29,721)
	Lendings to financial institutions - net of credit loss allowance		15,245,891	14,128,026

			June 30, 2026 (Un-audited)		December 31, 2025 (Audited)	
8.1	**Lendings To Financial Institutions - particulars of credit loss allowance / provision**		Lending	Credit loss allowance / provision held	Lending	Credit loss allowance / provision held
			---------- Rupees in '000 ----------			
	Domestic					
	Performing	Stage 1	7,885,656	1,028	6,600,000	-
	Non-performing	Stage 3				
	Loss		14,861	14,861	29,721	29,721
			7,900,517	15,889	6,629,721	29,721
	Overseas					
	Performing	Stage 1	7,361,263	-	7,528,026	-
			15,261,780	15,889	14,157,747	29,721

9 INVESTMENTS

	June 30, 2026 (Un-audited)				December 31, 2025 (Audited)			
	Cost / amortized cost	Credit Loss allowance / provision	Surplus / (deficit)	Carrying value	Cost / amortized cost	Credit Loss allowance / provision	Surplus / (deficit)	Carrying value
	---------- Rupees in '000 ----------							
9.1 Investments by type:								
FVTPL								
Shares	656,522	-	(2,574)	653,948	2,075,184	-	2,730	2,077,914
Units of open end mutual funds	2,544,769	-	(143,892)	2,400,877	2,791,490	-	(197,948)	2,593,542
Federal Government Securities	892,806	-	-	892,806	867,160	-	30,866	898,026
Non Government Debt Securities	5,290,491	-	(984)	5,289,507	3,517,573	-	(52,082)	3,465,491
	9,384,588	-	(147,450)	9,237,138	9,251,407	-	(216,434)	9,034,973
FVOCI								
Federal Government Securities	2,138,507,296	(193,535)	14,689,694	2,153,003,455	1,916,513,443	(32,419)	29,278,307	1,945,759,331
Shares	7,760,706	-	9,912,436	17,673,142	6,501,734	-	11,031,317	17,533,051
Fully paid preference shares	27,314	-	10,286	37,600	27,314	-	(1,100)	26,214
Non Government Debt Securities	7,274,360	(364,032)	(19,184)	6,891,144	8,573,569	(391,163)	(10,925)	8,171,481
	2,153,569,676	(557,567)	24,593,232	2,177,605,341	1,931,616,060	(423,582)	40,297,599	1,971,490,077
Amortised cost								
Federal Government Securities	41,182,724	-	-	41,182,724	47,727,423	(11,647)	-	47,715,776
Non Government Debt Securities	90,903	(90,903)	-	-	90,903	(90,903)	-	-
	41,273,627	(90,903)	-	41,182,724	47,818,326	(102,550)	-	47,715,776
Subsidiaries	-	-	-	-	-	-	-	-
Total investments	2,204,227,891	(648,470)	24,445,782	2,228,025,203	1,988,685,793	(526,132)	40,081,165	2,028,240,826

	(Un-audited) June 30, 2026	(Audited) December 31, 2025
9.1.1 Investments given as collateral	------ Rupees in '000 ------	
The market value of investments given as collateral:		
Market Treasury Bills	-	22,068,937
Pakistan Investment Bonds	1,026,313,581	780,800,697
Overseas Bonds and Sukuks	23,027,457	-
Shares	322,381	379,380
	1,049,663,419	803,249,014

		(Un-audited) June 30, 2026	(Audited) December 31, 2025
9.3	**Credit loss allowance / provision against diminuition in value of investments**	------ Rupees in '000 ------	
9.3.1	Opening balance	526,132	1,086,264
	Charge / (reversals) for the period / year	122,338	(560,132)
	Closing balance	648,470	526,132

9.3.2 Particulars of credit loss allowance / provision against debt securities

		June 30, 2026 (Un-audited)		December 31, 2025 (Audited)	
		Outstanding Amount	Credit loss allowance held / provision held	Outstanding Amount	Credit loss allowance held / provision held
		---------- Rupees in '000 ----------			
Domestic					
Performing	Stage 1	2,982,156	1,148	1,527,491	18,976
Non-performing	Stage 3				
Loss		453,786	453,786	463,090	463,090
		3,435,942	454,934	1,990,581	482,066
Overseas					
Performing	Stage 1	28,062,827	193,536	13,228,712	44,066
Total		31,498,769	648,470	15,219,293	526,132

9.4 The market value of securities classified as amortised cost as at June 30, 2026 is Rs. 39,795,533 thousand (December 31, 2025: Rs. 47,360,272 thousand).

10 ADVANCES	Performing		Non Performing		Total	
	(Un-audited) June 30, 2026	(Audited) December 31, 2025	(Un-audited) June 30, 2026	(Audited) December 31, 2025	(Un-audited) June 30, 2026	(Audited) December 31, 2025
	Rupees in '000					
Loans, cash credits, running finances, etc.	497,307,374	406,359,651	24,775,916	26,441,769	522,083,290	432,801,420
Islamic financing and related assets	178,668,218	167,292,060	4,992,505	4,535,752	183,660,723	171,827,812
Bills discounted and purchased	30,129,846	17,937,163	2,070,061	2,113,323	32,199,907	20,050,486
Advances - gross	706,105,438	591,588,874	31,838,482	33,090,844	737,943,920	624,679,718
Credit loss allowance / provision against advances						
- Stage 1	(1,494,975)	(1,548,519)	-	-	(1,494,975)	(1,548,519)
- Stage 2	(5,195,756)	(4,708,881)	-	-	(5,195,756)	(4,708,881)
- Stage 3	-	-	(31,211,763)	(32,300,414)	(31,211,763)	(32,300,414)
	(6,690,731)	(6,257,400)	(31,211,763)	(32,300,414)	(37,902,494)	(38,557,814)
Advances - net of credit loss allowance / provision	699,414,707	585,331,474	626,719	790,430	700,041,426	586,121,904

10.1 Particulars of advances (gross)	(Un-audited) June 30, 2026	(Audited) December 31, 2025
	------ Rupees in '000 ------	
In local currency	675,924,513	583,064,620
In foreign currencies	62,019,407	41,615,098
	737,943,920	624,679,718

10.2 Advances include amount of Rs. 31,838,482 thousand (2025: Rs. 33,090,844 thousand) which have been placed under non-performing status / stage 3 as detailed below:

Category of classification (Stage 3)	June 30, 2026 (Un-audited)		December 31, 2025 (Audited)	
	Non Performing Loans	Credit loss allowance /	Non Performing Loans	Credit loss allowance /
Domestic	Rupees in '000			
Other Assets Especially Mentioned (OAEM)	148,777	66,368	422,081	209,943
Substandard	60,086	25,595	747,157	540,675
Doubtful	238,908	97,653	296,534	131,046
Loss	31,390,711	31,022,147	31,625,072	31,418,750
	31,838,482	31,211,763	33,090,844	32,300,414

