Sindh Bank Limited

Half Yearly Financial Statements

June 30, 2026

DIRECTORS' REPORT

On behalf of the Board of Directors of Sindh Bank, I am presenting herewith the financial results for the half year ended June 30, 2026. Review of performance is presented below:

(Rupees in '000)

Balance Sheet	As on June 30, 2026	As on Dec 31, 2025	% age Change Increase/(decrease)
Paid up Capital	34,524,428	34,524,428	-
Reserves	3,601,067	3,119,515	15.44%
Accumulated losses	(4,416,597)	(6,050,851)	(27.01%)
Paid up Capital net of accumulated losses	33,708,898	31,593,581	6.70%
Surplus/(deficit) on Revaluation of Assets -net	1,058,813	1,955,254	(45.85%)
Equity	34,767,711	33,548,224	3.64%
Borrowings	885,000	1,080,000	(18.06%)
Deposits	356,657,389	342,091,252	4.26%
Investment (carrying value)	211,784,372	166,642,939	27.09%
Gross Advances	145,260,191	170,501,738	(14.80%)

Profit & Loss Account	Half Year Ended June 30,2026	Half Year Ended June 30,2025	%age Change Increase/(decrease)
Markup/return/interest income	19,100,833	18,522,116	3.12%
Markup/return/interest expenses	11,402,946	13,516,772	(15.64%)
Net markup/return/interest income	**7,697,887**	**5,005,344**	**53.79%**
Fee, Commission & Other Income	405,697	367,955	10.26%
Foreign Exchange Income	328,897	48,534	577.65%
Dividend Income	80,347	27,248	194.87%
Gain/ (loss) on securities	(219,153)	494,527	(144.32%)
Non-mark-up/non-interest income	**595,788**	**938,264**	**(36.50%)**
Total income	**8,293,675**	**5,943,608**	**39.54%**
Non-mark-up/interest expenses	**6,356,417**	**5,193,548**	**22.39%**
Profit / (Loss) before Tax & Provisions	**1,937,258**	**750,060**	**158.28%**
Credit allowance and write offs	409,656	808,604	(49.34)%
Reversal of credit allowance	(2,524,040)	(1,142,136)	120.99%
Credit allowance and write offs-net	**(2,114,384)**	**(333,532)**	**533.94%**
Profit / (Loss) Before Tax	**4,051,642**	**1,083,594**	**273.90%**
Profit / (Loss) After Tax	**2,408,366**	**500,380**	**381.3%**
Profit / (Loss) per share (Rupees)	**0.70**	**0.14**	**400%**

Other Information	As on June 30,2026	As on Dec 31, 2025	%age Change
No. of Accounts	1,835,443	1,637,468	12.09%
Number of Branches	330	330	-

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سندھ بینک لمیٹڈ
ہیڈ آفس، تیسری منزل، فیڈریشن ہاؤس،
عبداللہ شاہ غازی روڈ، کلفٹن، کراچی-۷۵۶۰۰

Pre-tax profit for the six months ended June 30,2026 amounted to Rs.4,051-mn compared to pre-tax profit of Rs.1,083-mn in the same period last year registering increase of 273.90%, attributable factors of such variance are:

- Increase in Net Interest Income by Rs.2,692-mn i.e 53.79%, during growth in earning assets, concentrate on cost effective deposit with prime focus for mobilization of current account through NTBs and recovery of NPL.

- Throughout the period, the bank's main emphasis was on recovering non-performing loans. As a result, the bank recorded reversal of provisions totaling Rs.2,524-mn, compared to Rs.1,142-mn the same period last year.

- Non-markup income experienced decline amounting to Rs.342.47-mn due to adverse market conditions arising from geopolitical tensions and war during the period, driving diminution / deficit in value of Investments by Rs.219.15-mn, compared to a gain on sale of investments of Rs.494.52-mn in the same period last year.

- Non-markup expenses increased by Rs.1,613-mn i.e 22.39 % which was mainly attributable due to increase in operational costs in line with the Bank's ongoing business activities.

Post tax profit for the half year ended June 30, 2026 amounted to Rs.2,408-mn, quadrupling after tax profit of Rs. 500.38-mn in the same period last year.

Total Assets stood at Rs.409.95-bn as compared to Rs.397.57-bn as at December 31, 2025, thereby registering increase 3% of Rs.12.38-bn.

Carrying value of Investments as at June 30, 2026 amounted to Rs.211.78-bn i.e increase by 27.09 % higher than Rs. 166.64-bn as at December 31, 2025.

Gross Advances declined by 14.80%, decreasing from Rs.171 billion as at December 31, 2025 to Rs.145 billion, primarily due to a reduction in Government-Backed Commodity Financing. Despite the overall decline in the Advances portfolio, the Bank achieved growth in private sector lending, Corporate Commercial Finance increasing by Rs. 9.87-bn(15.83%), SME financing by Rs.496-mn(5.21%), Agriculture Finance by Rs.337-mn(37.45%) and Consumer Finance by Rs.172-mn(11.95%) during the period.

Total Deposits increased 4.26% to Rs356.65-bn as of June 30,2026 compared to Rs.342.09-bn as on December 31, 2025. Number of customer accounts stood at 1,835,443 after increase of 197,975accounts (i.e. 12.09%) during the period which depicts customer's preferences and brisk activities at branches to introduce new customers to Bank.

CREDIT RATING

VIS Credit Rating Company has reaffirmed the long-term entity rating AA (Double A) and short-term rating A1+ (A One plus) in its report dated June 30, 2026.

MINIMUM CAPITAL REQUIREMENT & CAPITAL RATIOS

Bank's Capital Adequacy Ratio stood at 21.81% well above the minimum requirement of 11.5% and Leverage Ratio at 5.63% against minimum requirement of 3% as on June 30, 2026.

ECONOMIC REVIEW

Pakistan's real GDP growth for FY26 has been provisionally estimated at 3.7%, primarily underpinned by the services and industry sectors, with meaningful contribution from agriculture. Moreover, headline inflation for FY26 arrived at 7.03% as compared to 4.61% recorded last year driven largely by elevated food & energy prices due to the US-Iran war as well as the low-base effect. The increase in NCPI (National Consumer Price Index) prompted the SBP to maintain a relatively tight monetary policy stance, keeping the policy rate around the 11% level during the fiscal year. This included a 100-basis-point increase in the benchmark policy rate in April 2026, bringing it to the current level of 11.50%.

Moreover, Pakistan posted a Current Account Deficit of USD 139Mn for FY26 as compared to a Current Account Surplus of over USD 1.8Bn last year, where by, Pakistan's Trade Deficit for the year was up 25%YoY due to 5%YoY drop in exports in preliminary Agriculture sector and a 9%YoY increase in imports. Higher imports were the outcome of soaring global energy prices due to the Middle-East conflict, as well as growth in imports related to machinery, transport and food sectors mainly. Nevertheless, Pakistan managed to post 9%YoY growth in Workers' Remittances for FY26, clocking-in at USD 41.6Bn. Additionally, IT exports for the year jumped 21% to record high of USD 4.6Bn.Both these developments helped maintain comfortable posture of country's balance of payments for FY26.

Further, Pakistan's foreign exchange reserves as at the end of Jun'26 stood at over USD 22Bn, with the SBP's foreign exchange reserves recorded at USD 16.5Bn due to stable flows i.e. disbursement of IMF tranches etc. and open-market purchases by the SBP. At the same time, the SBP's forward liabilities also declined substantially. Resultantly, the Rupee appreciated 2% against the US Dollar as of the close of Jun'26. Finally, continuing with the reform agenda, the Federal Government unveiled the Budget for FY27 targeting a Primary Surplus of 2%. To recall, the budget proposed an outlay of Rs 18.8Trn, along with additional revenue measures of Rs.2.3Trn, focused on broadening of the tax net and stricter enforcement mainly. However, relief was also offered to the salaried class and the corporate sector coupled with incentives to promote the growth of the export sector.

PSX REVIEW

The KSE-100 Index posted a return of 43.52% (up 54,674) during FY26, closing at 180,302 points as on June 30, 2026.Despite, the market performance severely impacted by geo-political factors in the latter half of the year i.e. commencement of the US-Iran war and the ensuing hike in energy prices adding to uncertainty and expectations of higher interest rates due to higher inflation, and the launch of the T+1 settlement mechanism. Accordingly, on a 1HCY26 basis, the KSE-100 index recorded a return of 3.59% (up 6,247 points) to close at 180,302 points, wherein, foreign selling was recorded at ~USD 596.9Mn during the period. Going forward, geopolitical volatility will continue to influence broader market sentiment and therefore, the performance of the KSE-100 index.

Additionally, market participants would also continue to weigh Pakistan's macroeconomic performance, especially in light of the growing risks faced from geopolitical developments as well as the internal security situation. Moreover, any further monetary tightening (or higher interest rates for longer) in order to ensure stability may also undermine growth next year, affecting the performance of the overall corporate sector. Mediation efforts by Pakistan and other friendly countries are also likely to bear period fruit, providing much needed clarity on the geo-political front.

SINDH MICROFINANCE BANK LIMITED (WHOLLY OWNED SUBSIDIARY)

Sindh Microfinance Bank Limited (SMFB) is a State Bank of Pakistan (SBP) licensed, national-level microfinance institution that commenced operations in May 2016 with an initial paid-up capital of Rs 1,000 million. As of June 30, 2026, the Bank's equity base has grown to Rs1.80-bn through internally generated profits making the SMFB the only microfinance bank in Pakistan to post profit continuously every year since inception.

For the half year ended June 30, 2026, SMFB reported a profit before tax of Rs.343.42 million, representing a robust 68.39% increase by over Rs.203.94 million recorded in the corresponding half year ended June 30, 2025. Profit after tax for the half year stood at Rs.220.85 million compared to Rs. 128.32 million during the corresponding period last year, reflecting a 72.11% year-on-year growth. This strong performance was driven by a 29% increase in net interest income, which rose to Rs.779 million from Rs.603 million during the corresponding period last year.

SMFB's business model continues to firmly anchored in grassroot microfinance, with a strong focus on empowering women engaged in income-generating activities across rural and semi-urban areas. The Bank maintains an average loan size of approximately Rs.57,000 and continues to sustain one of the lowest delinquency rates in the microfinance sector at less than 1%. Since inception, SMFB has disbursed over 550,000 loans amounting to Rs.21.8

IN MEMORY OF SHAHEED MOHTARMA BENAZIR BHUTTO
SINDH BANK
POWER TO THE PEOPLE

billion entirely to women in Sindh through a network of 121 business locations comprising 22 branches and 99 service centers, covering every district of the province.

The Bank's Capital Adequacy Ratio (CAR) stood at a robust 44.44% as of June 30, 2026 (December 2025: 44.74%). Total eligible capital stood at Rs.1,842 million against risk-weighted assets of Rs.4,140 million, underscoring the Bank's strong capital buffers for continued expansion.

The Pakistan Credit Rating Agency (PACRA) has reaffirmed SMFB's credit ratings at 'A' for the long term and 'A1' for the short term with a Stable outlook. VIS Credit Rating Company has also assigned SMFB identical ratings of 'A/A-1' with a Stable outlook making SMFB amongst the highest-rated microfinance banks in the country.

SMFB has maintained exemplary working standards, strong governance framework, and consistent performance over the years leading to securing a National Level License on February 10, 2026 from SBP, enabling Pan-Pakistan operations. The Bank has started phased organic expansion in Balochistan and southern Punjab, progressively extending outreach to underserved communities across Pakistan.

A summary of key financial highlights for the half year ended June 30, 2026, is presented below:

Balance Sheet	**As on 30-Jun-26**	**As on 31-Dec-25**
	(Rs in million)	
Gross Loan Portfolio	3,072	2,723
Total Assets	6,486	4,832
Deposits	1,750	1,554
Borrowings	2,515	1,266
Total Liabilities	4,686	3,252
Net Equity	1,800	1,580

Profit and Loss Account	**Half Year Ended 30-Jun-26**	**Half Year Ended 30-Jun-25**
	(Rs in million)	
Net Interest Income	779	603
Profit Before Tax	343	204
Taxation	(123)	(76)
Profit After Tax	221	128
EPS (Rs)	2.21	1.28

	30-Jun-26	**31-Dec-25**
No. of Business Locations	118	113
Capital Adequacy Ratio (CAR)	42.66%	44.74%

FUTURE OUTLOOK

Conversion of Sindh Bank Limited into an Islamic Bank

Sindh Bank Limited, together with its wholly owned subsidiary, Sindh Microfinance Bank, is committed to achieving full Shariah compliance in line with SBP's Vision 2028. Accordingly, the Bank submitted its Islamic Conversion Plan to the State Bank of Pakistan (SBP) on October 31, 2024, outlining a phased transition of all conventional branches to Islamic banking, to be completed by December 31, 2027.

IN MEMORY OF SHAHEED MOHTARMA BENAZIR BHUTTO شہید محترمہ بینظیر بھٹو کی یاد میں

SINDH BANK سندھ بینک

POWER TO THE PEOPLE باختیار عوام

During 2025, the Bank has successfully converted 45 approved conventional branches into Islamic banking branches and further 49 branches are expected to be converted by end of 2026.

Other major goals

With encouraging results achieved so far, the management is determined to maintain its focus on the following avenues :

i. Mobilization of cost-efficient Deposits;
ii. Increase of Consumer, SME and Commercial business and
iii. Agility of Alternate Delivery and Service channels to facilitate our customers and
iv. Maintain the fast pace of reduction of Non-Performing Loans.

In light of climate change and the resulting economic and social challenges, the bank will focus on the following areas:

i. Strengthening its role in mitigating the adverse impacts of climate change.
ii. Promoting sustainable finance.
iii. Enhancing infrastructure by improving access to finance.

The bank aims to strengthen its financial inclusion framework through targeted policy initiatives in key areas such as Agriculture, Technology sector, SMEs, Microfinance and Trade Finance and will implement financial literacy programs with an increased focus on digital solutions.

Acknowledgements

On behalf of the Board of Directors, I would like to sincerely thank the regulators, shareholders and customers for their continued guidance, support and confidence reposed in the Bank and its Management.

On behalf of the Board of Directors

Muhammad Anwaar Sheikh
President & CEO

(Non Executive Director)

Karachi,
August 13, 2026

Riaz Ahmad & Company
Chartered Accountants

SINDH BANK LIMITED

CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

A member of Nexia International

Riaz Ahmad & Company
Chartered Accountants

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Sindh Bank Limited

Report on review of Unconsolidated Condensed Interim Financial Statements

Introduction

We have reviewed the accompanying unconsolidated condensed interim statement of financial position of SINDH BANK LIMITED ("the Bank") as at 30 June 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 half year then ended (here-in-after referred to as the "unconsolidated condensed interim financial statements"). Management is responsible for the preparation and presentation of these unconsolidated condensed interim financial statements in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of unconsolidated condensed 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.

Emphasis of Matter

We draw attention to Note 15.1 to the unconsolidated condensed interim financial statements which states that the deferred tax asset has been recognized in the unconsolidated condensed interim financial statements on the basis of financial projections for the future years approved by Board of Directors of the Bank. The preparation of financial projection involves management assumptions regarding future business and economic conditions and significant change in assumptions may have impact on recoverability of the deferred tax assets.

Our conclusion is not modified in respect of this matter.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying unconsolidated condensed interim financial statements are not prepared, in all material respects, in accordance with approved 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 six-month period, 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 three-month periods ended 30 June 2026 and 30 June 2025 have not been reviewed by us.

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

RIAZ AHMAD & COMPANY
Chartered Accountants

KARACHI

DATE: 19 AUGUST 2026
UDIN: RR202610045kXY5URQvC

SINDH BANK LIMITED
UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2026

	Note	June 30, 2026 (Un-audited)	December 31, 2025 (Audited)
		--------- (Rupees in '000') ---------	
ASSETS			
Cash and balances with treasury banks	7	**19,218,971**	27,774,017
Balances with other banks	8	**2,720,769**	3,721,041
Lendings to financial institutions	9	**19,955,712**	21,413,319
Investments	10	**211,784,372**	166,642,939
Advances	11	**124,376,058**	147,521,458
Property and equipment	12	**3,089,395**	1,989,588
Right of use assets	13	**3,825,247**	3,656,418
Intangible assets	14	**132,196**	114,537
Deferred tax assets - net	15	**14,040,567**	13,954,990
Other assets	16	**10,814,847**	10,784,694
		409,958,134	397,573,001
LIABILITIES			
Bills payable	17	**2,355,617**	4,236,755
Borrowings	18	**885,000**	1,080,000
Deposits and other accounts	19	**356,657,389**	342,091,252
Lease liabilites	20	**5,135,795**	4,847,455
Deferred tax liabilities		**-**	-
Other liabilities	21	**10,156,622**	11,769,315
		375,190,423	364,024,777
NET ASSETS		34,767,711	33,548,224
REPRESENTED BY			
Share capital - net	22	**34,524,428**	34,524,428
Reserves		**3,601,067**	3,119,393
Surplus/(deficit) on revaluation of assets - net	23	**1,058,813**	1,955,254
Accumulated loss		**(4,416,597)**	(6,050,851)
		34,767,711	33,548,224

CONTINGENCIES AND COMMITMENTS 24

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

President and Chief Executive Officer	Chief Financial Officer	Director	Director	Chairman

SINDH BANK LIMITED

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS ACCOUNT - UNAUDITED

FOR THE QUARTER AND HALF YEAR ENDED JUNE 30, 2026

	Note	Quarter Ended		Half Year End	
		June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
		---------------- (Rupees in '000') ---------------			
Mark-up / return / profit / interest earned	25	**9,810,063**	9,341,930	**19,100,833**	18,522,116
Mark-up / return / profit / interest expensed	26	**5,915,730**	6,688,140	**11,402,946**	13,516,772
Net mark-up / return / profit / interest income		**3,894,333**	2,653,790	**7,697,887**	5,005,344
NON MARK-UP / INTEREST INCOME					
Fee and commission income	27	**190,700**	168,212	**393,957**	366,610
Dividend income		**27,931**	17,678	**80,347**	27,248
Foreign exchange income / (loss)		**206,343**	(21,994)	**328,897**	48,534
(Loss) / Gain on securities	28	**368,236**	449,588	**(219,153)**	494,527
Other income	29	**10,855**	919	**11,740**	1,345
Total non-markup/interest income		**804,065**	614,403	**595,788**	938,264
Total income		**4,698,398**	3,268,193	**8,293,675**	5,943,608
NON MARK-UP / INTEREST EXPENSES					
Operating expenses	30	**3,319,338**	2,730,375	**6,355,522**	5,193,548
Other charges	31	**895**	-	**895**	-
Total non-markup/interest expenses		**3,320,233**	2,730,375	**6,356,417**	5,193,548
PROFIT BEFORE PROVISIONS		**1,378,165**	537,818	**1,937,258**	750,060
Credit loss allowance and write offs - net	32	**(422,834)**	(293,700)	**(2,114,384)**	(333,532)
PROFIT BEFORE TAXATION		**1,800,999**	831,518	**4,051,642**	1,083,592
Taxation	33	**560,832**	450,787	**1,643,276**	583,212
PROFIT AFTER TAXATION		**1,240,167**	380,731	**2,408,366**	500,380
		---------------- (Rupees in '000') ---------------			
Basic and diluted earnings per share	34	**0.36**	0.11	**0.70**	0.14

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

President and Chief Executive Officer	**Chief Financial Officer**	**Director**	**Director**	**Chairman**

SINDH BANK LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME - UNAUDITED
FOR THE QUARTER AND HALF YEAR ENDED JUNE 30, 20 2026

	Quarter Ended		Half Year End	
	June 30, 2026	June 30, 2025	**June 30, 2026**	June 30, 2025
	--------------- (Rupees in '000') --------------			
Profit after taxation for the period	**1,240,167**	380,731	**2,408,366**	500,380
Other comprehensive income				
Items that may be reclassified to profit and loss account in subsequent periods:				
Movement in (deficit) / surplus on revaluation of investments - net of tax	**201,654**	633,922	**(429,284)**	472,397
	1,441,821	1,014,653	**1,979,082**	972,777
Items that will not be reclassified to profit and loss account in subsequent periods:				
Remeasurement loss on defined benefit obligations - net of tax	**-**	-	**-**	-
Movement in surplus on revaluation of equity investments - net of tax	**97,714**	22,093	**(467,156)**	(44,938)
Movement in surplus on revaluation of non-banking assets - net of tax	**-**	-	**-**	-
Gain on sale of equity securities carried at FVOCI - net of tax	**-**	44,942	**-**	44,942
	97,714	67,035	**(467,156)**	4
Total comprehensive income	**1,539,535**	1,081,688	**1,511,926**	972,781

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

President and Chief Executive Officer	**Chief Financial Officer**	**Director**	**Director**	**Chairman**

SINDH BANK LIMITED
UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED JUNE 30, 2026

	Share Capital	Shares Deposit Money	Capital Reserves		Statutory Reserve *	Surplus / (Deficit) on revaluation		Accumulated Loss **	Total
			Reserves on amalgamation	Share Premium		Investments	Fixed/Non-banking assets		
	(Rupees in '000')								
Balance as at December 31, 2024 after adoption of IFRS-09	34,524,428	-	9,433	51	2,438,947	798,042	86,400	(8,705,257)	29,152,044
Profit/Loss for the period ended June 30, 2025	-	-	-	-	-	-	-	500,380	500,380
Other comprehensive income - net of tax									
Movement in revaluation reserve of investments in debt instruments - net of tax	-	-	-	-	-	472,397	-	-	472,397
Movement in revaluation reserve of equity investments - net of tax	-	-	-	-	-	(44,938)	-	-	(44,938)
Gain on sale of equity securities carried at FVOCI - net of tax	-	-	-	-	-	-	-	44,942	44,942
Remeasurement loss on defined benefit obligations - net of tax	-	-	-	-	-	-	-	-	-
Movement in revaluation reserve of non-banking assets - net of tax	-	-	-	-	-	-	-	-	-
Total other comprehensive income - net of tax	-	-	-	-	-	427,459	-	44,942	472,401
Transfer to statutory reserve	-	-	-	-	100,076	-	-	(100,076)	-
Balance as at June 30, 2025	**34,524,428**	-	**9,433**	**51**	**2,539,023**	**1,225,501**	**86,400**	**(8,260,011)**	**30,124,825**
Profit/Loss for the six months ended December 31, 2025	-	-	-	-	-	-	-	2,854,429	2,854,429
Other comprehensive income - net of tax									
Movement in revaluation reserve of investments in debt instruments - net of tax	-	-	-	-	-	235,990	-	-	235,990
Movement in revaluation reserve of equity investments - net of tax	-	-	-	-	-	532,184	-	-	532,184
Gain on sale of equity securities carried at FVOCI - net of tax	-	-	-	-	-	(124,821)	-	79,879	(44,942)
Remeasurement loss on defined benefit obligations - net of tax	-	-	-	-	-	-	-	(154,262)	(154,262)
Movement in revaluation reserve of non-banking assets - net of tax	-	-	-	-	-	-	-	-	-
Total other comprehensive income - net of tax	-	-	-	-	-	643,353	-	(74,383)	568,970
Transfer to statutory reserve	-	-	-	-	570,886	-	-	(570,886)	-
Balance as at December 31, 2025	**34,524,428**	-	**9,433**	**51**	**3,109,909**	**1,868,854**	**86,400**	**(6,050,851)**	**33,548,224**
Effect of Transition to EIR Method - net of tax									
Investments - FVOCI	-	-	-	-	-	(29,818)	-	29,818	-
Investments - Amortised cost	-	-	-	-	-	-	-	(1,928)	(1,928)
Advances - Amortised cost	-	-	-	-	-	-	-	(335,028)	(335,028)
Deposits - Amortised cost	-	-	-	-	-	-	-	15,124	15,124
	-	-	-	-	-	(29,818)	-	(292,014)	(321,832)
Balance as at January 1, 2026 - as restated	**34,524,428**	-	**9,433**	**51**	**3,109,909**	**1,839,036**	**86,400**	**(6,342,865)**	**33,226,392**
Profit/Loss for the period ended June 30, 2026	-	-	-	-	-	-	-	2,408,366	2,408,366
Other comprehensive income - net of tax									
Movement in revaluation reserve of investments in debt instruments - net of tax	-	-	-	-	-	(399,465)	-	(425)	(399,890)
Movement in revaluation reserve of equity investments - net of tax	-	-	-	-	-	(467,157)	-	-	(467,157)
Gain on sale of equity securities carried at FVOCI - net of tax	-	-	-	-	-	-	-	-	-
Remeasurement loss on defined benefit obligations - net of tax	-	-	-	-	-	-	-	-	-
Movement in revaluation reserve of non-banking assets - net of tax	-	-	-	-	-	-	-	-	-
Total other comprehensive income - net of tax	-	-	-	-	-	(866,622)	-	(425)	(867,047)
Transfer to statutory reserve	-	-	-	-	481,673	-	-	(481,673)	-
Balance as at June 30, 2026	**34,524,428**	-	**9,433**	**51**	**3,591,583**	**972,414**	**86,400**	**(4,416,597)**	**34,767,711**

* Statutory reserve represents amount set aside as per the requirements of Section 21 of the Banking Companies Ordinance, 1962.

** As more fully explained in notes 11.2.2 of these unconsolidated financial statements, accumulated loss includes an amount of Rupees 2,344.82 million net of tax as at June 30, 2026 (December 31, 2025: Rs. 2,628.94 million) representing additional profit arising from availing forced sale value benefit for determining provisioning requirement which is not available for the purpose of distribution of dividend to shareholders.

President and Chief Executive Officer | Chief Financial Officer | Director | Director | Chairman

SINDH BANK LIMITED
UNCONSOLIDATED CASH FLOW STATEMENT
FOR THE HALF YEAR ENDED JUNE 30, 2026

	Note	June 30, 2026	June 30, 2025
		---------- (Rupees in '000') ----------	
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before taxation		4,051,642	1,083,592
Less: Dividend income		(80,347)	(27,248)
		3,971,295	1,056,344
Adjustments:			
Depreciation	30	290,110	164,806
Depreciation on right of use assets	30	408,160	378,036
Interest expense on lease liability	26	324,405	325,044
Amortisation	30	23,810	21,434
Credit loss allowance / provisions and write offs - net	32	(2,114,384)	(333,532)
Charge for defined benefit plan	30.2	111,928	115,176
Unrealised gain on securities measured at FVPL	28.2	(292,881)	(21,296)
Gain on sale of operating fixed assets	29	(8,908)	(242)
		(1,257,760)	649,426
		2,713,535	1,705,770
(Increase) / decrease in operating assets			
Lendings to financial institutions		1,457,607	3,384,028
Securities classified as FVPL		(2,831,260)	(502,445)
Advances		25,241,547	(34,843,177)
Other assets		(28,023)	4,494,528
		23,839,871	(27,467,066)
Increase / (decrease) in operating liabilities			
Bills payable		(1,881,138)	944,277
Borrowings		(195,000)	3,336,300
Deposits and other accounts		14,566,137	13,425,325
Other liabilities (excluding current taxation)		(1,150,428)	10,645,890
		11,339,571	28,351,792
		37,892,977	2,590,496
Contribution to gratuity fund		(373,942)	(177,202)
Income tax paid		(759,541)	(705,364)
Net cash generated from operating activities		36,759,494	1,707,930
CASH FLOW FROM INVESTING ACTIVITIES			
Net (divestment) in amortized cost securities		(5,413,229)	(11,804,533)
Net (divestment) / investment in securities classified as FVOCI		(38,944,586)	8,593,022
Dividend received		78,217	28,936
Investments in operating fixed assets		(1,432,260)	(260,217)
Sale proceeds of operating fixed assets disposed off		9,629	286
Net cash (used in) investing activities		(45,702,229)	(3,442,506)
CASH FLOW FROM FINANCING ACTIVITIES			
Shares deposit money		-	-
Payment of lease liability against right of use assets		(616,133)	(592,314)
Net cash (used in) financing activities		(616,133)	(592,314)
(Decrease) / increase in cash and cash equivalents		(9,558,868)	(2,326,890)
Cash and cash equivalents at the beginning of the year		31,495,058	26,399,081
Impact of expected credit loss allowance on cash and cash equivalents		3,550	(824)
Cash and cash equivalents at the end of the period	35	21,939,740	24,071,367

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

President and Chief Executive Officer	Chief Financial Officer	Director	Director	Chairman

1. STATUS AND NATURE OF BUSINESS

1.1 Sindh Bank Limited (the Bank) was incorporated in Pakistan on October 29, 2010 as a public unlisted company and is engaged in Commercial Banking, Corporate and Investment related activities. The Bank operates 330 (2025: 330) branches including 8 (2025: 8) sub-branches and 59 (2025: 58) Islamic banking branches in Pakistan. The Bank's registered office is located at 3rd floor, Federation House, Abdullah Shah Ghazi Road, Clifton, Karachi, Pakistan.

1.2 The Government of Sindh, through its Finance Department owns 99.97% ordinary shares of the Bank.

1.3 VIS Credit Rating Company has reaffirmed the long term entity rating AA (Double A) and short term rating A1+ (A One plus) in its report dated June 30, 2026.

2. BASIS OF PRESENTATION

2.1 STATEMENT OF COMPLIANCE

2.1.1 These unconsolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard 34 "Interim Financial Reporting" and International Financial Reporting Standards (IFRS) 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 and directives issued under the Companies Act 2017, Banking Companies Ordinance, 1962 and the directives issued by the State Bank of Pakistan (SBP) and the Securities and Exchange Commission of Pakistan (SECP).

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

2.1.2 SBP has deferred the implementation of International Accounting Standard (IAS) 40, 'Investment Property,' for banking companies in Pakistan through BSD Circular Letter No. 10, dated August 26, 2002, until further notice. Similarly, SECP has deferred the applicability of IFRS 7, 'Financial Instruments: Disclosures,' through its notification S.R.O 411 (I) / 2008, dated April 28, 2008. Consequently, the requirements of these standards have not been incorporated in the preparation of these unconsolidated condensed interim financial statements.

The disclosures made in these unconsolodated condensed interim financial statements have been limited based on a format prescribed by the SBP vide BPRD Circular No. 2 dated 09 February 2023 and International Accounting Standards IAS 34, "Interim Financial Reporting". They do not include all the information and disclosures required for annual financial statements, and these unconsoldiated condensed interim financial statements should be read in coniunction with the financial statements of the Bank for the vear ended 31 December 2025.

Furthermore, SBP, through BPRD Circular Letter No. 01 of 2025, dated January 22, 2025, has provided the following clarifications:

a) Islamic Banking Institutions (IBIs) may continue to apply Islamic Financial Accounting Standards (IFAS) 1 & 2 where applicable and maintain their existing accounting methodology for other Islamic products until further instructions are issued.

b) The treatment of charity should align with existing SBP guidelines outlined in IBD Circular No. 02 of 2008 and must not be recognized as income.

2.1.3 Standards, interpretations and amendments to published approved accounting standards that are effective in the current year.

SBP Letter No. SBPHOK-BPRD-RPD-SNB-829493 dated January 22, 2025 to provide the extension for implementation of Effective Interest Rate (EIR) under IFRS-09 up to December 31, 2025. The Bank has now fully implemented the effective interest rate (EIR) under IFRS-09 from January 01, 2026. The impact of opening equity has been recorded through statement of change in equity and the information presented of Dec. 31, 2025 and March 31, 2025 has not been restated.

The impact of EIR decreased the bank's financial assets by Rs. 701.99 million and decreased the financial liabilities by Rs. 31.51 million resulting net decreased the bank's equity by Rs. 321.83 million (net of tax) as at January 01, 2026. Further information regarding the Bank's implementation of the effective interest method is presented in Note 5.1.