10.3 Particulars of credit loss allowance / provision against advances

	June 30, 2026 (Un-audited)			
	Stage 1	Stage 2	Stage 3	Total
	Rupees in '000			
Opening balance	1,548,519	4,708,881	32,300,414	38,557,814
Charge for the period	484,525	2,899,126	2,151,855	5,535,506
Reversal for the period	(538,069)	(2,412,251)	(3,240,506)	(6,190,826)
	(53,544)	486,875	(1,088,651)	(655,320)
Closing balance	1,494,975	5,195,756	31,211,763	37,902,494

	December 31, 2025 (Audited)			
	Stage 1	Stage 2	Stage 3	Total
	Rupees in '000			
Opening balance	1,140,828	3,893,372	32,280,864	37,315,064
Impact of ECL recognised on adoption of IFRS–9	213,087	589,201	-	802,288
Balances as at January 1	1,353,915	4,482,573	32,280,864	38,117,352
Charge for the year	1,001,577	2,402,543	2,591,860	5,995,980
Reversal for the year	(806,973)	(2,176,235)	(1,332,991)	(4,316,199)
	194,604	226,308	1,258,869	1,679,781
Amounts written off / charged off	-	-	(1,239,319)	(1,239,319)
Closing balance	1,548,519	4,708,881	32,300,414	38,557,814

10.4 Advances - particulars of credit loss allowance / provision

	June 30, 2026 (Un-audited)		
	Stage 1	Stage 2	Stage 3
	Rupees in '000		
Opening balance	1,548,519	4,708,881	32,300,414
New Advances	464,039	7,171	366
Advances repaid	(444,094)	(244,849)	(942,790)
Transfer to / from stage 1	20,486	(19,194)	(1,292)
Transfer to / from stage 2	(90,694)	1,267,882	(1,177,188)
Transfer to / from stage 3	(3,281)	(2,148,208)	2,151,489
	(53,544)	(1,137,198)	30,585
Changes in risk parameters	-	1,624,073	(1,119,236)
Closing balance	1,494,975	5,195,756	31,211,763

	December 31, 2025 (Audited)		
	Stage 1	Stage 2	Stage 3
	Rupees in '000		
Opening balance	1,140,828	3,893,372	32,280,864
Impact of ECL recognised on adoption of IFRS–9	213,087	589,201	-
Balances as at January 1	1,353,915	4,482,573	32,280,864
New Advances	868,618	1,703,946	-
Advances repaid	(435,042)	(2,038,873)	(1,308,304)
Transfer to / from stage 1	132,959	(109,320)	(23,639)
Transfer to / from stage 2	(79,383)	80,431	(1,048)
Transfer to / from stage 3	(30,560)	(28,042)	58,602
	456,591	(391,859)	(1,274,389)
Amounts written off / charged off	-	-	(1,239,319)
Changes in risk parameters	(261,988)	618,166	2,533,258
Closing balance	1,548,519	4,708,881	32,300,414

10.5 Advances - category of classification

		June 30, 2026 (Un-audited)		December 31, 2025 (Audited)	
		Outstanding amount	Credit loss allowance / provision held	Outstanding amount	Credit loss allowance / provision held
		Rupees in '000			
Domestic					
Performing	Stage 1	593,205,970	1,466,175	483,118,998	1,548,519
Underperforming	Stage 2	102,315,651	5,156,076	106,228,892	4,652,904
Non-Performing	Stage 3				
Other assets especially mentioned		148,777	66,368	422,081	209,943
Substandard		60,086	25,595	747,157	540,675
Doubtful		238,908	97,653	296,534	131,046
Loss		31,390,711	31,022,147	31,625,072	31,418,750
		31,838,482	31,211,763	33,090,844	32,300,414
Sub Total		727,360,103	37,834,014	622,438,734	38,501,837
Overseas					
Performing	Stage 1	8,729,408	28,800	-	-
Underperforming	Stage 2	1,854,409	39,680	2,240,984	55,977
		10,583,817	68,480	2,240,984	55,977
Total		737,943,920	37,902,494	624,679,718	38,557,814

		Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
11	**PROPERTY AND EQUIPMENT**		------ Rupees in '000 ------	
	Capital work-in-progress	11.1	1,688,175	1,551,028
	Property and equipment		27,095,155	24,846,238
			28,783,330	26,397,266

11.1 This represents civil works in progress.

		(Un-audited) Six month period ended	
		June 30, 2026	June 30, 2025
11.2	**Additions to property and equipment**	------- Rupees in '000 -------	
	The following additions have been made to property and equipment during the period:		
	Capital work-in-progress - net	132,264	535,273
	Property and equipment		
	Renovation of premises	907,180	328,986
	Furniture, fixtures and office equipment	522,882	361,496
	Machine and equipment	1,266,784	599,410
	Computer equipment	549,634	408,687
	Vehicles	255,236	102,228
		3,501,716	1,800,807
	Total	3,633,980	2,336,080

11.3 Disposal of property and equipment

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

Renovation of premises	943	2,953
Furniture, fixtures and office equipment	6,784	3,841
Machine and equipment	1,880	2,216
Computer equipment	310	238
Vehicles	451	14,311
Total	10,368	23,559

		(Un-audited) June 30, 2026	(Audited) December 31, 2025
12	**RIGHT-OF-USE ASSETS**	------ Rupees in '000 ------	
	Net carrying amount at January 1,	15,128,302	12,196,186
	Additions during the period / year	2,923,861	5,689,674
	Depreciation for the period / year	(1,378,208)	(2,428,263)
	Terminations and other adjustments	(319,881)	(329,295)
	Net carrying amount at period / year end	16,354,074	15,128,302

13	**INTANGIBLE ASSETS**		
	Computer software	2,096,561	1,731,290
	Capital work-in-progress	566,379	483,870
		2,662,940	2,215,160

		(Un-audited) Six month period ended	
		June 30, 2026	June 30, 2025
13.1 Additions to intangible assets		------- Rupees in '000 -------	
The following additions have been made to intangible assets during the period:			
Software addition		508,905	42,915
Capital work-in-progress - net		82,509	54,879
		591,414	97,794

	Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
14 OTHER ASSETS		------ Rupees in '000 ------	
Income / mark-up accrued in local currency		63,441,745	59,313,288
Income / mark-up accrued in foreign currencies		1,158,484	955,802
Advances, deposits, advance rent and other prepayments	14.1	10,678,279	9,776,434
Advance taxation		9,112,217	9,566,189
Deferred cost on recognition of loan at fair value	14.2	4,023,396	4,412,757
Non-banking assets acquired in satisfaction of claims		354,648	366,160
Trade debts - unsecured - considered good		403,742	347,052
Receivable against trading of securities		-	147,388
Mark to market gain on forward foreign exchange contracts		-	-
Stationary and stamps in hand		574,054	413,469
Receivable from defined benefit plan		-	59,876
Dividend receivable		3,223	4,338
Margin against stand by letter of credit (SBLC)		173,724	158,828
Acceptances		23,830,338	12,242,718
Rebate receivable against home remittances		4,777,402	2,857,255
Others		750,333	787,774
		119,281,585	101,409,328
Less: Credit loss allowance / provision held against other assets	14.3	(698,145)	(730,423)
Other assets - net of credit loss allowance / provision		118,583,440	100,678,905
Surplus on revaluation of non-banking assets acquired in satisfaction of claims		602,230	602,230
Other assets - total		119,185,670	101,281,135

14.1 This includes the prepaid employment benefit amounting to Rs. 7,665,283 thousand (December 31, 2025: 7,299,665 thousand) recognized in connection with concessional staff facilities provided to employees. These facilities have been recognized at fair value on the date of disbursement. The resultant benefit arising from these concessional facilities is subsequently accounted for under IAS 19 Employee Benefits. The current period amortization of prepaid employee benefit asset amounts to Rs. 1,012,857 thousand (June 30, 2025: Rs. 847,356 thousand).