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

The following revised standards, amendment and interpretations with respect to the accounting and reporting standards would be effective from the dates mentioned below against the respective standards, amendment or interpretations:

Standards, amendment or interpretations	Effective date (annual periods beginning on or after)
IFRS 18 Presentation and Disclosure in Financial Statement	January 1, 2027

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of unconsolidated condensed interim financial statements in conformity with approved accounting standards requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and income and expenses. Actual results may differ from these estimates. These estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

4. BASIS OF MEASUREMENT

These unconsolidated condensed interim financial statements have been prepared under the historical cost convention except for certain investments and derivatives which are carried at fair value. Non-banking assets acquired in satisfaction of claims are carried at revalued amount. Employee benefits and lease liability against right-of-use assets are carried at present value.

5. 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 financial statements of the Bank for the year ended 31 December 2025 except for matters related to IFRS 9 which have been disclosed in note 5.1 to these unconsolidated condensed interim financial statements.

5.1 The Bank adopted IFRS 9 Financial Instruments effective 1 January 2024, subject to the implementation timelines and regulatory relaxations prescribed by the State Bank of Pakistan ("SBP"). Pursuant to SBP Letter No. SBPHOK-BPRD-RPD-SNB-829493 dated 22 January 2025, the implementation of the Effective Interest Rate ("EIR") requirements of IFRS 9 was deferred until 31 December 2025. Accordingly, the Bank has implemented the effective interest method with effect from 1 January 2026.

Under the effective interest method, interest income and interest expense are recognised using the effective interest rate, being the rate that exactly discounts the estimated future contractual cash receipts or payments over the expected life of the financial instrument to the gross carrying amount of a financial asset or the amortised cost of a financial liability, as applicable. Transaction costs, premiums, discounts and fees that are directly attributable to the origination or issuance of financial assets and financial liabilities measured at amortised cost form an integral part of the effective interest rate and are recognised over the expected life of the respective financial instrument. Consequently, such costs and fees are no longer recognised immediately in profit or loss but are deferred and amortised over the expected life of the related financial instrument using the effective interest method.

The implementation of the effective interest method changes the timing of recognition of income, expense and transaction costs without affecting the underlying contractual cash flows of the respective financial instruments. Accordingly, the carrying amounts of financial assets and financial liabilities measured at amortised cost are adjusted to reflect the amortisation of transaction costs, premiums, discounts and other amounts that form an integral part of the effective interest rate over the expected life of the instrument.

The requirements of the effective interest method are applicable to financial assets and financial liabilities measured at amortised cost and also affect the recognition of interest income on financial assets measured at fair value through other comprehensive income. Accordingly, the implementation primarily impacted advances, investments and deposits held by the Bank.

The Bank has applied the EIR requirements using the modified retrospective approach. Accordingly, the cumulative effect arising on initial application has been recognised as an adjustment to opening equity as at 1 January 2026, without restating comparative information. Comparative information continues to be presented on the basis of the accounting policies previously applied and has not been adjusted to reflect the adoption of the effective interest method.

The adoption of the EIR method resulted in a decrease in financial assets of Rs. 701.991 million and a decrease in financial liabilities of Rs. 31.51 million, resulting in a net decrease in the Bank's equity of Rs. 321.83 million (net of deferred tax) as at 1 January 2026. These adjustments represent the cumulative impact of bringing the carrying amounts of the affected financial instruments in line with the effective interest method prescribed by IFRS 9 and will be recognised through profit or loss over the remaining lives of the respective financial instruments.

6. FINANCIAL RISK MANAGEMENT

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

		Note	June 30, 2026 (Un-audited)	December 31, 2025 (Audited)
7.	**CASH AND BALANCES WITH TREASURY BANKS**		--------- (Rupees in '000')	--------
	In hand			
	Local currency		**6,401,197**	6,111,978
	Foreign currency		**180,193**	144,466
			6,581,390	6,256,444
	With State Bank of Pakistan (SBP) in			
	Local currency current accounts	7.1	**11,320,451**	20,083,563
	Foreign currency current accounts	7.2	**89,685**	57,767
	Foreign currency deposit accounts			
	- Non Remunerative	7.3	**169,030**	171,578
	- Remunerative	7.4	**332,304**	344,070
			11,911,470	20,656,978
	With National Bank of Pakistan in			
	Local currency current accounts		**717,750**	851,477
	Local currency deposit accounts	7.5	**5,111**	3,136
			722,861	854,613
	Prize bonds		**3,291**	5,996
	Less: Credit Loss allowance held against balances with treasury banks		**41**	14
			19,218,971	27,774,017

7.1 This represents cash reserve required to be maintained with SBP as per the requirement of Section 22 of the Banking Companies Ordinance, 1962.

7.2 This represents US Dollar Settlement Account maintained with SBP.

7.3 This represents foreign currency (FCY) cash reserve maintained with SBP to comply with statutory reserve requirement applicable on Bank's FCY deposits.

7.4 This represents foreign currency special cash reserve maintained with SBP. The Bank is entitled to earn profit which is declared by SBP on a monthly basis. During the period, the SBP has declared 2.62% to 2.69% profits (2025 : 2.86% to 3.35%) per annum.

7.5 This includes savings account with National Bank of Pakistan carrying mark-up at 9% to 10% (2025: 9% to 11.50%) per annum.

		Note	June 30, 2026	December 31, 2025
8.	**BALANCES WITH OTHER BANKS**			
	In Pakistan			
	In current accounts		**30**	30
	In savings account	8.1	**1,739**	1,661
	In term deposits receipt	8.2	**500,000**	100,000
			501,769	101,691
	Outside Pakistan			
	In current accounts	8.3	**2,219,540**	3,623,467
	Less: Credit Loss allowance held against balances with other banks	8.4	**540**	4,117
			2,720,769	3,721,041

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8.1 This includes savings account with a commercial bank carrying profit at the rate of 9% to 10% (2025: 9% to 11.50%) per annum.

8.2 This includes TDR with a Microfinance bank carrying profit at the rate of 14.25% (2025: 14.25%) per annum.

8.3 This includes Rs. 1,066.123 million (2025: Rs. 2,382.043 million) held in Automated Investment Plans. This balance is current in nature and in case this goes above a specified amount, the bank is entitled to earn interest from the correspondent banks at the agreed rates.

		Note	June 30, 2026 (Un-audited)	December 31, 2025 (Audited)
			-------- (Rupees in '000')	--------
8.4	**Opening balance**		**4,117**	1,223
	Charge / reversals;			
	Charge for the period		**-**	2,894
	Reversals for the period		**(3,577)**	-
			(3,577)	2,894
	Closing Balance		**540**	4,117

9. LENDINGS TO FINANCIAL INSTITUTIONS

Call / Clean money lendings	**500,000**	-
Repurchase agreement lendings (Reverse Repo)	**19,458,618**	20,864,467
Musharaka arrangements	**-**	550,000
	19,958,618	21,414,467
Less: Credit loss allowance held against lending to financial institutions	**(2,906)**	(1,148)
Lending to financial institutions - net of credit loss allowance	**19,955,712**	21,413,319

9.1 Particulars of lendings

In local currency	**19,955,712**	21,413,319
In foreign currencies	**-**	-
	19,955,712	21,413,319

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9.2 Lendings to Financial Institutions - Category of classification

		June 30, 2026 (Un-audited)		December 31, 2025 (Audited)	
		Lending	**Credit loss allowance held**	**Lending**	**Credit loss allowance held**
		Rupees in '000			
Domestic					
Performing	Stage 1	**19,958,618**	**2,906**	21,414,467	1,148
Under performing	Stage 2	-	-	-	-
Non-performing	Stage 3				
Substandard		-	-	-	-
Doubtful		-	-	-	-
Loss		-	-	-	-
		-	-	-	-
Total		19,958,618	2,906	21,414,467	1,148

9.3 Lendings to Financial Institutions - Particulars of credit loss allowance

	June 30, 2026 (Un-audited)			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
	Rupees in '000			
Opening balance	**1,148**	-	-	**1,148**
New financial assets originated or purchased	**2,906**	-	-	**2,906**
Financial assets that have been derecognised	**(1,148)**	-	-	**(1,148)**
Write offs	-	-	-	-
Unwind of discount	-	-	-	-
Changes in risk parameters (PDs/LGDs/EADs)	-	-	-	-
Closing Balance	**2,906**	-	-	**2,906**

	December 31, 2025(Audited)			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
	Rupees in '000			
Opening balance	566	-	-	566
New financial assets originated or purchased	1,148	-	-	1,148
Financial assets that have been derecognised	(566)	-	-	(566)
Write offs	-	-	-	-
Unwind of discount	-	-	-	-
Changes in risk parameters (PDs/LGDs/EADs)	-	-	-	-
Closing Balance	1,148	-	-	1,148

10. INVESTMENTS

Investments by type	June 30,2026 (Un-audited)			
	Cost / Amortised cost	Credit loss allowance	Surplus / (Deficit)	Carrying Value
	Rupees in '000'			
Debt Instruments:				
Classified / Measured at FVPL				
Federal Government Securities				
Market Treasury Bills	1,716,937	-	5,174	1,722,111
	1,716,937	-	5,174	1,722,111
Classified / Measured at amortised cost				
Federal Government Securities				
Market Treasury Bills	12,002,781	-	-	12,002,781
Pakistan Investment Bonds	11,792,611	-	-	11,792,611
Non-government debt securities				
Term finance certificates - Listed	-	-	-	-
Term finance certificates - Unlisted	119,563	(160)	-	119,403
Preference Shares - Unlisted	77,708	(77,708)	-	-
	23,992,663	(77,868)	-	23,914,795
Classified / Measured at FVOCI				
Federal Government Securities				
Market Treasury Bills	32,561,887	-	(190,479)	32,371,408
Pakistan Investment Bonds	-	-	-	-
Pakistan Investment Bonds - Floater	142,912,521	-	1,287,060	144,199,581
Government of Pakistan - Ijarah Sukuk	3,498,358	-	1,899	3,500,257
Non-government debt securities				
Sukuk Bond	305,908	-	5,449	311,357
	179,278,674	-	1,103,929	180,382,603
Equity instruments:				
Classified / Measured at FVPL				
Shares				
Listed	2,287,401	-	(221,768)	2,065,633
Mutual funds	123,660	-	222,390	346,050
	2,411,061	-	622	2,411,683
Classified / Measured at FVOCI				
Shares				
Listed	1,622,044	-	923,615	2,545,659
Non-government debt securities				
Mutual funds	59,203	-	(1,682)	57,521
	1,681,247	-	921,933	2,603,180
Investment in Subsidiary				
Fully paid ordinary shares	750,000	-	-	750,000
Total Investments	209,830,582	(77,868)	2,031,658	211,784,372

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INVESTMENTS

Investments by type	December 31,2025 (Audited) Cost / Amortised cost	Credit loss allowance	Surplus / (Deficit)	Carrying Value
	---------- (Rupees in '000')	----------	----------	----------
Debt Instruments:				
Classified / Measured at amortised cost				
Federal Government Securities				
Market Treasury Bills	3,472,967	-	-	3,472,967
Pakistan Investment Bonds	14,684,883	-	-	14,684,883
Non-government debt securities				
Term finance certificates - Listed	224,235	(46,288)	-	177,947
Term finance certificates - Unlisted	119,641	(9)	-	119,632
Preference Shares - Unlisted	77,708	(77,708)	-	-
	18,579,434	(124,005)	-	18,455,429
Classified / Measured at FVOCI				
Federal Government Securities				
Market Treasury Bills	4,537,065	-	1,660	4,538,725
Pakistan Investment Bonds	-	-	-	-
Pakistan Investment Bonds - Floater	132,542,716	-	1,983,510	134,526,226
Government of Pakistan - Ijarah Sukuk	3,508,052	-	13,098	3,521,150
Sukuk Bond	350,000	(4,564)	-	345,436
	140,937,833	(4,564)	1,998,268	142,931,537
Equity instruments:				
Classified / Measured at FVPL				
Shares				
Listed	1,173,078	-	76,287	1,249,365
Mutual funds	123,660	-	222,390	346,050
	1,296,738	-	298,677	1,595,415
Classified / Measured at FVOCI				
Shares				
Listed	956,179	-	1,892,630	2,848,809
Non-government debt securities				
Mutual funds	59,203	-	2,546	61,749
	1,015,382	-	1,895,176	2,910,558
Investment in Subsidiary				
Fully paid ordinary shares	750,000	-	-	750,000
Total Investments	162,579,387	(128,569)	4,192,121	166,642,939

		June 30, 2026 (Un-audited)	December 31, 2025 (Audited)
10.1	**Provision for diminution in value of investments**	---------- (Rupees in '000') ----------	
10.1.1	**Opening balance**	**128,569**	98,289
	Charge / reversals		
	Charge for the year	-	30,281
	Reversals for the year	(50,701)	-
	Transfer during the period	-	-
	Reversal on disposals	-	-
	Transfers - net	**(50,701)**	30,281
	Closing Balance	**77,868**	128,569

10.2 Particulars of credit loss allowance

10.2.1 **Particulars of credit loss allowance against debt securities**

Domestic	June 30, 2026 (Un-audited)		December 31, 2025 (Audited)	
	Outstanding amount	Credit loss allowance held	Outstanding amount	Credit loss allowance held
	---------- (Rupees in '000') ----------			
Performing Stage 1	**204,910,566**	**160**	159,215,324	4,573
Underperforming Stage 2	-	-	224,235	46,288
Non-Performing Stage 3				
Substandard	-	-	-	-
Doubtful	-	-	-	-
Loss	**77,708**	**77,708**	77,708	77,708
	77,708	**77,708**	77,708	77,708
Total	**204,988,274**	**77,868**	159,517,267	128,569

11 ADVANCES

	June 30,2026 (Un-audited)			December 31,2025 (Audited)		
	Performing	Non Performing	Total	Performing	Non Performing	Total
	Rupees in '000'			Rupees in '000'		
Loans, cash credits, agriculture, running finances etc.	59,904,858	23,770,197	83,675,055	47,418,985	26,939,778	74,358,763
Commodity finance	29,250,164	-	29,250,164	64,772,450	-	64,772,450
Net investment in finance lease	1,553,656	186,217	1,739,873	600,564	184,908	785,472
Islamic financing and related assets						
Diminishing musharakah financing	38,159	121,353	159,512	38,966	121,353	160,319
Commodity finance - Running musharakah	30,000,000	-	30,000,000	30,000,000	-	30,000,000
Advance against Istisna	23,000	-	23,000	-	-	-
Murabaha Financing	-	-	-	-	-	-
Ijarah financing under IFAS 2	10,230	-	10,230	10,474	-	10,474
	120,780,067	24,077,767	144,857,834	142,841,439	27,246,039	170,087,478
Bills discounted and purchased						
Payable in Pakistan	53,718	348,639	402,357	61,436	352,824	414,260
Payable outside Pakistan	-	-	-	-	-	-
	53,718	348,639	402,357	61,436	352,824	414,260
Advances - gross	120,833,785	24,426,406	145,260,191	142,902,875	27,598,863	170,501,738
Credit loss allowance against advances	-	-	-	-	-	-
- Stage 1	268,482	-	268,482	458,048	-	458,048
- Stage 2	936,548	-	936,548	242,365	-	242,365
- Stage 3	-	19,679,103	19,679,103	-	22,279,867	22,279,867
	1,205,030	19,679,103	20,884,133	700,413	22,279,867	22,980,280
Total Advances - Net credit loss allowance	119,628,755	4,747,303	124,376,058	142,202,462	5,318,996	147,521,458

11.1 Particulars of advances (gross)

	June 30, 2026 (Un-audited)	December 31, 2025 (Audited)
	(Rupees in '000')	
In local currency	144,760,386	170,501,738
In foreign currencies	499,805	-
	145,260,191	170,501,738

11.2 Advances incude Rs.24,426.41 (2025: Rs. 27,598.86) million, which have been placed under non performing status are as detaild below:

Category of Classification of stage 3	June 30,2026 (Un-audited) Non Performing Loans	June 30,2026 (Un-audited) Credit loss allowance	December 31,2025 (Audited) Non Performing Loans	December 31,2025 (Audited) Credit loss allowance
	Rupees in '000'			
Domestic				
Other Assets Especially Mentioned	-	-	-	-
Substandard	659	-	1,654	-
Doubtful	2,304	655	295,383	9,690
Loss	24,423,443	19,678,448	27,301,826	22,270,177
Total	24,426,406	19,679,103	27,598,863	22,279,867

11.2.1 This represents non-performing portfolio of agricultural and small and medium enterprise financing classified as OAEM as per the requirements of the Prudential Regulations for Agricultural, Infrastructure Project Financing and Small and Medium Enterprise Financing issued by the State Bank of Pakistan.

11.2.2 The Bank has availed the benefit of forced sale value on plant and machinery under charge and mortgaged residential and commercial property (land and building only) held as collateral against non-performing advances under the prudential regulation issued by the State Bank of Pakistan. Had the benefit not been taken by the Bank, specific provision against non-performing advances would have been higher by Rs.4,885.05 (2025: Rs. 5,476.96) million. The resultant increase in profit due to FSV benefit taken will not be available for distribution as cash and stock dividend to shareholders.

11.3 **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	**458,048**	**242,365**	**22,279,868**	**22,980,281**
Exchange adjustments	-	-	-	-
Other Adjustment	-	**219,535**	**(219,535)**	-
Charge for the period	**(189,566)**	**474,648**	**142,811**	**427,893**
Reversals	-	-	**(2,391,316)**	**(2,391,316)**
	(189,566)	**474,648**	**(2,248,505)**	**(1,963,423)**
Amounts charged off - Agriculture loans	-	-	**(132,724)**	**(132,724)**
Net charge / (reversal) during the period	**(189,566)**	**694,183**	**(2,600,764)**	**(2,096,147)**
Amounts written off	-	-	-	-
Closing balance	**268,482**	**936,548**	**19,679,104**	**20,884,134**

	December 31,2025 (Audited)			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
	Rupees in '000'			
Opening balance	319,579	958,311	25,133,918	26,411,809
Exchange adjustments	-	-	-	-
Charge for the period	138,469	(715,946)	1,783,447	1,205,969
Reversals	-	-	(4,572,031)	(4,572,031)
	138,469	(715,946)	(2,788,584)	(3,366,062)
Amounts charged off - Agriculture loans	-	-	(65,468)	(65,468)
Net charge / (reversal) during the period	138,469	(715,946)	(2,854,052)	(3,431,530)
Transferred to other assets under DPS agreement	-	-	-	-
Transfer from investments -TFC	-	-	-	-
Amounts written off	-	-	-	-
Closing balance	458,048	242,365	22,279,867	22,980,280

11.4 Advances - Exposure

	June 30,2026 (Un-audited)			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
	------------ Rupees in '000' ------------			
Gross carrying amount - Current year	**102,829,488**	**40,073,388**	**27,598,863**	**170,501,739**
New Advances	**15,118,994**	**12,117,812**	-	**27,236,806**
Due to credit deterioration	-	-	-	-
Advances derecognised or repaid	**(31,162,301)**	**(19,180,294)**	**(2,135,759)**	**(52,478,354)**
Transfer to stage 1	**2,038,886**	**(2,038,886)**	-	-
Transfer to stage 2	**(5,042,929)**	**6,080,936**	**(1,038,007)**	-
Transfer to stage 3	**(1,309)**	-	**1,309**	-
	(19,048,659)	**(3,020,432)**	**(3,172,457)**	**(25,241,548)**
Transfer from investments -TFC	-	-	-	-
Amounts charged off	-	-	-	-
Closing balance	**83,780,829**	**37,052,956**	**24,426,406**	**145,260,191**

	December 31, 2025 (Audited)			
	Stage 1	Stage 2	Stage 3	Total
	------------ Rupees in '000' ------------			
Gross carrying amount - Current year	22,620,663	46,258,023	30,078,812	98,957,498
New Advances	85,612,546	1,161,229	-	86,773,775
Due to credit deterioration	-	-	-	-
Advances derecognised or repaid	(7,508,035)	(5,384,390)	(2,337,109)	(15,229,534)
Transfer to stage 1	2,207,923	(2,207,923)	-	-
Transfer to stage 2	(97,619)	3,305,442	(3,207,823)	-
Transfer to stage 3	(5,990)	(3,058,993)	3,064,983	-
	80,208,825	(6,184,635)	(2,479,949)	71,544,241
Transfer from investments -TFC	-	-	-	-
Amounts charged off	-	-	-	-
Closing balance	102,829,488	40,073,388	27,598,863	170,501,739

11.5 Particulars of credit loss allowance

	June 30,2026 (Un-audited)			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
	------------ Rupees in '000' ------------			
Opening balance	**458,048**	**242,365**	**22,279,867**	**22,980,280**
Exchange adjustments	-	-	-	-
New Advances	**78,836**	-	-	**78,836**
Due to credit deterioration	-	-	-	-
Changes in risk parameters (PDs/LGDs/EADs)	**81,168**	**460,778**	-	**541,946**
Advances derecognised or repaid	**(344,679)**	**(118,759)**	**(2,253,491)**	**(2,716,929)**
Transfer to stage 1	**31,707**	**(31,707)**	-	-
Transfer to stage 2	**(35,289)**	**383,871**	**(348,582)**	-
Transfer to stage 3	**(1,309)**	-	**1,309**	-
Reversals	-	-	-	-
	(189,566)	**694,183**	**(2,600,764)**	**(2,096,147)**
Amounts charged off - Agriculture loans	-	-	-	-
	(189,566)	**694,183**	**(2,600,764)**	**(2,096,147)**
Transfer from investments -TFC	-	-	-	-
Amounts written off	-	-	-	-
Closing balance	**268,482**	**936,548**	**19,679,103**	**20,884,133**

	December 31, 2025 (Audited)			
	Stage 1	Stage 2	Stage 3	Total
	------------ Rupees in '000' ------------			
Opening balance	319,579	958,311	25,133,918	26,411,809
Exchange adjustments	-	-	-	-
	319,579	958,311	25,133,918	26,411,809
New Advances	293,336	-	-	293,336
Due to credit deterioration	-	-	-	-
Changes in risk parameters (PDs/LGDs/EADs)	110,230	55,275	855,099	1,020,603
Advances derecognised or repaid	(263,733)	(54,218)	(4,427,517)	(4,745,468)
Transfer to stage 1	-	-	-	-
Transfer to stage 2	(1,206)	159,588	(158,382)	-
Transfer to stage 3	158	(876,591)	876,749	-
Reversals	-	-	-	-
	138,469	(715,946)	(2,854,051)	(3,431,529)
Amounts charged off - Agriculture loans	-	-	-	-
	138,469	(715,946)	(2,854,051)	(3,431,529)
Transfer from investments -TFC	-	-	-	-
Amounts written off	-	-	-	-
Closing balance	458,048	242,365	22,279,867	22,980,280

11.6	**Advances-Category of Classification**	**June 30,2026 (Un-audited)**		December 31, 2025 (Audited)	
		Outstanding amount	**Credit loss allowance / provision**	Outstanding amount	Credit loss allowance / provision
		--------- Rupees in '000' --------			
Performing	Stage 1	**83,780,829**	**268,482**	102,829,488	458,048
Underperforming	Stage 2	**37,052,956**	**936,548**	40,073,388	242,365
Non-Performing	Stage 3	-	-	-	-
Substandard		**659**	-	1,654	-
Doubtful		**2,304**	**655**	295,383	9,690
Loss		**24,423,443**	**19,678,448**	27,301,826	22,270,177
		24,426,406	**19,679,103**	27,598,863	22,279,867
Total		**145,260,191**	**20,884,133**	170,501,739	22,980,280

		Note	June 30, 2026 (Un-audited)	December 31, 2025 (Audited)
12.	**PROPERTY AND EQUIPMENT**		-------- (Rupees in '000') -------	
	Capital work-in-progress	12.1	**853,068**	423,652
	Property and equipment		**2,236,327**	1,565,936
			3,089,395	1,989,588
12.1	**Capital work-in-progress**			
	Civil works		**7,399**	800
	Equipment		**-**	-
	Advances to suppliers		**845,669**	422,852
			853,068	423,652

		June 30, 2026	June 30, 2025
12.2	**Addition to property and equipment**	-------- (Rupees in '000') -------	
	The following additions have been made to fixed assets during the period:		
	Property and equipment		
	Leasehold improvements	**23,710**	7,509
	Furniture and fixture	**8,989**	15,495
	Computer and office equipment	**214,324**	182,848
	Vehicles	**714,351**	18,545
	Total	**961,374**	224,397
12.3	**Disposal of property and equipment**		
	The net book value of fixed assets disposed off during the period is as follows:		
	Leasehold improvements	**251**	44
	Computer and office equipment	**67**	-
	Vehicles	**557**	-
	Total	**875**	44

		June 30, 2026 (Un-audited)	December 31, 2025 (Audited)
13.	**RIGHT OF USE ASSETS**	------ (Rupees in '000') -----	
	Year ended December 31		
	Opening net book value	**3,656,418**	3,385,962
	Reassessment / renewals	**576,990**	1,049,858
	Disposals	**-**	-
	Depreciation charge	**(408,161)**	(779,402)
	Closing net book value	**3,825,247**	3,656,418
	At December 31		
	Cost	**7,358,391**	6,781,401
	Accumulated depreciation	**(3,533,144)**	(3,124,983)
	Net book value	**3,825,247**	3,656,418
	Rate of depreciation (percentage)	**10% to 100%**	**10% to 100%**
14.	**INTANGIBLE ASSETS**		
	Computer Software	**132,196**	114,537
	Others	**-**	-
		132,196	114,537

		June 30, 2026	June 30, 2025
14.1	**Additions to intangible assets**	----- (Rupees in '000') -----	
	The additions intangible assets during the period:		
	Computer Software	**41,470**	35,820
	Disposal of property and equipment		
	The net book value of intangible assets disposed off during the period.	**-**	-

		June 30, 2026 (Un-audited)	December 31, 2025 (Audited)
		------ (Rupees in '000') -----	
15.	**DEFERRED TAX ASSETS-NET**		
	Deductible Temporary Differences on		
	Credit loss allowance against advances	**11,859,775**	12,703,389
	Post retirement employee benefits	**54,201**	54,201
	Tax losses carried forward	**878,384**	1,050,943
	Provision for diminution in the value of investments	**40,491**	66,861
	Impact of Adoption of EIR	**316,349**	-
	Others	**1,367,753**	1,779,416
	Right of use assets	**681,485**	619,339
		15,198,438	16,274,149
	Taxable Temporary Differences on		
	Deficit on revaluation of investments	**(1,053,449)**	(2,024,590)
	Accelerated tax depreciation - tangible fixed assets	**10,604**	(27,880)
	Surplus on revaluation of non-banking :	**(93,600)**	(93,600)
	Unrealized gain/loss on equity investment FVTPL	**(3,014)**	(155,312)
	Accelerated tax amortization - intangible assets	**(18,413)**	(17,777)
		(1,157,871)	(2,319,159)
		14,040,567	13,954,990

15.1 The Bank has an aggregate amount of deferred tax assets of Rs. 14,040.57 million (2025: Rs. 13,954.99 million). Deferred tax asset has been recorded based on management's best estimate of the probable benefits expected to be realised in future years in the form of reduced tax liability as the Bank would be able to set off the profits earned in those years against the deferred tax asset. In this regard, the Bank has prepared financial projections for future taxable profits, which have been approved by the Board of the Bank, to assess the recoverability of deferred tax assets. The projections involve certain key management assumptions underlying the estimation of future taxable profits. The determination of future taxable profits is most sensitive to certain key assumptions such as growth in high yield consumer advances, investment returns, potential reversal of provision against assets, interest rates, cost of funds and expected recoveries of classified loans. Any significant change in such assumptions may have an effect on the recoverability of the deferred tax assets. Management believes that it is probable that the Bank will be able to achieve the profits and consequently, the deferred tax asset will be fully realised in future.

	Note	**June 30, 2026 (Un-audited)**	December 31, 2025 (Audited)
16. OTHER ASSETS	**Note**	**--------- (Rupees in '000') ---------**	
Income / mark-up accrued in local currency		**6,829,116**	6,652,635
Accrued commission income		**39,992**	39,992
Advances, deposits, advance rent and other prepayments		**1,859,194**	1,504,441
Receivable against sale of shares		**70,559**	563,093
Mark to market gain on forward foreign exchange contracts		**-**	-
Insurance premium receivable against agriculture loans		**10,107**	7,750
Stationery and stamps on hand		**15,331**	17,362
Dividends receivable		**2,130**	-
Receivable against 1 Link ATM settlement account		**139,440**	419,518
Acceptances		**39,035**	-
Insurance claims receivable		**17,178**	10,320
Non-Banking Assets Acquired in Satisfaction of Claims		**1,770,000**	1,770,000
Other receivables		**717,771**	494,589
		11,509,853	11,479,700
Less: Provison held against other assets	16.2	**(875,006)**	(875,006)
Other assets (net of provision)		**10,634,847**	10,604,694
Surplus on revaluation of non-banking assets acquired in satisfaction of claims		**180,000**	180,000
		10,814,847	10,784,694

16.1 Market value of non-banking assets acquired in satisfaction of claims

Non-banking assets acquired in satisfaction of claims have been revalued by independent professional valuer. The revaluation was conducted by M/s. Iqbal A. Nanjee & Co. Pvt. Ltd. based on their professional assessment of present market values, has reported no significant change in the market value of these assets.

16.2 Movement in credit loss allowance / provision held against other assets

Opening balance	**(875,006)**	(864,614)
Charge for the period / year	**-**	(10,392)
Reversals	**-**	-
Amount written off	**-**	-
Closing balance	**(875,006)**	(875,006)

	Note	June 30, 2026 (Un-audited)	December 31, 2025 (Audited)
17. BILLS PAYABLE		(Rupees in '000')	
In Pakistan		**2,355,617**	4,236,755
Outside Pakistan		-	-
		2,355,617	4,236,755
18. BORROWINGS			
Secured			
Borrowings from State Bank of Pakistan			
- Under export refinance scheme	18.1	**885,000**	1,080,000
- Under long term finance facility		-	-
Repurchase agreement borrowings - Secured			
- State Bank of Pakistan (SBP)		-	-
- Other commercial banks / DFI's		-	-
		-	-
		885,000	1,080,000

18.1 Particulars of borrowings with respect to Currencies

	June 30, 2026	December 31, 2025
In local currency	**885,000**	1,080,000
In foreign currencies	-	-
	885,000	1,080,000

19. DEPOSITS AND OTHER ACCOUNTS

	June 30,2026 (Un-audited)			December 31,2025 (Audited)		
	In Local Currency	**In Foreign currencies**	**Total**	In Local Currency	In Foreign currencies	Total
	(Rupees in '000')					
Customers						
Current deposits	**108,529,166**	**991,620**	**109,520,786**	111,548,127	948,477	112,496,604
Savings deposits	**182,671,319**	**1,294,759**	**183,966,078**	171,592,894	1,335,434	172,928,328
Term deposits	**47,030,673**	**584,231**	**47,614,904**	43,233,965	705,669	43,939,634
Margin and other deposits	**3,279,084**	-	**3,279,084**	2,721,682	-	2,721,682
	341,510,242	**2,870,610**	**344,380,852**	329,096,668	2,989,580	332,086,248
Financial Institutions						
Current deposits	**1,555,935**	**3,224**	**1,559,159**	1,880,221	1,465	1,881,686
Savings deposits	**8,587,316**	-	**8,587,316**	6,068,256	-	6,068,256
Term deposits	**2,010,000**	-	**2,010,000**	1,935,000	-	1,935,000
Margin and other deposits	**120,062**	-	**120,062**	120,062	-	120,062
	12,273,313	**3,224**	**12,276,537**	10,003,539	1,465	10,005,004
	353,783,555	**2,873,834**	**356,657,389**	339,100,207	2,991,045	342,091,252

		Note	June 30, 2026 (Un-audited)	December 31, 2025 (Audited)
			----- (Rupees in '000') -----	
20.	**Lease liabilities**			
	Opening balance		**4,847,455**	4,308,326
	Reassessment / renewals		**576,990**	1,049,858
	Interest expense		**324,405**	660,585
	Lease payments including interest		**(616,133)**	(1,221,593)
	Other adjustments / transfers		**3,078**	50,279
	Closing balance		**5,135,795**	4,847,455
20.1	**Contractual maturity of lease laibilities**			
	Short-term lease liabilities - within one year		**619,725**	499,275
	Long-term lease liabilities			
	- 1 to 5 years		**2,646,705**	2,231,032
	- 5 to 10 years		**1,867,954**	2,113,528
	- More than 10 years		**1,411**	3,620
			4,516,070	4,348,180
	Total lease liabilities		**5,135,795**	**4,847,455**
21.	**OTHER LIABILITIES**			
	Mark-up / return / interest payable in local currency		**6,291,100**	5,848,439
	Mark-up / return / interest payable in foreign currency		**21,652**	16,389
	Accrued expenses		**672,535**	323,123
	Net defined benefit liability		**111,928**	373,942
	Provision for compensated absences		**529,151**	532,617
	Payable against 1 Link ATM settlement account		-	-
	Payable against purchase of shares		**28,940**	62,870
	Mark to market gain on forward foreign exchange contracts		**16,189**	512,510
	Retention money		**83,746**	77,089
	Federal excise duty / sales tax on services payable		**11,531**	14,747
	Withholding tax payable		**938,962**	290,502
	Acceptances		**39,035**	-
	Provision for taxation - net		**255,024**	573,202
	Security deposit against leases		**359,823**	161,101
	Others		**751,939**	2,971,273
			10,111,555	11,757,804
	Credit loss allowance against off-balance sheet obligations	21.1	**45,067**	11,511
			10,156,622	11,769,315

		Note	June 30, 2026 (Un-audited)	December 31, 2025 (Audited)
			----- (Rupees in '000') -----	
21.1	**Opening balance**		**11,511**	**3,898**
	Charge / reversals;			
	Charge for the year		**33,556**	7,613
	Reversals for the year		**-**	-
			33,556	7,613
	Closing Balance		**45,067**	11,511

21.1.1 Credit loss allowance against off balance sheet obligations include ECL in respect of letter of credit, letter of guarantees, shipping guarantees, acceptances and commitments against forward lendings etc.