14.2 This represents deferred portion of fair value loss arisen on initial recognition of loan to PIA Holding Company Limited (PIAHCL). SBP through its circular 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 of 5%, 10%, 15%, 20%, 25%, and 25% from year 1 to year 6. Accordingly, the Group has amortised 15% in the current period on time apportion basis (December 31, 2025: 10%).

	(Un-audited) June 30, 2026	(Audited) December 31, 2025
14.3 Credit loss allowance / provision held against other assets	------ Rupees in '000 ------	
Advances, deposits, advance rent and other prepayments	4,838	4,838
Acceptances	506,390	538,317
Others	186,917	187,268
	698,145	730,423

		(Un-audited) June 30, 2026	(Audited) December 31, 2025
14.3.1	**Movement in credit loss allowance / provision held against other assets**	------ Rupees in '000 ------	
	Opening balance	730,423	478,632
	(Reversal) / charge for the period / year - net	(32,278)	251,791
	Closing balance	698,145	730,423
15	**BILLS PAYABLE**		
	In Pakistan	17,398,057	23,259,370
16	**BORROWINGS**		
	Secured		
	Borrowings from the State Bank of Pakistan under:		
	- Export refinance scheme	6,988,463	9,456,104
	- Long term financing facility	3,767,044	4,525,856
	- Financing facility for storage of agricultural produce	79,000	56,200
	- Renewable energy financing facility	3,076,830	3,382,492
	- Refinance from SBP		
	- Credit guarantee scheme for women entrepreneurs	43,614	54,573
	- Temporary economic refinance facility	5,330,822	5,944,439
	- Modernization of SME	262,696	302,878
	- Combating COVID-19	-	73,958
	- Rupee based discounting of bills / receivable	3,588,303	3,705,624
	- Special persons	320	360
	- Working capital financing	-	40,000
		23,137,092	27,542,484
	Repurchase agreement borrowings		
	- State Bank of Pakistan	1,012,499,466	704,004,760
	- Financial institutions	22,886,865	92,479,644
		1,035,386,331	796,484,404
	Refinance from Pakistan Mortgage Refinance Company	2,016,087	2,761,911
	Total secured	1,060,539,510	826,788,799
	Unsecured		
	Call borrowings	41,789,156	165,175,390
	Overdrawn nostro accounts	46,660	1,201,782
	Bai Muajjal - Financial institutions	13,449,823	-
	Financial institutions	5,563,228	1,400,615
	Total unsecured	60,848,867	167,777,787
		1,121,388,377	994,566,586

		June 30, 2026 (Un-audited)			December 31, 2025 (Audited)		
		In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
17	**DEPOSITS AND OTHER ACCOUNTS**	---------- Rupees in '000 ----------					
	Customers						
	Current deposits	650,474,314	36,760,010	687,234,324	464,930,070	34,773,304	499,703,374
	Savings deposits	889,250,932	62,811,642	952,062,574	841,460,015	69,598,202	911,058,217
	Fixed deposits	155,664,150	31,731,059	187,395,209	155,411,683	32,219,310	187,630,993
		1,695,389,396	131,302,711	1,826,692,107	1,461,801,768	136,590,816	1,598,392,584
	Financial institutions						
	Current deposits	2,153,904	44,331	2,198,235	1,558,139	199,083	1,757,222
	Savings deposits	7,387,024	47,471	7,434,495	6,892,451	53,727	6,946,178
	Fixed deposits	8,850,000	-	8,850,000	22,944,000	-	22,944,000
		18,390,928	91,802	18,482,730	31,394,590	252,810	31,647,400
		1,713,780,324	131,394,513	1,845,174,837	1,493,196,358	136,843,626	1,630,039,984

		(Un-audited) June 30, 2026	(Audited) December 31, 2025
18	**LEASE LIABILITIES**	------ Rupees in '000 ------	
	Outstanding amount at the start of the period / year	17,642,967	14,174,653
	Additions during the period / year	2,923,861	5,689,674
	Lease payments including interest	(1,806,671)	(3,836,902)
	Interest expense for the period / year	1,143,235	2,004,672
	Termination and other adjustments	(326,413)	(389,130)
	Outstanding amount at the end of the period / year	19,576,979	17,642,967
18.1	**Contractual maturities of lease liabilities**		
	Not later than one year	1,567,025	1,285,724
	Later than one year and upto five years	7,804,471	6,963,150
	Over five years	10,205,483	9,394,093
	Total at the end of the period / year	19,576,979	17,642,967

18.2 For the purpose of discounting, PKRV rates are being used.

		(Un-audited) June 30, 2026	(Audited) December 31, 2025
19	**SUBORDINATED DEBT**	------ Rupees in '000 ------	
	Term Finance Certificates - VI (ADT-1)	6,000,000	6,000,000

19.1 The Group has raised unsecured sub-ordinated loan through issuance of Term Finance Certificates (TFC) to improve the Group's capital adequacy. Liability to the TFC holders is subordinated to and rank inferior to all other indebtedness of the Group including deposits and is not redeemable before maturity without prior approval of the SBP. The salient features of outstanding issue are as follows:

	Term Finance Certificates - VI (ADT-1)
Outstanding amount - Rupees in '000	6,000,000
Issue amount	Rupees 6,000 million
Issue date	July 03, 2018
Maturity Date	Perpetual
Rating	AA-
Security	Unsecured
Listing	Listed
Profit payment frequency	Payable six monthly
Redemption	Perpetual
Mark-Up	Base Rate plus 1.50% Base Rate is the simple average of the ask rate of six month KIBOR prevailing on the base rate setting date.
Call option	Exercisable after 60 months from the date of issue subject to approval by the SBP.
Lock-in clause	Payment of profit will be subject to the condition that such payment will not result in breach of the Group's regulatory Minimum Capital Requirement or Capital Adequacy Ratio set by SBP from time to time. Any inability to exercise lock-in clause or the non-cumulative features will subject these TFCs to mandatory conversion into common shares / write off at the discretion of SBP.
Loss absorption clause	The Instrument will be subject to loss absorption and / or any other requirements of SBP upon the occurrence of a Point of Non-Viability event as per Section A-5-3 of Annexure 5 of the Circular, which stipulates that SBP may, at its option, fully and permanently convert the TFCs into common shares of the issuer and / or have them immediately written off (either partially or in full). Number of shares to be issued to TFC holders at the time of conversion will be equal to the 'Outstanding Value of the TFCs' divided by market value per share of the Group's common share on the date of trigger event as declared by SBP, subject to a specified cap.

	Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
		------ Rupees in '000 ------	
20 DEFERRED TAX LIABILITIES			
Taxable / (deductible) temporary differences on			
- Accelerated tax depreciation		449,386	521,674
- Surplus on revaluation of investments		12,788,480	20,954,752
- Lease liabilities net of right-of-use assets		(2,214,509)	(1,810,790)
- ECL against financial instruments and others		(5,768,140)	(5,384,942)
		5,255,217	14,280,694
21 OTHER LIABILITIES			
Mark-up / return / interest payable in local currency		10,984,379	10,723,369
Mark-up / return / interest payable in foreign currencies		1,379,593	1,403,007
Unearned commission and income on bills discounted		1,730,077	1,443,072
Accrued expenses		6,925,594	6,941,446
Advance payments		414,811	338,529
Acceptances		23,830,338	12,242,718
Dividend payable		379,333	328,634
Advance against sale of non-banking assets		204,383	142,290
Mark to market loss on forward foreign exchange contracts		142,211	9,100
Branch adjustment account		1,266,680	1,424,599
Payable to defined benefit plan		611,890	-
Provision for employees' compensated absences		1,255,220	988,210
Security deposit against lease / ijarah financing		9,219,318	6,360,164
Levies and taxes payable		1,646,522	1,620,392
Workers' Welfare Fund		2,784,596	2,451,596
Liability against trading of securities		191,353	-
Switch settlement accounts		10,599,960	5,480,541
Deferred grant on subsidised refinance loans		62,252	78,610
Trade and other payables		1,989,804	2,544,403
Credit loss allowance against / provision off-balance sheet obligations	21.1	1,525,797	1,442,783
Others		4,272,528	3,029,003
		81,416,639	58,992,466
21.1 Credit loss allowance / provision against off-balance sheet obligations			
Opening balance		1,442,783	755,760
Impact of ECL recognised on adoption of IFRS 9		-	103,899
Balances as at January 1		1,442,783	859,659
Charge for the period / year		83,014	583,124
Closing balance		1,525,797	1,442,783
22 SURPLUS ON REVALUATION OF ASSETS - NET OF TAX			
Surplus on revaluation of:			
- Securities measured at FVOCI - Debt		14,670,510	29,267,382
- Securities measured at FVOCI - Equity		9,922,722	11,030,217
- Property and equipment		11,207,979	11,207,979
- Non-banking assets acquired in satisfaction of claims		602,230	602,230
		36,403,441	52,107,808
Deferred tax on surplus on revaluation of:			
- Securities measured at FVOCI - Debt		(7,628,665)	(15,219,039)
- Securities measured at FVOCI - Equity		(5,159,815)	(5,735,713)
		(12,788,480)	(20,954,752)
		23,614,961	31,153,056

		Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
23	**CONTINGENCIES AND COMMITMENTS**		------ Rupees in '000 ------	
	- Guarantees	23.1	377,548,541	293,435,427
	- Commitments	23.2	505,673,719	447,746,557
	- Other contingent liabilities	23.3	809,024	1,109,184
			884,031,284	742,291,168
23.1	**Guarantees**			
	Financial guarantees		14,607,847	16,865,466
	Performance guarantees		184,496,002	173,693,662
	Other guarantees		178,444,692	102,876,299
			377,548,541	293,435,427
23.2	**Commitments**			
	Documentary credits and short-term trade-related transactions			
	- letters of credit		216,766,254	149,611,561
	Commitments in respect of:			
	- forward foreign exchange contracts	23.2.1	257,478,586	249,321,861
	- forward government securities transactions	23.2.2	15,389,950	23,000,000
	- forward non government securities transactions	23.2.3	783,545	1,715,934
	Commitments for acquisition of:			
	- property and equipment		884,684	849,893
	- intangible assets		467,608	253,849
	- undrawn loan commitments	23.2.4	13,903,092	22,993,459
			505,673,719	447,746,557
23.2.1	**Commitments in respect of forward foreign exchange contracts**			
	Purchase		129,362,433	144,329,274
	Sale		128,116,153	104,992,587
			257,478,586	249,321,861

The above commitments have maturities falling within one year.

23.2.2	**Commitments in respect of forward government securities transactions**			
	Purchase		5,661,950	11,000,000
	Sale		9,728,000	12,000,000
			15,389,950	23,000,000
23.2.3	**Commitments in respect of forward non government securities transactions**			
	Purchase		358,687	-
	Sale		424,858	1,715,934
			783,545	1,715,934

23.2.4 Undrawn loan commitments

The Group makes commitments to extend credit in the normal course of business but these being revocable commitments do not attract any significant penalty or the expense if the facility is unilaterally withdrawn, other than commitments in respect of syndicated long term financings amounting to Rs 13,903,092 thousand (December 31, 2025: Rs 22,993,459 thousand).

		(Un-audited) June 30, 2026	(Audited) December 31, 2025
23.3	**Other contigent liabilities**	------ Rupees in '000 ------	
	These represent certain claims by third parties against the Group, which are being contested in the Courts of law. Based on legal advice and / or internal assessment, management is confident that the matters will be decided in Group's favour and the possibility of any outcome against the Group is not probable and accordingly no provision has been made in these consolidated condensed interim financial statements.	259,180	574,236
	This represents stand by letters of credit issued by a correspondent bank on behalf of the Group.	549,844	534,948
		809,024	1,109,184

23.4 Tax related contingencies are dislcosed in note 33.1 to these concolidated condensed interim financial statements.

24 DERIVATIVE INSTRUMENTS

The Group at present does not offer derivative products such as Interest Rate Swaps, Cross Currency Swaps, Forward Rate Agreements or Foreign Exchange Options. The Group's Treasury and Investment Banking Groups buy and sell derivative instruments such as Forward Exchange Contracts (FECs) and Equity Futures (EFs).

		(Un-audited) Six month period ended	
		June 30, 2026	June 30, 2025
25 MARK-UP / RETURN / INTEREST EARNED	Note	------ Rupees in '000 ------	
Loans and advances		32,682,769	34,543,442
Investments		122,685,122	111,568,623
Lendings to financial institutions		815,925	551,720
Balances with banks		569,186	550,389
Securities purchased under resale agreements (Reverse Repo)		236,773	630,141
Amortization of loans under IFRS 9		1,012,857	847,356
		158,002,632	148,691,671
25.1 **Interest income calculated using effective interest rate method recognised on:**			
Financial assets measured at amortised cost		28,874,015	5,749,583
Financial assets measured at fair value through OCI		120,594,251	-
		149,468,266	5,749,583
26 MARK-UP / RETURN / INTEREST EXPENSED			
Deposits		48,251,661	49,494,772
Borrowings		63,327,397	54,139,033
Subordinated debts		359,592	799,614
Cost of foreign currency swaps against foreign currency deposits / borrowings		467,744	440,033
Interest expense on lease liability against right-of-use assets		1,143,235	934,807
Amortization of deferred cost on recognition of loan at fair value	14.2	389,361	259,574
		113,938,990	106,067,833
26.1 **Interest income calculated using effective interest rate method recognised on:**			
Financial liabilities		113,973,087	1,556,397
27 FEE AND COMMISSION INCOME			
Branch banking customer fees		461,704	487,545
Consumer finance related fees		114,534	59,869
Card related fees (debit and credit cards)		1,718,218	992,789
Credit related fees		327,677	303,294
Investment banking fees		180,898	121,981
Commission on trade		878,015	518,447
Commission on guarantees		801,202	668,905
Commission on remittances including home remittances		251,868	43,401
Commission on cash management		86,994	30,246
Commission on bancassurance		18,279	14,400
Others		383,901	347,520
		5,223,290	3,588,397
28 GAIN ON SECURITIES			
Realised gain	28.1	3,787,431	1,125,406
Unrealised loss on securities measured at FVTPL		(147,450)	(163,355)
		3,639,981	962,051
28.1 Realised gain on:			
Federal government securities		3,712,387	1,086,553
Shares		75,044	19,677
Non government debt securities		-	19,176
		3,787,431	1,125,406