22. SHARE CAPITAL - NET

22.1 Authorised capital

June 30, 2026 (Un-audited)	December 31, 2025 (Audited)		June 30, 2026 (Un-audited)	December 31, 2025 (Audited)
Number of shares			--- (Rupees in '000') ---	
3,500,000,000	3,500,000,000	Ordinary shares of Rs.10 each	**35,000,000**	35,000,000

22.2 Issued, subscribed and paid-up share capital

June 30, 2026 (Un-audited)	December 31, 2025 (Audited)		June 30, 2026 (Un-audited)	December 31, 2025 (Audited)
Number of shares			--- (Rupees in '000') ---	
3,071,013,000	3,071,013,000	Fully paid in cash: Ordinary shares of Rs.10 each	**30,710,130**	30,710,130
-	-	Right shares of Rs.10 each issued during the year	**-**	-
381,429,817	381,429,817	Ordinary shares of Rs. 10 issued as consideration of amalgamation	**3,814,298**	3,814,298
3,452,442,817	3,452,442,817		**34,524,428**	34,524,428

22.3 The Government of Sindh, through its Finance Department, owns 99.97% ordinary shares of the Bank.

		Note	June 30, 2026 (Un-audited)	December 31, 2025 (Audited)
23.	**SURPLUS/(DEFICIT) ON REVALUATION OF ASSETS - NET**		----- (Rupees in '000') -----	
	Surplus / (deficit) on revaluation of			
	- Securities measured at FVOCI - Debt		**1,103,928**	1,998,268
	- Securities measured at FVOCI - Equity		**921,933**	1,895,176
	- Non-banking assets acquired in satisfaction of claims	23.1	**180,000**	180,000
			2,205,861	4,073,444
	Deferred tax on surplus / (deficit) on revaluation of:			
	- Securities measured at FVOCI - Debt		**(574,043)**	(1,039,099)
	- Securities measured at FVOCI - Equity		**(479,405)**	(985,492)
	- Non-banking assets acquired in satisfaction of claims	23.1	**(93,600)**	(93,600)
			(1,147,048)	(2,118,191)
			1,058,813	1,955,254

23.1	**Surplus on revaluation of non-banking assets acquired in satisfaction of claims**			
	Surplus on revaluation as at January 01		**180,000**	180,000
	Recognised during the year		**-**	-
	Surplus on revaluation as at December 31		**180,000**	180,000
	Less: related deferred tax liability on:			
	- revaluation as at January 01		**(93,600)**	(93,600)
	- revaluation recognised during the year		**-**	-
			(93,600)	(93,600)
			86,400	86,400

24	**CONTINGENCIES AND COMMITMENTS**			
	-Guarantees	24.1	**10,652,656**	8,908,919
	-Commitments	24.2	**126,707,780**	99,700,068
	-Other contingent liabilities		**-**	-
			137,360,436	108,608,987

24.1	**Guarantees:**			
	Financial guarantees		**2,241,197**	1,170,887
	Performance guarantees		**5,491,310**	5,841,003
	Other guarantees		**2,920,149**	1,897,029
			10,652,656	8,908,919

		Note	June 30, 2026 (Un-audited)	December 31, 2025 (Audited)
			----- (Rupees in '000') -----	
24.2	**Commitments:**			
	Documentary credits and short-term trade-related transactions			
	- letters of credit		**5,027,302**	5,208,618
	Commitments in respect of:			
	- forward foreign exchange contracts	24.2.1	**75,950,238**	58,059,485
	- forward lending, borrowings and credits	24.2.2	**45,547,567**	36,235,717
	Commitments for acquisition of:			
	- fixed assets		**182,673**	196,268
			126,707,780	99,700,088

24.2.1 Commitments in respect of forward foreign exchange contracts

Purchase	**37,993,047**	29,049,476
Sale	**37,957,191**	29,010,009
	75,950,238	58,059,485

24.2.2 Commitments in respect of forward lending, borrowings and credits

Forward resale agreement lending		**19,471,507**	20,881,685
Undrawn formal standby facilities, credit lines and other commitments to lend	24.2.2.1	**26,076,060**	15,354,032
		45,547,567	36,235,717

24.2.2.1 Commitments to extend credit

The Bank enters into commitments to extend credit in the normal course of its business but these are revocable commitments that do not attract any significant penalty or expense if the facility is unilaterally withdrawn.

			Half Year Ended	
			June 30, 2026	June 30, 2025
			Un-audited	
25.	**MARK-UP/RETURN/INTEREST EARNED**	**Note**	---- (Rupees in '000') ----	
	On loans and advances		**7,648,554**	4,347,121
	On investments		**10,714,224**	13,798,742
	On lendings to financial institutions		**673,577**	309,967
	On balances with banks		**64,478**	66,286
			19,100,833	18,522,116
26.	**MARK-UP/RETURN/INTEREST EXPENSED**			
	Deposits		**10,700,042**	11,957,256
	Borrowings		**378,499**	1,234,472
	Finance charge on lease liability against right of use assets		**324,405**	325,044
			11,402,946	13,516,772
27.	**FEE AND COMMISSION INCOME**			
	Branch banking customer fees		**45,824**	60,814
	Consumer finance related fees		**2,677**	2,234
	Card related fees (debit cards)		**186,396**	175,549
	Commission on trade		**76,337**	77,317
	Commission on guarantees		**62,920**	41,104
	Credit related fees		**16,711**	4,349
	Commission on remittances including home remittances		**2,145**	4,424
	Others		**947**	819
			393,957	366,610
28.	**GAIN ON SECURITIES**			
	Realised	28.1	**73,728**	473,231
	Unrealised - Measured at FVPL	28.2	**(292,881)**	21,296
			(219,153)	494,527
28.1	**Realised gain on:**			
	Federal Government Securities		**292**	427,899
	Shares of listed companies		**73,436**	45,332
	Mutual Funds		**-**	-
			73,728	473,231

		Note	Half Year Ended June 30, 2026	Half Year Ended June 30, 2025
			Un-audited	
			---- (Rupees in '000') ----	
28.2	**Net (loss) / gain on financial assets measured at FVPL:**			
	Designated upon initial recognition		-	-
	Mandatorily measured at FVPL		(292,881)	21,296
			(292,881)	21,296
29.	**OTHER INCOME**			
	Gain on sale of operating fixed assets		**8,908**	242
	Rent on premises shared		**638**	675
	Godwon charges		**70**	110
	Others		**2,124**	318
			11,740	1,345
30.	**OPERATING EXPENSES**			
	Total compensation expense	30.2	**3,489,753**	2,889,406
	Property expense			
	Rent & taxes		**76,102**	38,380
	Insurance		**31,577**	31,258
	Utilities cost		**297,574**	233,857
	Security		**414,177**	417,852
	Repairs & maintenance		**18,930**	25,755
	Depreciation		**38,546**	36,199
	Depreciation - right of use assets		**408,160**	378,036
			1,285,066	1,161,337
	Information technology expenses			
	Software maintenance		**170,543**	112,434
	Hardware maintenance		**65,600**	60,280
	Depreciation		**63,196**	41,081
	Amortisation		**23,810**	21,434
	Network charges		**11,822**	11,420
	Others		**107,481**	51,313
			442,452	297,962

		Half Year Ended	
		June 30, 2026	June 30, 2025
		Un-audited	
OPERATING EXPENSES	Note	---- (Rupees in '000') ----	
Other operating expenses			
Directors' fees and allowances		13,375	14,375
Fees and allowances to Shariah Board		3,116	1,427
Legal and professional charges		23,872	15,367
Travelling & conveyance		33,554	32,004
NIFT clearing charges		25,261	23,938
Training & development		5,252	3,526
Postage & courier charges		14,913	10,721
Communication		212,003	122,360
Stationery & printing		104,087	85,737
Marketing, advertisement & publicity		57,186	47,820
Auditor's Remuneration	30.3	10,054	9,126
Repairs & maintenance		96,200	91,255
Brokerage and commission		6,164	6,864
Entertainment Expenses		49,153	41,534
Fees and subscription		73,374	53,778
Insurance expenses		7,760	5,513
Premium of deposit protection fund		62,382	54,641
Depreciation		188,368	87,526
Outsourced service costs	30.1	124,467	110,919
Others		27,710	26,412
		1,138,251	844,843
		6,355,522	5,193,548

30.1 Total cost for the period included in other operating expenses relating to Janitorial outsourced activities.

30.2 Total compensation expense

Managerial Remuneration		
- Fixed	2,107,489	1,726,295
- Variable Cash Bonus / Awards	75,744	31,139
Charge for defined benefit plan	111,928	115,176
Contribution to defined contribution plan	103,566	85,738
Rent & house maintenance	524,399	446,543
Utilities	109,186	92,927
Medical	109,186	92,927
Conveyance	101,691	111,937
Dearness Allowance	33,057	28,370
Employee old age benefits contribution	26,814	23,982
Leave Fare Assistance Allowances	32,411	21,091
Leave Encashment	8,000	3,000
Staff Insurances	70,477	54,967
Others	75,805	55,314
	3,489,753	2,889,406

			Half Year Ended	
			June 30, 2026	June 30, 2025
30.3	**Auditors' remuneration**	**Note**	---------- (Rupees in '000') ----------	
	Audit fee		**8,575**	7,795
	Fee for other statutory certifications		**636**	856
	Special certifications and sundry advisory services		**306**	-
	Out-of-pocket expenses		**537**	475
			10,054	9,126
31.	**OTHER CHARGES**			
	Penalties imposed by the State Bank of Pakistan		**895**	-
	Others		**-**	-
			895	-
32.	**CREDIT LOSS ALLOWANCE & WRITE OFFS - NET**			
	Credit loss allowance for dimunition in value of investments	10.1.1	**(50,701)**	28,193
	Reversal of credit loss allowance / provision against loans and advances	11.3	**(2,524,040)**	(1,142,136)
	Credit loss allowance / provision against loans and advances	11.3	**427,893**	781,026
	Credit loss allowance against lendings to financial institutions	9.2	**1,758**	618
	Reversal of credit loss allowance against other assets	16.2	**-**	-
	Credit loss allowance against off-balance sheet obligations	21.1	**33,556**	(834)
	Credit loss allowance against balance with other banks	8.4	**(3,577)**	(399)
	Credit loss allowance against balance with treasury banks		**27**	-
	Fixed Assets Written-off		**153**	-
	Bad debts directly charged to profit and loss account		**547**	-
			(2,114,384)	(333,532)
33.	**TAXATION**			
	Current		**441,363**	383,167
	Deferred		**1,201,913**	200,045
			1,643,276	583,212
34.	**BASIC AND DILUTED EARNINGS PER SHARE**			
	Profit for the period (Rupees in '000)		**2,408,366**	500,380
	Weighted average number of ordinary shares		**3,452,442,817**	3,452,442,817
	Basic and diluted earnings per share (Rupee)		**0.70**	0.14
35.	**CASH AND CASH EQUIVALENTS**			
	Cash and balance with treasury banks	7	**19,218,971**	21,570,629
	Balance with other banks	8	**2,720,769**	2,500,738
			21,939,740	24,071,367

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36. FAIR VALUE MEASUREMENTS

The fair values of traded investments are based on quoted market prices.

Unquoted equity investments are caried at the lower of cost or break-up value of the investee company. The fair value of the same is not required to be calculated.

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 and therefore, are not reported aspart of this disclosure.

In the opinion of 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 following fair value hierarchy, based on the lowest level input that is significant to the fair value measurement.

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 asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: Fair value measurements using inputs that are not based on observable market data.

36.1 Fair value of financial and non-financial assets

The table below analyses the financial and non-financial assets carried at fair values, by valuation methods. For financial assets, the Bank essentially carries its investments in debt and equity securities at fair values. Valuation of investments is carried out as per guidelines specified by the SBP.

	June 30,2026			
	Fair Value			
	Level 1	Level 2	Level 3	Total
On balance sheet financial instruments	---------- (Rupees in '000') ----------			
Financial assets measured at fair value				
Investments				
Pakistan Investment Bonds	-	144,199,581	-	144,199,581
Market Treasury Bills	-	32,371,408	-	32,371,408
Shares of listed companies	4,611,292	-	-	4,611,292
Units of mutual funds	403,571	-	-	403,571
Ijarah Sukuk - GoP	-	3,500,257	-	3,500,257
Sukuk bonds	-	311,357	-	311,357
	5,014,863	180,382,603	-	185,397,466
Financial assets disclosed but not measured at fair value				
Investments				
Market Treasury Bills	-	12,002,781	-	12,002,781
Pakistan Investment Bonds	-	11,792,611	-	11,792,611
Term finance certificates - Listed	-	-	-	-
Term finance certificates - Unlisted	-	119,403	-	119,403
	-	23,914,795	-	23,914,795
Off balance sheet financial instruments				
Foreign exchange contracts (purchase)	-	37,993,047	-	37,993,047
Foreign exchange contracts (sale)	-	37,957,191	-	37,957,191
Non-Financial Assets				
Land and building (Non-banking assets)	-	1,950,000	-	1,950,000

	December 31,2025 (Audited)			
	Fair Value			
	Level 1	Level 2	Level 3	Total
On balance sheet financial instruments	(Rupees in '000')			
Financial assets measured at fair value				
Investments				
Pakistan Investment Bonds	-	134,526,226	-	134,526,226
Market Treasury Bills	-	4,538,725	-	4,538,725
Shares of listed companies	4,098,174	-	-	4,098,174
Units of mutual funds	407,799	-	-	407,799
Ijarah Sukuk - GoP	-	3,521,150	-	3,521,150
Sukuk bonds	-	345,436	-	345,436
	4,505,973	142,931,537	-	147,437,510
Financial assets disclosed but not measured at fair value				
Investments				
Market Treasury Bills	-	3,472,967	-	3,472,967
Pakistan Investment Bonds	-	14,684,883	-	14,684,883
Term finance certificates - Listed	-	177,947	-	177,947
Term finance certificates - Unlisted	-	119,632	-	119,632
	-	18,455,429	-	18,455,429
Off balance sheet financial instruments				
Foreign exchange contracts (purchase)	-	29,049,476	-	29,049,476
Foreign exchange contracts (sale)	-	29,010,009	-	29,010,009
Non-Financial Assets				
Land and building (Non-banking assets)	-	1,950,000	-	1,950,000

The valuation techniques used for the above assets are disclosed below:

Item	Valuation techniques and input used
Listed equity securities	The fair value of equity securities is calculated using the market prices, adjusted for appropriate discount if any.
Units of mutual funds	The fair value of units of mutual funds are determine based on their net assets value as published at the close of each business day.
Pakistan Investment Bonds / Market Treasury Bills	Fair values of Pakistan Investment Bonds and Treasury Bills are derived using the PKRV rates (Reuters page).
Government of Pakistan (GoP) - Ijarah Sukuks	Fair values derived using the PKISRV rates announced by the Financial Market Association (FMA) through Reuters.
Term Finance, Bonds and Sukuk certificates	Investments in debt securities (comprising term finance certificates, bonds, sukuk certificates 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 (MUFAP) in accordance with the methodology prescribed by the Securities and Exchange Commission of Pakistan.

37. SEGMENT INFORMATION

37.1 Segment Details with respect to Business Activities

	June 30,2026			
	Trading and sales	Retail banking	Commercial banking and others	Total
	(Rupees in '000')			
Profit & Loss				
Net mark-up/return/interest income	11,037,375	735,870	(4,075,358)	7,697,887
Inter segment revenue - net	(14,580,421)	-	14,580,421	-
Non mark-up / interest income	173,979	348	421,460	595,787
Total Income	(3,369,067)	736,218	10,926,523	8,293,674
Segment direct expenses	(85,302)	(74,490)	(4,892,994)	(5,052,786)
Inter segment expense allocation	(130,363)	(551,903)	(621,365)	(1,303,631)
Total expenses	(215,665)	(626,393)	(5,514,359)	(6,356,417)
Provisions	18,937	-	2,095,447	2,114,384
(Loss) / Profit before tax	(3,565,795)	109,825	7,507,611	4,051,641
Balance Sheet				
Cash & Bank balances	11,195,738	-	10,744,002	21,939,740
Investments	208,156,641	-	3,627,731	211,784,372
Net inter segment lending	-	-	261,665,144	261,665,144
Lendings to financial institutions	30,205,712	- -	10,250,000	19,955,712
Advances - performing	44,995	12,071,541	107,512,219	119,628,755
Advances - non-performing	-	-	4,747,303	4,747,303
Others	4,646,490	49,243	27,206,519	31,902,252
Total Assets	254,249,576	12,120,784	405,252,918	671,623,278
Borrowings	-	-	885,000	885,000
Subordinated debt	-	-	-	-
Deposits & other accounts	-	-	356,657,389	356,657,389
Net inter segment borrowing	249,568,709	12,096,435	-	261,665,144
Others	310,729	24,349	17,312,957	17,648,035
Total liabilities	249,879,438	12,120,784	374,855,346	636,855,568
Equity	4,370,138	-	30,397,572	34,767,710
Total Equity & liabilities	254,249,576	12,120,784	405,252,918	671,623,278
Contingencies & Commitments	95,421,745	-	41,939,467	137,361,212

Segment Details with respect to Business Activities

	June 30,2025			
	Trading and sales	Retail banking	Commercial banking and others	Total
	(Rupees in '000')			
Profit & Loss				
Net mark-up/return/interest income	12,926,693	239,297	(8,160,646)	5,005,344
Inter segment revenue - net	(16,452,211)	-	16,452,211	-
Non mark-up / interest income	562,818	723	374,723	938,264
Total Income	(2,962,700)	240,020	8,666,288	5,943,608
Segment direct expenses	(72,865)	(55,081)	(4,069,034)	(4,196,980)
Inter segment expense allocation	(99,657)	(179,473)	(717,438)	(996,568)
Total expenses	(172,522)	(234,554)	(4,786,472)	(5,193,548)
Provisions	-	-	333,532	333,532
(Loss) / Profit before tax	(3,135,222)	5,466	4,213,348	1,083,592

	December 31,2025 (Audited)			
	Trading and sales	Retail banking	Commercial banking and others	Total
	(Rupees in '000')			
Balance Sheet				
Cash & Bank balances	20,758,123	-	10,736,935	31,495,058
Investments	166,642,939	-	-	166,642,939
Net inter segment lending	-	-	217,741,251	217,741,251
Lendings to financial institutions	21,413,319	-	-	21,413,319
Advances - performing	(26,830)	10,999,029	131,230,263	142,202,462
Advances - non-performing	-	-	5,318,996	5,318,996
Others	3,923,760	35,878	26,540,589	30,500,227
Total Assets	212,711,311	11,034,907	391,568,034	615,314,252
Borrowings	-	-	1,080,000	1,080,000
Subordinated debt	-	-	-	-
Deposits & other accounts	-	-	342,091,252	342,091,252
Net inter segment borrowing	206,735,351	11,005,900	-	217,741,251
Others	948,359	29,007	19,876,159	20,853,525
Total liabilities	207,683,710	11,034,907	363,047,411	581,766,028
Equity	5,027,601	-	28,520,623	33,548,224
Total Equity & liabilities	212,711,311	11,034,907	391,568,034	615,314,252
Contingencies & Commitments	78,941,170	-	29,667,817	108,608,987

38. RELATED PARTY TRANSACTIONS

The related parties of the Bank comprise associated undertakings, directors, staff retirement funds and key management personnel (including their associates).

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. Transaction with executives and key management persons are undertaken at terms in accordance with employment agreements and service rules. Contributions to and accruals in respect of staff retirement benefit plans are made in accordance with the terms of the benefit plan. Remuneration of the President & Chief Executive Officer and directors are determined in accordance with the terms of their appointment.

Government of Sindh (GoS) through its Finance Department holds 99.97% shareholding in the Bank and therefore entities which are owned and / or controlled by the GoS, or where the GoS may exercise significant influence, are related parties of the Bank. The Bank in the ordinary course of business enters into transactions with Government-related entities. Such transactions include lending to, deposits from and provision of other banking services to such entities. However, it is impracticable to disclose transactions with all other entities owned or controlled by GoS.

The details of balances and transactions with related parties, other than those disclosed under respective notes, during the period are as follows:

	June 30,2026				December 31, 2025 (Audited)			
	Directors	**Key management personnel**	**Subsidiaries**	**Other related parties**	Directors	Key management personnel	Subsidiaries	Other related parties
	(Rupees in '000')							
Lendings to financial institutions								
Opening balance	-	-	-	-	-	-	-	-
Addition during the period	-	-	500,000	-	-	-	-	-
Repaid during the period	-	-	-	-	-	-	-	-
Transfer in / (out) - net	-	-	-	-	-	-	-	-
Closing balance	-	-	500,000	-	-	-	-	-
Investments								
Opening balance	-	-	750,000	-	-	-	750,000	-
Investment made during the period	-	-	-	-	-	-	-	-
Investment redeemed / disposed off during the period	-	-	-	-	-	-	-	-
Closing balance	-	-	750,000	-	-	-	750,000	-
Advances								
Opening balance	-	231,968	148,980	64,378	-	148,040	360,000	64,377
Addition during the period	-	48,590	1,330,000	-	-	84,677	360,000	1
Repaid during the period	-	(28,115)	(498,980)	-	-	(42,953)	(571,020)	-
Transfer in / (out) - net	-	1,173	-	-	-	42,204	-	-
Closing balance	-	253,616	980,000	64,378	-	231,968	148,980	64,378
Other Assets								
Interest / mark-up accrued	-	232	6,246	2,326	-	278	4,475	2,283
Deposits and other accounts								
Opening balance	55,328	102,005	335,138	7,649,478	20,863	74,467	220,877	2,824,555
Received during the period	57,676	412,354	8,196,126	12,328,643	149,704	586,989	14,384,080	33,506,499
Withdrawn during the period	(67,205)	(376,585)	(7,465,418)	(11,060,546)	(124,562)	(552,295)	(14,269,819)	(28,684,992)
Transfer in / (out) - net	-	727	-	-	9,322	(7,156)	-	3,417
Closing balance	45,799	138,501	1,065,846	8,917,575	55,328	102,005	335,138	7,649,478
Other Liabilities								
Interest / mark-up payable	917	2,381	5,071	198,787	812	2,108	3,652	63,543
Others	-	-	-	-	-	-	-	2,500,000
	917	2,381	5,071	198,787	812	2,108	3,652	2,563,543

	June 30,2026				June 30,2025			
	Directors	**Key management personnel**	**Subsidiaries**	**Other related parties**	Directors	Key management personnel	Subsidiaries	Other related parties
	(Rupees in '000')							
Income								
Mark-up / return / interest earned	-	3,985	10,404	4,486	-	3,431	11,670	4,840
Fee and commission income	1	21	232	347	-	2	99	1,196
Net gain on sale of securities	-	-	41	60	-	-	-	-
Other income	-	-	-	638	-	-	-	675
Expense								
Mark-up / return / interest paid	1,376	4,061	9,341	414,338	1,016	4,584	5,465	133,009
Remuneration paid	-	220,110	-	-	-	186,802	-	-
Contribution to provident fund	-	10,772	-	-	-	9,095	-	-
Provision for gratuity	-	34,439	-	-	-	31,946	-	-
Other staff benefits	-	82,830	-	-	-	31,736	-	-
Directors' meeting fee	13,375	-	-	-	14,375	-	-	-
Other expenses	175	-	-	-	213	-	-	-
Insurance premium paid	-	-	-	31,232	-	-	-	33,139
Others								
Sale of Government Securities	-	-	423,000	3,100,000	-	-	140,000	1,200,000
Purchase of Government Securities	-	-	-	100,000	-	-	-	120,000
Gratuity paid	-	11,662	-	-	-	2,786	-	-
Leave encashment paid	-	3,832	-	-	-	2,298	-	-
Insurance claims settled	-	-	-	4,727	-	-	-	1,199
Expenses recovered under agency arrangement	-	-	-	60	-	-	-	65

As at the date of unconsolidated statement of financial position, loans/advances and deposits related to government related entities and its related entities amounted to Rs. 24,284.89 million (2025: Rs. 34,912.45 million) note 11.1 and Rs. 205,865.25 million (2025: Rs. 193,330.66 million) note 19. The above includes deposits amounting to Rs. 52,342.12 million (2025: Rs.40,349.48 million) received through the Finance Department, Government of Sindh.

39 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

	June 30, 2026 (Un-audited)	December 31, 2025 (Audited)
	-------- (Rupees in '000') -------	
Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	**30,107,831**	28,473,577
Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier 1 (CET 1) Capital	**23,274,547**	20,950,961
Eligible Additional Tier 1 (ADT 1) Capital	-	-
Total Eligible Tier 1 Capital	**23,274,547**	20,950,961
Eligible Tier 2 Capital	**1,220,624**	2,164,107
Total Eligible Capital (Tier 1 + Tier 2)	**24,495,171**	23,115,068
Risk Weighted Assets (RWAs):		
Credit Risk	**69,851,083**	55,301,312
Market Risk	**22,333,933**	16,884,380
Operational Risk	**20,134,137**	20,134,137
Total	**112,319,153**	92,319,829
Common Equity Tier 1 Capital Adequacy ratio	**20.72%**	22.69%
Tier 1 Capital Adequacy Ratio	**20.72%**	22.69%
Total Capital Adequacy Ratio	**21.81%**	25.04%
Notional minimum capital requirements prescribed by SBP		
CET1 minimum ratio	6.00%	6.00%
Tier 1 minimum ratio	7.50%	7.50%
Total capital minimum ratio	10.00%	10.00%
Total capital minimum ratio plus CCB	11.50%	11.50%

Approach followed for determining Risk Weighted Assets

Credit Risk	**Comprehensive**	Comprehensive
Market Risk	**Maturity method**	Maturity method
Operational Risk	**Basic Indicator**	Basic Indicator

	June 30, 2026 (Un-audited)	December 31, 2025 (Audited)
	-------- (Rupees in '000') -------	
Leverage Ratio (LR):		
Eligible Tier-1 Capital	**23,274,547**	20,950,961
Total Exposures	**413,595,363**	397,121,739
Leverage Ratio (%)	**5.63%**	5.28%
Liquidity Coverage Ratio (LCR):		
Total High Quality Liquid Assets	**189,056,481**	183,159,874
Total Net Cash Outflow	**51,539,593**	47,152,234
Liquidity Coverage Ratio (%)	**367%**	388%
Net Stable Funding Ratio (NSFR):		
Total Available Stable Funding	**269,032,269**	256,915,076
Total Required Stable Funding	**134,175,319**	128,858,448
Net Stable Funding Ratio	**201%**	199%

40 ISLAMIC BANKING BUSINESS

The Bank is operating with 59 Islamic Banking branches and 14 Islamic Banking Windows in Conventional branches (2025: 58 Branches and 14 Islamic Banking Windows).

STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2026

	Note	June 30, 2026 (Un-audited)	December 31, 2025 (Audited)
Assets		--------- (Rupees in '000')	----------
Cash and balances with treasury banks		**1,792,460**	1,756,489
Balances with other banks		**10,182**	10,220
Due from financial institutions	40.1	**-**	549,991
Investments	40.2	**3,843,350**	3,867,200
Islamic financing and related assets	40.3	**30,132,054**	30,136,968
Fixed assets		**283,383**	211,128
Right of use assets		**211,270**	202,674
Intangible assets		**-**	333
Deferred tax assets		**-**	-
Due from head office		**-**	-
Other assets		**1,131,715**	876,627
		37,404,414	37,611,630
Liabilities			
Bills payable		**638,191**	62,130
Due to financial institutions		**10,250,000**	13,200,000
Deposits and other accounts	40.4	**24,792,424**	19,159,042
Lease liabilities		**270,420**	251,159
Deferred tax liability		**2,942**	7,396
Due to head office		**70,462**	786,961
Other liabilities		**545,675**	2,916,783
		36,570,114	36,383,471
Net Assets		**834,300**	1,228,159
Represented By			
Islamic banking fund		**1,100,000**	1,100,000
Reserves		**-**	-
(Deficit)/surplus on revaluation of investments		**(9,495)**	5,702
Accumulated (loss)/profit	40.8	**(256,205)**	122,457
		834,300	1,228,159

CONTINGENCIES AND COMMITMENTS 40.5

ISLAMIC BANKING BUSINESS

The profit and loss account of the business is as follows:

		Half Year Ended	
		June 30, 2026	**June 30, 2025**
		(Un-audited)	
	Note	--------- (Rupees in '000') ----------	
Profit / return on financing, investments and placements earned	40.6	**1,866,896**	458,072
Return on deposits and other dues expensed	40.7	**1,632,724**	274,679
Net income earned		**234,172**	183,393
Other income			
Fee, commission and brokerage income		**23,396**	6,975
Income from dealing in foreign currencies		**222**	129
Dividend income		**11,610**	9,900
Gain on sale / redemption of securities		**-**	46,170
Other income		**(106)**	288
		35,122	63,462
Total income		**269,294**	246,855
Other expenses			
Administrative expenses		**600,999**	154,466
Other charges		**-**	-
		600,999	154,466
(Loss)/Profit before provision		**(331,705)**	92,389
Credit allowance and write offs - net		**46,957**	1,694
(Loss)/Profit before taxation		**(378,662)**	90,695

ISLAMIC BANKING BUSINESS

	June 30, 2026 (Un-audited)			December 31, 2025 (Audited)		
	In local currencies	In foreign currencies	Total	In local currencies	In foreign currencies	Total
40.1 DUE FROM FINANCIAL INSTITUTIONS	(Rupees in '000')					
Musharaka arrangements	-	-	-	549,991	-	549,991

40.2 INVESTMENTS

	June 30, 2026 (Un-audited)				December 31, 2025 (Audited)			
	Cost/ Amortised cost	Credit loss allowance	Surplus / (Deficit)	Carrying Value	Cost /Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value
	(Rupees in '000')							
Measured at FVOCI								
Federal Government Securities:								
- Ijarah Sukuks	3,503,853	-	(6,553)	3,497,300	3,508,052	-	13,098	3,521,150
Measured at FVTPL								
-Listed Companies	123,660	-	222,390	346,050	123,660	-	222,390	346,050
Total Investments	3,627,513	-	215,837	3,843,350	3,631,712	-	235,488	3,867,200