			(Un-audited) Six month period ended	
			June 30, 2026	June 30, 2025
29	**OTHER INCOME**	Note	------ Rupees in '000 ------	
	Gain on sale of property and equipment - net		27,906	22,220
	Rent of lockers		28,303	28,694
	Recovery of expenses from customers		238,101	229,455
	Gain on termination of lease contracts under IFRS 16 - net		6,532	11,129
	Amortization of deferred liability under IFRS 9		16,358	22,044
			317,200	313,542
30	**OPERATING EXPENSES**			
	Total compensation expenses	30.1	14,204,194	10,633,609
	Property expense			
	Rent and taxes		49,700	73,334
	Insurance		85,437	70,563
	Utilities cost		1,015,448	783,610
	Security cost (including guards)		712,947	650,978
	Repair & maintenance (including janitorial charges)		476,887	352,666
	Depreciation on right-of-use assets		1,378,208	1,151,706
	Depreciation		300,481	210,196
			4,019,108	3,293,053
	Information technology expenses			
	Software maintenance		796,796	526,571
	Hardware maintenance		165,304	106,189
	Depreciation		339,793	289,352
	Amortisation		145,384	113,180
	Network charges		313,026	239,207
			1,760,303	1,274,499
	Other operating expenses			
	Directors' fees, allowances		23,200	26,160
	Fees and allowances to shariah board		6,061	5,936
	Rates, taxes, insurance etc.		158,892	82,034
	Legal and professional charges		90,105	74,482
	Travelling, conveyance and entertainment		426,293	301,915
	Brokerage and commission		165,507	122,846
	NIFT clearing charges		82,400	66,544
	Repair and maintenance		569,802	507,549
	Communications		548,895	601,619
	Postage & Courier		120,211	72,222
	Stationery and printing		616,955	737,732
	Marketing, advertisement and publicity		1,845,271	210,275
	Donations		20,000	-
	Auditors' remuneration		7,710	4,320
	Depreciation		602,158	412,058
	Security service charges		420,383	345,615
	Training and development		49,474	32,692
	Deposit premium expense		576,543	492,962
	Outsourced service cost		755,911	469,066
	Card related expenses		1,277,476	685,777
	CNIC verification		156,997	104,477
	Others		683,975	287,643
			9,204,219	5,643,924
			29,187,824	20,845,085
30.1	**Total compensation expense**			
	Managerial remuneration		11,395,970	8,567,000
	Charge for defined benefit / contribution plan		870,505	632,572
	Amortization of loans under IFRS 9		1,012,857	847,356
	Other staff cost	30.1.1	924,861	586,681
			14,204,194	10,633,609

30.1.1 Other staff cost includes incentive to consumer sales staff, dearness allowance, cash handling allowance, staff group insurance, provision for severance etc.

31 This represents penalties imposed by the State Bank of Pakistan.

	(Un-audited) Six month period ended	
	June 30, 2026	June 30, 2025
32 CREDIT LOSS ALLOWANCE / (REVERSALS) AND WRITE OFFS - NET	------ Rupees in '000 ------	
Credit loss allowance for diminution / provision in value of investments	122,338	215,081
(Reversal) / charge of credit loss allowance / provision against loans and advances	(655,320)	948,078
(Reversal) / charge of credit loss allowance / provision against other assets	(32,278)	134,638
Reversal of credit loss allowance / provision against lendings to financial institutions	(13,832)	(14,539)
Charge / (reversal) of credit loss allowance / provision against off-balance sheet obligations	83,014	(575,196)
(Reversal) / charge of credit loss allowance against cash and balances with treasury banks	(9,885)	2,901
Charge / (reversal) of credit loss allowance against balances with other banks	3,751	(284)
Recovery of written off / charged off bad debts	(120,082)	(74,061)
	(622,294)	636,618
33 TAXATION		
Current	15,099,256	15,164,558
Prior periods	-	4,374,038
Deferred	(304,615)	(2,353,594)
	14,794,641	17,185,002

33.1 Tax status and contingencies

i) The Group has filed tax returns for and up to tax year 2025. The assessments for and up to tax year 2025 were amended by the tax authorities creating accumulated additional tax demand, mainly in the matters of admissibility of recoveries against doubtful debts for Rs 1,539 million (December 31, 2025: Rs. 1,539 million), provision for diminution in the value of investments for Rs 2,630 million (December 31, 2025: Rs. 3,144 million), bad debts written off for Rs 244 million (December 31, 2025: Rs. 244 million), provision for substandard advances for Rs 75 million (December 31, 2025: Rs. 75 million), provision against other assets/fixed assets for Rs 164 million (December 31, 2025: Rs. 165 million), disallowance of credit loss allowance for Rs. 911 million (December 31, 2025: Nil), disallowance of employee benefit expenses for Rs 1,162 million (December 31, 2025: Rs. 625 million), and recoveries / other disallowances of expenses/credits for Rs 2,685 million (December 31, 2025: Rs. 1,453 million). Group's appeals against these orders are currently pending before Commissioner Appeals, Appellate Tribunal and Islamabad High Court. The management and tax advisor of the Group are confident that these matters will be decided in favor of the Group and consequently no provision has been made thereon. Tax payments by the Group against certain matters are being carried forward as receivable, as management and tax advisor of the Group are confident of their realization.

ii) Consequent upon the amalgamation with and into the Group, the outstanding tax issues relating to Askari Leasing Limited (ALL) are as follows:

Tax returns of ALL have been filed for and up to tax year 2010. The returns for the tax years 2003 to 2010 were amended by the tax authorities mainly in the matter of admissibility of initial allowance claimed on leased vehicles. On appeals filed by ALL, partial relief was provided by the CIR(A) by allowing initial allowance on commercial vehicles. Re–assessment has not yet been carried out by the tax department. A tax demand is however not likely to arise after re–assessment.

For and up to the assessment years 2002–2003, reference applications filed by the tax authorities in the matter of computation of lease income are pending decisions by the High Court. However, the likelihood of an adverse decision is considered low due to a favorable decision of the High Court in a parallel case.

	(Un-audited) six month period ended	
	June 30, 2026	June 30, 2025

34 BASIC AND DILUTED EARNINGS PER SHARE

Profit for the period - Rupees in '000	13,345,811	10,695,487
Weighted average number of Ordinary Shares - numbers	1,449,299,207	1,449,299,207
Basic earnings per share - Rupees	9.21	7.38

There is no dilutive effect on the basic earnings per share of the Group, therefore dilutive earnings per share have not been presented seperately.

35 FAIR VALUE MEASUREMENTS

The fair value of quoted securities other than those classified as Amortised Cost, is based on quoted market price. Quoted securities classified as Amortised Cost are carried at cost. The fair value of unquoted equity securities, other than investments in subsidiaries, is determined using valuation techniques / valuation models. The inputs to these models are taken from observable markets where possible and where this is not possible, estimation is required in establishing fair values.

The fair value of unquoted debt securities, fixed term advances, fixed term deposits and borrowings, other assets and other liabilities cannot be calculated with sufficient reliability due to the absence of a current and active market for such 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 they are either short-term in nature or, in the case of customer advances, deposits and certain long term borrowings, are frequently repriced.

All assets and liabilities for which fair value is measured or disclosed in these consolidated financial statements are categorized within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement.

35.1 Fair value of financial instruments

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

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

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurements using input for the 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:

	June 30, 2026 (Un-audited)			
	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	161,052,075	1,992,844,186	-	2,153,896,261
Shares	14,362,446	-	3,864,644	18,227,090
Units of open end mutual funds	1,139,454	1,261,423	-	2,400,877
Fully paid preference shares	37,600	-	-	37,600
Non government debt securities	1,052,188	11,128,463	-	12,180,651
	177,643,763	2,005,234,072	3,864,644	2,186,742,479
Financial assets - disclosed but not measured at fair value				
Investments				
Federal government securities	-	41,182,724	-	41,182,724
	177,643,763	2,046,416,796	3,864,644	2,227,925,203
Off-balance sheet financial instruments - measured at fair value				
Forward purchase of foreign exchange	-	(781,388)	-	(781,388)
Forward sale of foreign exchange	-	639,177	-	639,177

	December 31, 2025 (Audited)			
	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	97,331,600	1,849,325,757	-	1,946,657,357
Listed shares	15,746,321	-	-	15,746,321
Unlisted shares	-	-	3,864,644	3,864,644
Units of open end mutual funds	1,186,616	1,406,926	-	2,593,542
Fully paid preference shares	26,214	-	-	26,214
Non government debt securities	1,126,677	10,510,295	-	11,636,972
	115,417,428	1,861,242,978	3,864,644	1,980,525,050
Financial assets - disclosed but not measured at fair value				
Investments				
Federal government securities	-	47,715,776	-	47,715,776
	115,417,428	1,908,958,754	3,864,644	2,028,240,826
Off-balance sheet financial instruments - measured at fair value				
Forward purchase of foreign exchange	-	(1,194,100)	-	(1,194,100)
Forward sale of foreign exchange	-	1,185,000	-	1,185,000

35.2 The Group's policy is to recognize transfers into and out of the different fair value hierarchy levels at the date the event or change in circumstances that caused such transfer to takes place. There were no transfers between levels 1 and 2 during the period.

35.3 Valuation techniques used in determination of fair values

35.3.1 Fair value of financial assets

(a) Financial instruments in level 1

Financial instruments included in level 1 comprise of investments in listed GoP Sukuks, ordinary shares of listed companies, units of open end listed mutual funds, listed fully paid preference shares, and listed non government debt securities.

(b) Financial instruments in level 2

Financial instruments included in level 2 comprise of Market Treasury Bills, Pakistan Investment Bonds, GoP Sukuks, overseas Bonds and Sukuks, units of open end mutual funds, unlisted non government debt securities, and forward foreign exchange contracts.

(c) Financial instruments in level 3

Financial instruments included in level 3 comprise of unlisted ordinary shares. Valuation techniques are mentioned in the table below.

The fair value of fixed term loans, other assets, other liabilities, fixed term deposits and borrowings cannot be calculated with sufficient reliability due to the absence of a current and active market for these assets and liabilities and reliable data regarding market rates for similar instruments.

	(Un-audited) June 30, 2026	(Audited) December 31, 2025
35.3.2 Fair value of non financial assets	------ Rupees in '000 ------	
	Level 3	Level 3
Property and equipment		
Freehold and leasehold land	15,164,996	15,164,996
Other assets		
Non-banking assets acquired in satisfaction of claims	956,878	968,390

35.3.3 Valuation techniques

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.
Overseas Bonds and Sukuks	The fair value of overseas sukuks, and overseas bonds are determined on the basis of price available on Reuters.
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.
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.
Shares - unlisted	The fair value of investments in unlisted equity securities are valued on the basis of income approach.
Preference shares - unlisted	The fair value of investment in unlisted preference shares are valued at market approach.
Forward foreign exchange contracts	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	The valuation experts used a market based approach to determined the fair value of the Group's properties. The market approach uses prices and other relevant information generated by market transactions involving identical, comparable or similar properties. These values are adjusted to reflect the current condition of the properties. 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.

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements of investment and advances, (The valuation techniques are stated above):

Description	(Un-audited) Fair value as at June 30, 2026	(Audited) Fair value as at December 31, 2025	Unobservable inputs	Discount rate	Relationship of unobservable inputs to fair value
	------ Rupees in '000 ------				
Shares - unlisted (income approach)	3,217,000	3,217,000	Discount rate	20%	Increase / (decrease) in discount rate by 1% with all other variables held constant, would (decrease) / increase the fair value by Rs. 111 million and Rs. 127 million respectively.
	647,644	647,644		18%	Increase / (decrease) in discount rate by 1% with all other variables held constant, would (decrease) / increase the fair value by Rs. 13 million and Rs. 15 million respectively.

36 SEGMENT INFORMATION

36.1 Segment details with respect to business activities

The segment analysis with respect to business activity is as follows:

	For the Six month period ended June 30, 2026 (Un-audited)							
	Branch banking	Corporate banking	Treasury	Consumer banking	Islamic banking	Foreign operations	Head Office / others	Total
	Rupees in '000							
Statement of Profit and Loss account								
Net mark-up / return / profit	(30,192,559)	7,764,106	52,686,825	2,041,770	10,346,886	674,779	741,835	44,063,642
Inter segment revenue - net	50,928,710	(5,821,013)	(47,120,501)	(1,092,718)	(255,840)	231,458	3,129,904	-
Non mark-up / return / interest income	3,048,357	1,531,423	7,178,441	347,830	886,069	24,814	(34,584)	12,982,350
Total income	23,784,508	3,474,516	12,744,765	1,296,882	10,977,115	931,051	3,837,155	57,045,992
Segment direct expenses	9,601,873	615,096	389,871	1,305,207	6,273,903	136,910	11,204,974	29,527,834
Inter segment expense allocation	798,251	636,501	125	71,687	-	-	(1,506,564)	-
Total expenses	10,400,124	1,251,597	389,996	1,376,894	6,273,903	136,910	9,698,410	29,527,834
Credit loss allowance	26,298	(905,105)	(50,849)	74,187	64,092	163,147	5,936	(622,294)
Profit before tax	13,358,086	3,128,024	12,405,618	(154,199)	4,639,120	630,994	(5,867,191)	28,140,452