	June 30, 2026 (Un-audited)	December 31, 2025 (Audited)
40.3 ISLAMIC FINANCING AND RELATED ASSETS	(Rupees in '000')	
Ijarah financing under IFAS 2	10,230	10,474
Murabaha	-	-
Running Musharika Financing - COF	30,000,000	30,000,000
Advance against Istisna	23,000	-
Diminishing musharakah financing	159,513	160,320
	30,192,743	30,170,794
Less: Credit Loss Allowance against islamic financings		
- Stage 1	170	76
- Stage 2	21	172
- Stage 3	60,498	33,578
	60,689	33,826
Islamic financing and related assets - net of provision	30,132,054	30,136,968

40.4 DEPOSITS

	June 30, 2026 (Un-audited)	December 31, 2025 (Audited)
	--------- (Rupees in '000') ---------	
Customers		
Current deposits	2,797,253	2,543,173
Savings deposits	13,463,437	9,998,422
Term deposits	1,896,960	6,555,457
Margin and other deposits	33,346	33,115
	18,190,996	19,130,167
Financial Institutions		
Current deposits	77	1,226
Savings deposits	6,451,302	27,649
Term deposits	150,000	-
Margin and other deposits	50	-
	6,601,429	28,875
	24,792,425	19,159,042

40.5 CONTINGENCIES AND COMMITMENTS

-Guarantees	263,142	262,003
-Letter of Credit	260,188	53,964
-Commitments	-	-
	523,330	315,967

40.6 PROFIT / RETURN ON FINANCING, INVESTMENTS AND PLACEMENTS EARNED

	Half Year Ended June 30, 2026	Half Year Ended June 30, 2025
	(Un-audited)	
	--------- (Rupees in '000') ---------	
Profit earned on:		
Financing	1,674,463	128,815
Investments	189,975	254,054
Placements	2,458	75,203
On deposits with financial institutions	-	-
	1,866,896	458,072

40.7 RETURN ON DEPOSITS AND OTHER DUES EXPENSED

Deposits and other accounts	756,032	228,907
Due to Financial Institutions	857,811	29,950
Amortisation of lease liability against right-of-use assets	18,881	15,822
	1,632,724	274,679

40.8 ACCUMULATED (LOSS)/PROFIT

	June 30, 2026 (Un-audited)	December 31, 2025 (Audited)
	--------- (Rupees in '000') ---------	
Opening Balance	122,457	(34,225)
Add: Islamic Banking profit/(loss) for the period	(378,662)	156,682
Closing Balance	(256,205)	122,457

41. GENERAL

41.1 Figures have been rounded off to the nearest thousand Rupees.

42. DATE OF AUTHORISATION FOR ISSUE

These unconsolidated financial statements were authorised for issue by the Board of Directors on 13 AUG 2026.

President and Chief Executive Officer	Chief Financial Officer	Director	Director	Chairman

SINDH BANK LIMITED
CONDENSED INTERIM CONSOLIDATED

FOR THE SIX-MONTH PERIOD ENDED
30 JUNE 2026

SINDH BANK LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2026

	Note	June 30, 2026 (Un-audited)	December 31, 2025 (Audited)
		--------- (Rupees in '000') ---------	
ASSETS			
Cash and balances with treasury banks	7	**19,290,652**	27,845,704
Balances with other banks	8	**3,301,361**	4,285,124
Lendings to financial institutions	9	**19,955,712**	21,413,319
Investments	10	**212,572,667**	166,963,504
Advances	11	**125,735,680**	149,883,765
Property and equipment	12	**3,121,878**	2,020,023
Right of use assets	13	**3,882,827**	3,733,191
Intangible assets	14	**139,475**	117,692
Deferred tax assets - net	15	**14,124,485**	14,033,707
Other assets	16	**10,935,263**	10,870,440
		413,059,999	401,166,469
LIABILITIES			
Bills payable	17	**2,355,617**	4,236,755
Borrowings	18	**1,919,788**	2,197,000
Deposits and other accounts	19	**357,259,531**	343,309,977
Lease liabilites	20	**5,235,893**	4,962,934
Deferred tax liabilities		**-**	-
Other liabilities	21	**10,470,880**	12,081,755
		377,241,710	366,788,421
NET ASSETS		**35,818,289**	34,378,048
REPRESENTED BY			
Share capital - net	22	**34,524,428**	34,524,428
Reserves		**3,873,155**	3,336,269
Surplus/(deficit) on revaluation of assets - net	23	**1,058,813**	1,955,254
Accumulated loss		**(3,638,107)**	(5,437,903)
		35,818,289	34,378,048

CONTINGENCIES AND COMMITMENTS 24

The annexed notes from 1 to 41 from an integral part of these consolidated financial statements.

President and Chief Executive Officer	**Chief Financial Officer**	**Director**	**Director**	**Chairman**

SINDH BANK LIMITED
CONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNT (Un-audited)
FOR THE QUARTER AND HALF YEAR ENDED JUNE 30, 2026

	Note	Quarter Ended		Half Yearly Ended	
		June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
		---------- (Rupees in '000') ----------			
Mark-up / return / profit / interest earned	25	10,285,287	9,756,269	20,031,170	19,334,812
Mark-up / return / profit / interest expensed	26	5,995,411	6,787,456	11,554,181	13,726,415
Net mark-up / return / profit / interest income		4,289,876	2,968,813	8,476,989	5,608,397
NON MARK-UP / INTEREST INCOME					
Fee and commission income	27	190,785	168,311	393,957	366,610
Dividend income		27,931	17,678	80,347	27,248
Foreign exchange income		206,343	(21,994)	328,897	48,534
Gain on securities	28	368,236	449,588	(219,153)	494,527
Other income	29	10,855	919	11,740	1,345
Total non-markup/interest income		804,150	614,502	595,788	938,264
Total income		5,094,026	3,583,315	9,072,777	6,546,661
NON MARK-UP / INTEREST EXPENSES					
Operating expenses	30	3,521,381	2,888,656	6,752,999	5,504,903
Other charges	31	913	-	913	-
Total non-markup/interest expenses		3,522,294	2,888,656	6,753,911	5,504,903
PROFIT BEFORE PROVISIONS		1,571,732	694,659	2,318,866	1,041,758
Credit loss allowance and write offs - net	32	(416,136)	(248,712)	(2,076,192)	(245,778)
PROFIT BEFORE TAXATION		1,987,868	943,371	4,395,058	1,287,536
Taxation	33	629,721	497,112	1,765,842	658,838
PROFIT AFTER TAXATION		1,358,147	446,259	2,629,216	628,698
		----------- Rupees -----------			
Basic and diluted earnings per share	34	0.42	0.13	0.76	0.18

The annexed notes from 1 to 41 from an integral part of these consolidated financial statements.

President and Chief Executive Officer | **Chief Financial Officer** | **Director** | **Director** | **Chairman**

SINDH BANK LIMITED
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (Un-audited)
FOR THE QUARTER AND HALF YEAR ENDED JUNE 30, 2026

	Quarter ended		Half year ended	
	June 30, 2026	June 30, 2025	**June 30, 2026**	June 30, 2025
	(Rupees in '000')		(Rupees in '000')	
Profit after taxation for the year	**1,358,147**	446,259	**2,629,216**	628,698
Other comprehensive income				
Items that may be reclassified to profit and loss account in subsequent periods:				
Movement in surplus on revaluation of investments - net of tax	**201,654**	633,922	**(429,284)**	472,397
	1,559,801	1,080,181	**2,199,932**	1,101,095
Items that will not be reclassified to profit and loss account in subsequent periods:				
Remeasurement loss on defined benefit obligations - net of tax	-	-	-	-
Movement in surplus on revaluation of equity investments - net of tax	**97,714**	22,093	**(467,156)**	(44,938)
Movement in surplus on revaluation of non-banking assets - net of tax	-	-	-	-
Gain on sale of equity securities carried at FVOCI - net of tax		44,942		44,942
	97,714	67,035	**(467,156)**	4
Total comprehensive income	**1,657,515**	1,147,216	**1,732,776**	1,101,099

The annexed notes from 1 to 41 from an integral part of these consolidated financial statements.

President and Chief Executive Officer	Chief Financial Officer	Director	Director	Chairman

SINDH BANK LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Un-audited)
FOR THE HALF YEAR ENDED JUNE 30, 2026

	Share Capital	Shares Deposit Money	Capital Reserves		Statutory Reserve *	Depositers' proection fund reserve **	Surplus / (Deficit) on revaluation		Accumulated Loss **	Total
			Reserves on amalgamation	Share Premium			Investments	Fixed/Non-banking assets		
						(Rupees in '000')				
Balance as at December 31, 2024 after adoption of IFRS-09	34,524,428	-	9,433	51	2,540,258	31,973	798,042	86,400	(8,334,151)	29,656,434
Profit/Loss for the quarter ended June 30, 2025	-	-	-	-	-		-	-	628,698	628,698
Other comprehensive income - net of tax										
Movement in revaluation reserve of investments in debt instruments - net of tax	-	-	-	-	-	-	472,397	-	-	472,397
Movement in revaluation reserve of equity investments - net of tax	-	-	-	-	-	-	(44,938)	-		(44,938)
Gain on sale of equity securities carried at FVOCI - net of tax									44,942	44,942
Remeasurement loss on defined benefit obligations - net of tax	-	-	-	-	-		-	-	-	-
Movement in revaluation reserve of non-banking assets - net of tax	-	-	-		-	-	-	-	-	-
Total other comprehensive income - net of tax	-	-	-	-	-	-	427,459	-	44,942	472,401
Transfer to depositor's protection fund-										
5% of the profit after tax for the year						6,416			(6,416)	
Return on Investment						2,221			(2,221)	
Transfer to statutory reserve	-	-	-	-	125,740	-	-	-	(125,740)	-
Balance as at June 30, 2025	**34,524,428**	-	**9,433**	**51**	**2,665,998**	**40,610**	**1,225,501**	**86,400**	**(7,794,888)**	**30,757,533**
Profit/Loss for the nine months ended December 31, 2025	-	-	-	-	-		-	-	3,055,531	3,055,531
Other comprehensive income - net of tax										
Movement in revaluation reserve of investments in debt instruments - net of tax	-	-	-	-	-		235,989	-	-	235,989
Movement in revaluation reserve of equity investments - net of tax	-	-	-	-	-		532,185	-	-	532,185
Gain on sale of equity securities carried at FVOCI - net of tax	-	-	-	-	-		(124,821)	-	79,879	(44,942)
Remeasurement loss on defined benefit obligations - net of tax	-	-	-	-	-		-	-	(159,486)	(159,486)
Movement in revaluation reserve of non-banking assets - net of tax	-	-	-	-	-	-	-	-	-	-
Total other comprehensive income - net of tax	-	-	-	-	-	-	643,353	-	(79,606)	563,747
Transfer to depositor's protection fund-										
5% of the profit after tax for the year						10,055			(10,055)	-
Return on Investment						1,237			2,223	3,460.00
Transfer to statutory reserve	-	-	-	-	611,106	(2,221)	-	-	(611,106) -	2,221
Transactions with owners, recorded directly in equity						-				
Shares deposit money	-	-	-	-	-	-	-	-	-	-
Balance as at December 31, 2025	**34,524,428**	-	**9,433**	**51**	**3,277,104**	49,681	**1,868,854**	86,400	**(5,437,903)**	**34,378,048**
Effect of Transition to EIR Method - net of tax										
Investments - FVOCI							**(29,818)**		29,818	**0**
Investments - Amortised cost									(1,928)	(1,928)
Advances - Amortised cost									(335,893)	(335,893)
Deposits - Amortised cost									15,469	15,469
						-	**(29,818)**	-	**(292,534)**	**(322,352)**
Balance as at January 01, 2026-Restated	34,524,428	-	**9,433**	**51**	**3,277,104**	49,681	**1,839,036**	**86,400**	**(5,730,437)**	**34,055,697**
Profit/Loss for the half year ended June 30, 2026	-	-	-	-	-	-	-	-	**2,629,216**	**2,629,216**
Other comprehensive income - net of tax										
Movement in revaluation reserve of investments in debt instruments - net of tax	-	-	-	-	-	-	**(399,467)**	-	-	**(399,467)**
Movement in revaluation reserve of equity investments - net of tax	-	-	-	-	-	-	**(467,156)**	-	-	**(467,156)**
Gain on sale of equity securities carried at FVOCI - net of tax	-	-	-	-	-	-	-	-	-	-
Remeasurement loss on defined benefit obligations - net of tax	-	-	-	-	-	-	-	-	-	-
Movement in revaluation reserve of non-banking assets - net of tax	-	-	-	-	-	-	-	-	-	-
Total other comprehensive income - net of tax	-	-	-	-	-	-	**(866,623)**	-	-	**(866,623)**
Transfer to depositor's protection fund-										
5% of the profit after tax for the year						11,042			**(11,042)**	-
Return on Investment						-				-
Trans Transfer to statutory reserve	-	-	-	-	525,843	-	-	-	**(525,843)**	-
Balance as at June 30, 2026	**34,524,428**	-	**9,433**	**51**	**3,802,947**	**60,724**	**972,413**	**86,400**	**(3,638,107)**	**35,818,289**

* Statutory reserve represents amount set aside as per the requirements of Section 21 of the Banking Companies Ordinance, 1962.

** As more fully explained in notes 10.6.2 of these unconsolidated financial statements, accumulated loss includes an amount of Rupees **2,578.39 million** net of tax as at June 30, 2026 (December 31, 2025: Rs. 2,628.94 **million**) representing additional profit arising from availing forced sale value benefit for determining provisioning requirement which is not available for the purpose of distribution of dividend to shareholders.

The annexed notes from 1 to 41 from an integral part of these consolidated financial statements.

President and Chief Executive Officer	Chief Financial Officer	Director	Director	Chairman

SINDH BANK LIMITED
CONSOLIDATED CASH FLOW STATEMENT (Un-audited)
FOR THE HALF YEAR ENDED JUNE 30, 2026

	Note	June 30, 2026	June 30, 2025
		(Rupees in '000')	
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before taxation		4,395,058	1,287,536
Less: Dividend income		(80,347)	(27,248)
		4,314,711	1,260,288
Adjustments:			
Depreciation	30	297,049	171,340
Depreciation on right of use assets	30	427,353	397,203
Interest expense on lease liability	26	333,492	335,413
Amortisation	30	25,072	22,462
Credit loss allowance / provisions and write offs - net	32	(2,085,084)	(243,378)
Charge for defined benefit plan	30.2	116,797	92,927
Unrealised gain on securities measured at FVPL	28.2	(292,881)	(21,296)
Gain on sale of operating fixed assets	29	(8,908)	(242)
		(1,187,110)	754,429
		3,127,600	2,014,717
(Increase) / decrease in operating assets			
Lendings to financial institutions		1,457,607	3,384,028
Securities classified as FVPL		(2,831,260)	(502,445)
Advances - net		23,395,787	(34,909,757)
Other assets - net		(64,284)	4,475,616
		21,957,850	(27,552,558)
Increase / (decrease) in operating liabilities			
Bills payable		(1,881,138)	944,277
Borrowings		(426,192)	3,579,550
Deposits and other accounts		13,614,418	13,578,394
Other liabilities (excluding current taxation)		(1,126,353)	10,743,481
		10,180,735	28,845,702
		35,266,185	3,307,861
Contribution to gratuity fund		(389,285)	(186,857)
Income tax paid		(896,853)	(746,316)
Net cash generated from / (used in) operating activities		33,980,047	2,374,688
CASH FLOW FROM INVESTING ACTIVITIES			
Net investment in amortized cost securities		(5,881,109)	(12,051,985)
Net investment in securities classified as FVOCI		(38,944,586)	8,593,022
Dividend received		78,217	28,936
Investments in operating fixed assets		(1,450,237)	(261,590)
Sale proceeds of operating fixed assets disposed off		9,629	286
Net cash (used in) / generated from investing activities		(46,188,086)	(3,691,331)
CASH FLOW FROM FINANCING ACTIVITIES			
Shares deposit money		-	-
Payment of lease liability against right of use assets		(640,601)	(609,360)
Net cash (used in) / generated from financing activities		(640,601)	(609,360)
(Decrease) / increase in cash and cash equivalents		(9,542,365)	(1,926,003)
Cash and cash equivalents at the beginning of the year		32,130,828	27,194,696
Impact of expected credit loss allowance on cash and cash equivalents		3,550	18
Cash and cash equivalents at the end of the period	35	22,592,013	25,268,711

The annexed notes from 1 to 41 from an integral part of these consolidated financial statements.