	As at June 30, 2026 (Un-audited)							
	Branch banking	Corporate banking	Treasury	Consumer banking	Islamic banking	Foreign operations	Head Office / others	Total
	Rupees in '000							
Statement of Financial Position								
Cash and bank balances	23,223,999	-	88,521,754	116,183	24,804,812	1,563,611	-	138,230,359
Investments	-	7,709,675	1,952,192,167	-	235,984,208	27,869,292	4,269,861	2,228,025,203
Lendings to financial institutions	-	-	2,885,731	-	4,998,897	7,361,263	-	15,245,891
Advances - performing	137,153,125	340,250,721	4,489,508	23,663,750	178,014,031	10,515,337	5,328,236	699,414,707
Advances - non-performing	147,736	157,334	-	99,226	212,947	-	9,476	626,719
Others	7,783,862	8,011,058	69,226,448	3,843,719	33,904,368	410,785	43,805,774	166,986,014
Total assets	168,308,722	356,128,788	2,117,315,608	27,722,877	477,919,263	47,720,288	53,413,347	3,248,528,893
Borrowings	4,299,095	18,214,382	1,040,955,045	2,016,087	34,637,377	21,266,391	-	1,121,388,377
Subordinated debt	-	-	-	-	-	-	6,000,000	6,000,000
Deposits and other accounts	1,249,482,320	214,296,068	-	3,153	378,966,273	2,427,023	-	1,845,174,837
Net inter segment balances - net	(1,110,489,720)	97,464,423	1,072,141,836	22,006,256	-	17,291,625	(98,414,420)	-
Others	25,017,027	26,153,915	4,218,727	3,697,381	30,574,783	6,735,249	27,249,810	123,646,892
Total liabilities	168,308,722	356,128,788	2,117,315,608	27,722,877	444,178,433	47,720,288	(65,164,610)	3,096,210,106
Equity	-	-	-	-	33,740,830	-	118,577,957	152,318,787
Total equity and liabilities	168,308,722	356,128,788	2,117,315,608	27,722,877	477,919,263	47,720,288	53,413,347	3,248,528,893
Contingencies and commitments	26,820,111	520,854,453	273,052,506	552,531	61,343,189	-	1,408,494	884,031,284

	For the Six month period ended June 30, 2025 (Un-audited)							
	Branch banking	Corporate banking	Treasury	Consumer banking	Islamic banking	Foreign operations	Head Office / others	Total
	Rupees in '000							
Statement of Profit and Loss account								
Net mark-up / return / profit	(35,581,832)	16,775,333	54,185,334	2,070,990	5,177,412	1,003,689	(1,007,088)	42,623,838
Inter segment revenue - net	54,521,668	(11,913,744)	(43,587,911)	(1,180,632)	(44,211)	(497,172)	2,702,002	-
Non mark-up / return / interest income	1,324,561	2,096,113	2,535,144	293,490	311,652	3,590	469,185	7,033,735
Total income	20,264,397	6,957,702	13,132,567	1,183,848	5,444,853	510,107	2,164,099	49,657,573
Segment direct expenses	11,048,461	786,689	259,941	1,930,826	2,725,656	125,871	4,263,022	21,140,466
Inter segment expense allocation	(128,245)	228,587	5,663	67,136	-	-	(173,141)	-
Total expenses	10,920,216	1,015,276	265,604	1,997,962	2,725,656	125,871	4,089,881	21,140,466
Credit loss allowance	(397,219)	164,832	212,659	(8,478)	380,130	270,243	14,451	636,618
Profit before tax	9,741,400	5,777,594	12,654,304	(805,636)	2,339,067	113,993	(1,940,233)	27,880,489

	As at December 31, 2025 (Audited)							
	Branch banking	Corporate banking	Treasury	Consumer banking	Islamic banking	Foreign operations	Head Office / others	Total
	Rupees in '000							
Statement of Financial Position								
Cash and bank balances	39,713,267	-	52,665,636	102,803	29,816,282	114,418	1,564,809	123,977,215
Investments	-	10,120,611	1,840,134,305	-	163,750,022	13,228,464	1,007,424	2,028,240,826
Lendings to financial institutions	-	-	-	-	6,600,000	7,528,026	-	14,128,026
Advances - performing	26,502,676	353,989,560	-	21,945,763	166,356,832	2,185,007	14,351,636	585,331,474
Advances - non-performing	315,112	293,975	-	108,383	72,960	-	-	790,430
Others	3,935,204	22,944,180	38,335,112	680,778	21,079,591	278,113	57,768,885	145,021,863
Total Assets	70,466,259	387,348,326	1,931,135,053	22,837,727	387,675,687	23,334,028	74,692,754	2,897,489,834
Borrowings	1,060,876	23,136,571	942,714,152	2,761,911	23,492,461	1,400,615	-	994,566,586
Subordinated debt	-	-	-	-	-	-	6,000,000	6,000,000
Deposits and other accounts	1,029,651,457	284,823,966	-	3,200	312,152,823	4,634,386	(1,225,848)	1,630,039,984
Net inter segment balances - net	(990,090,551)	62,214,574	972,209,047	12,452,605	-	17,129,897	(73,915,572)	-
Others	29,844,477	17,173,215	16,211,854	7,620,011	21,205,973	169,130	21,950,837	114,175,497
Total liabilities	70,466,259	387,348,326	1,931,135,053	22,837,727	356,851,257	23,334,028	(47,190,583)	2,744,782,067
Equity	-	-	-	-	30,824,430	-	121,883,337	152,707,767
Total equity and liabilities	70,466,259	387,348,326	1,931,135,053	22,837,727	387,675,687	23,334,028	74,692,754	2,897,489,834
Contingencies and commitments	12,285,507	433,612,602	273,353,287	541,416	21,023,984	1,995	1,481,777	742,300,568

37 RELATED PARTY TRANSACTIONS

Fauji Consortium comprising of Fauji Foundation and Fauji Fertilizer Company Limited (the Parent) holds 71.91% of the Group's share capital at the period end. Accordingly, all the subsidiaries and associates of the Fauji consortium are the related parties of the Group. The Group also has related party relationships with its directors, key management personnel and employees' funds.

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 and balances are as follows:

	As at June 30, 2026 (Un-audited)				As at December 31, 2025 (Audited)			
	Parent	Directors	Key management personnel & their relatives	Other related parties	Parent	Directors	Key management personnel & their relatives	Other related parties
	Rupees in '000							
Investments								
Opening balance	-	-	-	10,121,783	-	-	-	4,283,287
Investment made during the period / year	-	-	-	-	-	-	-	20,614
Revaluation adjustment	-	-	-	(1,691,573)	-	-	-	5,405,563
Investment redeemed / disposed off during the period / year	-	-	-	(15,837)	-	-	-	(119,316)
Transfer in / (out) - net	-	-	-	6,264	-	-	-	531,635
Closing balance	-	-	-	8,420,637	-	-	-	10,121,783
Deficit on revaluation of investments	-	-	-	898,458	-	-	-	898,458
Advances								
Opening balance	7,971,901	3,570	202,082	12,809,917	17,970,281	1,292	266,833	13,638,055
Addition during the period / year	400,594,352	8,802	434,312	56,168,686	635,348,507	33,444	136,891	55,316,196
Repaid during the period / year	(400,206,115)	(11,604)	(101,460)	(36,059,770)	(645,346,886)	(31,083)	(91,762)	(56,144,334)
Transfer in / (out) - net	-	-	(650)	(2,245,876)	-	(83)	(109,880)	-
Closing balance	8,360,138	768	534,284	30,672,957	7,971,901	3,570	202,082	12,809,917
Credit loss allowance against advances	736	-	1,094	2,765,245	1,091	6	85	1,984,522
Other Assets								
Interest / mark-up accrued	119,673	23	30,853	428,517	187,427	55	28,581	233,036
Advance rent	372	-	-	-	2,000	-	-	1,670
Receivable from staff retirement fund	-	-	-	-	-	-	-	75,070
Acceptances	4,027,513	-	-	454,546	860,234	-	-	227,238
Others	68,000	-	-	-	-	-	-	-
Borrowings								
Opening balance	-	-	-	2,761,911	-	-	-	4,252,855
Borrowings during the period / year	-	-	-	-	-	-	-	-
Settled during the period	-	-	-	(745,823)	-	-	-	(1,490,944)
Closing balance	-	-	-	2,016,088	-	-	-	2,761,911
Deposits and other accounts								
Opening balance	44,177,045	173,118	129,151	49,860,540	18,698,701	43,251	234,398	25,168,932
Received during the period / year	240,510,252	790,196	846,903	614,547,786	716,688,077	757,192	837,811	1,010,264,386
Withdrawn during the period / year	(243,149,738)	(816,229)	(789,672)	(617,511,934)	(691,209,733)	(713,783)	(790,873)	(985,995,795)
Transfer in / (out) - net	-	-	(8,745)	(859,196)	-	86,458	(152,185)	423,018
Closing balance	41,537,560	147,085	177,638	46,037,197	44,177,045	173,118	129,151	49,860,540
Other Liabilities								
Interest / mark-up payable	32,617	65	325	317,295	345,982	3,634	837	849,976
Payable to staff retirement fund	-	-	-	611,890	-	-	-	-
Acceptances	4,027,513	-	-	454,546	860,234	-	-	227,238
Security deposits payable	-	-	-	993,908	-	-	-	831,716
Others	-	-	52,071	35,777	-	-	60,244	25,426
Guarantees and Commitments								
Guarantees and Commitments	3,318,087	-	-	9,702,104	6,468,035	-	-	7,425,207
Others								
Dividend paid	3,908,342	-	-	39,581	6,513,901	-	-	63,689
Securities held as custodian	25,367,000	-	42,000	14,367,440	32,840,000	9,400	76,000	15,408,455

	For the six month period ended June 30, 2026 (Un-audited)				For the six month period ended June 30, 2025 (Un-audited)			
	Parent	Directors	Key management personnel & their relatives	Other related parties	Parent	Directors	Key management personnel & their relatives	Other related parties
	------ Rupees in '000 ------							
Income								
Mark-up / return / interest earned	271,728	241	4,473	1,227,860	419,432	258	2,827	397,992
Fee and commission income	2,125	-	-	99,030	1,531	-	-	21,642
Dividend income	-	-	-	354,880	-	-	-	155,653
Other Income	1,668	-	-	91,656	3,116	-	-	9,788
Gain on securities	-	-	-	2,997	-	-	-	-
Expense								
Mark-up / return / interest expensed	610,969	6,554	5,864	1,390,769	1,675,672	5,130	4,496	1,470,480
Charge to defined benefit plan	-	-	-	564,270	-	-	-	395,597
Contribution to defined contribution plan	-	-	-	306,235	-	-	-	236,975
Remuneration and allowances	-	-	560,136	6,061	-	-	316,316	5,936
Rent	1,663	-	-	8,491	2,055	-	-	132
Communications	-	-	-	241,082	-	-	-	130,253
Brokerage and Commission	-	-	-	102,666	-	-	-	46,903
Directors' Fee, Allowances	-	23,200	-	-	-	26,160	-	-
Marketing, advertisement and publicity	-	-	-	9,398	-	-	-	-
Others	-	-	-	1,134	1,356	-	-	-

In addition to above, rent free sub-branches are operating at FFC Sona Tower, FFBL Tower and Foundation University (along with booths and ATMs).
The term 'key management personnel' shall have the same meaning as defined in IAS 24 - Related party disclosures.

38 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

	(Un-audited) June 30, 2026	(Audited) December 31, 2025
	------ Rupees in '000 ------	
Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	14,492,992	14,492,992
Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier 1 (CET 1) Capital	125,921,416	119,608,528
Eligible Additional Tier 1 (ADT 1) Capital	4,476,554	5,425,000
Total Eligible Tier 1 Capital	130,397,969	125,033,528
Eligible Tier 2 Capital	23,614,961	31,153,056
Total Eligible Capital (Tier 1 + Tier 2)	154,012,930	156,186,584
Risk Weighted Assets (RWAs):		
Credit Risk	540,965,074	435,314,278
Market Risk	136,931,073	120,409,673
Operational Risk	158,647,574	158,647,574
Total	836,543,722	714,371,525
Common Equity Tier 1 Capital Adequacy Ratio	15.05%	16.74%
Tier 1 Capital Adequacy Ratio	15.59%	17.50%
Total Capital Adequacy Ratio	18.41%	21.86%
Leverage Ratio (LR):		
Eligible Tier-1 Capital	130,397,969	125,033,528
Total Exposures	3,918,319,272	3,372,505,442
Leverage Ratio	3.33%	3.71%
Liquidity Coverage Ratio (LCR):		
Total High Quality Liquid Assets	1,287,095,208	1,099,921,936
Total Net Cash Outflow	630,196,979	536,822,653
Liquidity Coverage Ratio	204.24%	204.89%
Net Stable Funding Ratio (NSFR):		
Total available stable funding	1,808,317,988	1,598,153,177
Total required stable funding	720,921,531	686,998,141
Net Stable Funding Ratio	250.83%	232.63%

38.1 The SBP in its application instructions for IFRS 9 has permitted the banks to adopt a transitional approach to phase in the initial impact of ECL for stage 1 and 2 financial assets over a period of five years. Had this relaxation not been availed, the Group's CAR and Leverage Ratio would have been lower by 0.19% and 0.04% respectively.

39 GENERAL

39.1 Non-adjusting events after the balance sheet date

The Board of Directors in its meeting held on July 31, 2026 has announced an interim cash dividend of Rs. 2 per share for the six month period ended June 30, 2026. These consolidated condensed interim financial statements for the six month period ended June 30, 2026 do not include the effect of this appropriation which will be accounted for subsequent to the period end.

39.2 Reclassification of comparative figures

Comparative information within operating expenses has been re-arranged or additionally incorporated to facilitate comparison.

40 DATE OF AUTHORIZATION

These consolidated condensed interim financial statements were authorized for issue by the Board of Directors on July 31, 2026.

Chief Financial Officer

President & CEO

Director

Director

Chairman

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