President and Chief Executive Officer	Chief Financial Officer	Director	Director	Chairman

1. STATUS AND NATURE OF BUSINESS

The "Group" consists of:

1.1 Holding Company

1.1.1 Sindh Bank Limited (the Bank) was incorporated in Pakistan on October 29, 2010 as a public unlisted company and is engaged in Commercial Banking, Corporate and Investment related activities. The Bank operates 330 (2025: 330) branches including 8 (2025: 8) sub-branches and 59 (2025: 58) Islamic banking branches in Pakistan. The Bank's registered office is located at 3rd floor, Federation House, Abdullah Shah Ghazi Road, Clifton, Karachi, Pakistan.

1.1.2 The Government of Sindh, through its Finance Department owns 99.97% ordinary shares of the Bank.

1.1.3 VIS Credit Rating Company has reaffirmed long term entity rating AA (Double A) and short term rating A1+ (A One plus) in its report dated June 30, 2026.

1.2 Subsidiary company

1.2.1 Sindh Microfinance Bank Limited

Sindh Microfinance Bank Limited (the Microfinance Bank) was incorporated on March 27, 2015 as a public company limited by shares under the provision of the company's Act, 2017 (previously Companies Ordinance, 1984). The Microfinance Bank obtained Microfinance banking license from State Bank of Pakistan (SBP) on October 16th, 2015, to operate in Sindh Province. Subsequently the Microfinance Bank has received the certificate of commencement of business from Securities & Exchange Commission of Pakistan (SECP) on November 30, 2015. The Microfinance Bank's registered office is situated at 39/F, 2nd Floor, Muhammad Ali Cooperative Housing Society, Karachi. The Microfinance Bank's principal business will be to provide microfinance services to the poor and underserved segment of the society as envisaged under the Microfinance Institutions Ordinance, 2001. The Microfinance Bank operates through branches and service centers spread within the province of Sindh, the network of branches and service centers comprise of 22 (31 December 2025: 22) branches and 95 (31 December 2025: 91) service centers.

The credit rating companies PACRA has reaffirmed the long term rating of the Microfinance Bank at "A" and short term rating at "A1" as of March 30, 2026.

2. BASIS OF PRESENTATION

2.1 STATEMENT OF COMPLIANCE

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

- International Accounting Standard 34 "Interim Financial Reporting" and International Financial Reporting Standards (IFRS) 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 and directives issued under the Companies Act 2017, Banking Companies Ordinance, 1962 and the directives issued by the State Bank of Pakistan (SBP) and the Securities and Exchange Commission of Pakistan (SECP).

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

2.1.2 SBP has deferred the implementation of International Accounting Standard (IAS) 40, 'Investment Property,' for banking companies in Pakistan through BSD Circular Letter No. 10, dated August 26, 2002, until further notice. Similarly, SECP has deferred the applicability of IFRS 7, 'Financial Instruments: Disclosures,' through its notification S.R.O 411 (I) / 2008, dated April 28, 2008. Consequently, the requirements of these standards have not been incorporated in the preparation of these consolidated condensed interim financial statements.

The disclosures in these consolidated condensed interim financial statements follow the format prescribed by SBP in BPRD Circular No. 02, dated February 9, 2023, with additional requirements introduced through BPRD Circular Letter No. 13 of 2024, dated July 1, 2024, and are in accordance with the applicable accounting and financial reporting standards in Pakistan.

2.1.3 The Group has received an extension from SBP until December 31, 2025, for the application of the Effective Interest Rate (EIR) method to all financial assets and liabilities, excluding staff and subsidized loans. However, since financial assets other than advances and financial liabilities were already effectively accounted for using EIR before the implementation of IFRS 9, this extension has been applied only to advances (excluding staff loans and subsidized loans, Consequently, advances are currently carried at cost, except for staff loans, , which are measured at amortized cost, net of expected credit loss allowances.

Furthermore, SBP, through BPRD Circular Letter No. 01 of 2025, dated January 22, 2025, has provided the following clarifications:

a) Islamic Banking Institutions (IBIs) may continue to apply Islamic Financial Accounting Standards (IFAS) 1 & 2 where applicable and maintain their existing accounting methodology for other Islamic products until further instructions are issued.

b) The treatment of charity should align with existing SBP guidelines outlined in IBD Circular No. 02 of 2008 and must not be recognized as income.

2.1.4 Standards, interpretations and amendments to published approved accounting standards that are effective in the current year.

SBP Letter No. SBPHOK-BPRD-RPD-SNB-829493 dated January 22, 2025 to provide the extension for implementation of Effective Interest Rate (EIR) under IFRS-09 up to December 31, 2025. The Bank has now fully implemented the effective interest rate (EIR) under IFRS-09 from January 01, 2026. The impact of opening equity has been recorded through statement of change in equity and the information presented of Dec. 31, 2025 and March 31, 2025 has not been restated.
'The impact of EIR decreased the bank's financial assets by Rs. 639.87 million and decreased the financial liabilities by Rs. 31.51 million resulting net decreased the bank's equity by Rs. 321.83 million (net of tax) as at January 01, 2026.

The impact of EIR decreased the bank's financial assets by Rs. 639.87 million and decreased the financial liabilities by Rs. 31.51 million resulting net decreased the bank's equity by Rs. 321.83 million (net of tax) as at January 01, 2026.

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

The following revised standards, amendment and interpretations with respect to the accounting and reporting standards would be effective from the dates mentioned below against the respective standards, amendment or interpretations:

Standards, amendment or interpretations	Effective date (annual periods beginning on or after)
IFRS 18 Presentation and Disclosure in Financial Statement	January 1, 2027

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of consolidated condensed interim financial statements in conformity with approved accounting standards requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and income and expenses. Actual results may differ from these estimates. These estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

4. BASIS OF MEASUREMENT

These consolidated condensed interim financial statements have been prepared under the historical cost convention except for certain investments and derivatives which are carried at fair value. Non-banking assets acquired in satisfaction of claims are carried at revalued amount. Employee benefits and lease liability against right-of-use assets are carried at present value.

5. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the preparation of these consolidated condensed interim financial statements remain consistent with those used in the consolidated condensed interim financial statements for the year ended December 31, 2025.

6. FINANCIAL RISK MANAGEMENT

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

		June 30, 2026 (Un-audited)	December 31, 2025 (Audited)
7. CASH AND BALANCES WITH TREASURY BANKS	**Note**	**--------- (Rupees in '000') ---------**	
In hand			
Local currency		**6,402,791**	6,113,302
Foreign currency		**180,193**	144,466
		6,582,984	6,257,768
With State Bank of Pakistan (SBP) in			
Local currency current accounts	7.1	**11,387,244**	20,144,022
Foreign currency current accounts	7.2	**89,685**	57,767
Foreign currency deposit accounts			
- Non Remunerative	7.3	**169,030**	171,578
- Remunerative	7.4	**332,304**	344,070
		11,978,263	20,717,437
With National Bank of Pakistan in			
Local currency current accounts		**721,044**	851,477
Local currency deposit accounts	7.5	**5,111**	13,040
		726,155	864,517
Prize bonds		**3,291**	5,996
Less: Credit Loss allowance held against balances with treasury banks		**41**	14
		19,290,652	27,845,704

7.1 This represents cash reserve required to be maintained with SBP as per the requirement of Section 22 of the Banking Companies Ordinance, 1962.

7.2 This represents US Dollar Settlement Account maintained with SBP.

7.3 This represents foreign currency (FCY) cash reserve maintained with SBP to comply with statutory reserve requirement applicable on Bank's FCY deposits.

7.4 This represents foreign currency special cash reserve maintained with SBP. The Bank is entitled to earn profit which is declared by SBP on a monthly basis. During the period, the SBP has declared 2.62% to 2.69% profits (2025 : 2.86% to 3.35%) per annum.

7.5 This includes savings account with National Bank of Pakistan carrying mark-up at 9% to 10% (2025: 9% to 11.50%) per annum.

		June 30, 2026 (Un-audited)	**December 31, 2025 (Audited)**
8. BALANCES WITH OTHER BANKS	**Note**	**--------- (Rupees in '000') ---------**	
In Pakistan			
In current accounts		**(13,103)**	30
In savings account	8.1	**595,764**	565,904
In term deposits receipt	8.2	**500,000**	100,000
		1,082,661	665,934
Outside Pakistan			
In current accounts	8.3	**2,219,540**	3,623,467
Less: Credit Loss allowance held against balances with other banks	8.4	**840**	4,277
		3,301,361	4,285,124

8.1 This includes savings account with a commercial bank carrying profit at the rate of 9% to 10% (2025: 9% to 11.50%) per annum.

8.2 This includes TDR with a Microfinance bank carrying profit at the rate of 14.25% (2025: 14.25%) per annum.

8.3 This includes Rs. 1,066.123 million (2025: Rs. 2,382.043 million) held in Automated Investment Plans. This balance is current in nature and in case this goes above a specified amount, the bank is entitled to earn interest from the correspondent banks at the agreed rates.

		Note	June 30, 2026 (Un-audited)	December 31, 2025 (Audited)
			(Rupees in '000')	
8.4	**Opening balance**		**4,277**	1,403
	Impact of adoption of IFRS-09		-	-
	Charge / reversals;			
	Charge for the year		-	2,894
	Reversals for the year		(3,437)	(20)
			(3,437)	2,874
	Closing Balance		**840**	4,277

9. LENDINGS TO FINANCIAL INSTITUTIONS

Call money lendings	500,000	-
Repurchase agreement lendings (Reverse Repo)	19,458,618	20,864,467
Musharaka arrangements	-	550,000
	19,958,618	21,414,467
Less: Credit loss allowance held against lending to financial institutions	(2,906)	(1,148)
Lending to financial institutions - net of credit loss allowance	19,955,712	21,413,319

9.1 Particulars of lendings

In local currency	19,955,712	21,413,319
In foreign currencies	-	-
	19,955,712	21,413,319

9.2 Lendings to Financial Institutions - Category of classification

		June 30, 2026 (Un-audited)		December 31, 2025 (Audited)	
		Lending	**Credit loss allowance held**	**Lending**	**Credit loss allowance held**
		Rupees in '000			
Domestic					
Performing	Stage 1	**19,958,618**	**2,906**	21,414,467	1,148
Under performing	Stage 2	-	-	-	-
Non-performing	Stage 3				
Substandard		-	-	-	-
Doubtful		-	-	-	-
Loss		-	-	-	-
		-	-	-	-
Total		19,958,618	2,906	21,414,467	1,148

9.3 Lendings to Financial Institutions - Particulars of credit loss allowance

	June 30, 2026 (Un-audited)			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
	Rupees in '000			
Opening balance	**1,148**	-	-	**1,148**
New financial assets originated or purchased	**2,906**	-	-	**2,906**
Financial assets that have been derecognised	**(1,148)**	-	-	**(1,148)**
Write offs	-	-	-	-
Unwind of discount	-	-	-	-
Changes in risk parameters (PDs/LGDs/EADs)	-	-	-	-
Closing Balance	**2,906**	-	-	**2,906**

	December 31, 2025(Audited)			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
	Rupees in '000			
Opening balance	566	-	-	566
New financial assets originated or purchased	1,148	-	-	1,148
Financial assets that have been derecognised	(566)	-	-	(566)
Write offs	-	-	-	-
Unwind of discount	-	-	-	-
Changes in risk parameters (PDs/LGDs/EADs)	-	-	-	-
Closing Balance	1,148	-	-	1,148

10. INVESTMENTS

Investments by type	June 30,2026 (Un-audited)			
	Cost / Amortised cost	Credit loss allowance	Surplus / (Deficit)	Carrying Value
	------------------ Rupees in '000' ----------------			
Debt Instruments:				
Classified / Measured at FVOCI				
Federal Government Securities				-
Market Treasury Bills	1,716,937	-	5,174	1,722,111
				-
	1,716,937	-	5,174	1,722,111
Classified / Measured at amortised cost				
Federal Government Securities				
Market Treasury Bills	12,391,391	-	-	12,391,391
Pakistan Investment Bonds	11,792,611	-	-	11,792,611
Non-government debt securities	-	-	-	-
Term finance certificates - Listed	-	-	-	-
Term finance certificates - Unlisted	119,563	(160)	-	119,403
Term Deposit Certificate	1,150,000	(315)	-	1,149,685
Preference Shares - Unlisted	77,708	(77,708)	-	-
	25,531,273	(78,183)	-	25,453,090
Classified / Measured at FVOCI				
Federal Government Securities				
Market Treasury Bills	32,561,887	-	(190,479)	32,371,408
Pakistan Investment Bonds	-	-	-	-
Pakistan Investment Bonds - Floater	142,912,521	-	1,287,060	144,199,581
Government of Pakistan - Ijarah Sukuk	3,498,358	-	1,899	3,500,257
Non-government debt securities	-	-	-	-
Sukuk Bond	305,908	-	5,449	311,357
	179,278,674	-	1,103,929	180,382,603
Equity instruments:				
Classified / Measured at FVPL				
Shares				
Listed	2,287,401	-	(221,768)	2,065,633
Mutual funds	123,660	-	222,390	346,050
	2,411,061	-	622	2,411,683
Classified / Measured at FVOCI				
Shares				
Listed	1,622,044	-	923,615	2,545,659
Non-government debt securities				
Mutual funds	59,203	-	(1,682)	57,521
	1,681,247	-	921,933	2,603,180
Total Investments	210,619,192	(78,183)	2,031,658	212,572,667

INVESTMENTS

Investments by type	December 31,2025 (Audited)			
	Cost / Amortised cost	Credit loss allowance	Surplus / (Deficit)	Carrying Value
	(Rupees in '000')			
Debt Instruments:				
Classified / Measured at amortised cost				
Federal Government Securities				
Market Treasury Bills	3,758,698	-	-	3,758,698
Pakistan Investment Bonds	14,684,883	-	-	14,684,883
Non-government debt securities				-
Term finance certificates - Listed	224,235	(46,288)	-	177,947
Term finance certificates - Unlisted	119,641	(9)	-	119,632
Term deposit receipts	785,000	(166)		784,834
Preference Shares - Unlisted	77,708	(77,708)	-	-
	19,650,165	(124,171)	-	19,525,994
Classified / Measured at FVOCI				
Federal Government Securities				
Market Treasury Bills	4,537,065	-	1,660	4,538,725
Pakistan Investment Bonds	-	-	-	-
Pakistan Investment Bonds - Floater	132,542,716	-	1,983,510	134,526,226
Government of Pakistan - Ijarah Sukuk	3,508,052	-	13,098	3,521,150
Sukuk Bond	350,000	(4,564)	-	345,436
	140,937,833	(4,564)	1,998,268	142,931,537
Equity instruments:				
Classified / Measured at FVPL				
Shares				
Listed	1,173,078	-	76,287	1,249,365
Mutual funds	123,660	-	222,390	346,050
	1,296,738	-	298,677	1,595,415
Classified / Measured at FVOCI				
Shares				
Listed	956,179	-	1,892,630	2,848,809
Non-government debt securities	-	-	-	-
Mutual funds	59,203	-	2,546	61,749
	1,015,382	-	1,895,176	2,910,558
Total Investments	162,900,118	(128,735)	4,192,121	166,963,504

		June 30, 2026 (Un-audited)	December 31, 2025 (Audited)
10.1	**Investments given as collateral Federal government securities**	----------- (Rupees in '000')	-----------
	Pakistan Investment Bonds	-	-
	Market Treasury Bills	-	-
	Term Deposit Receipt	-	
		-	-

		June 30, 2026	December 31, 2025
10.2	**Provision for diminution in value of investments**		
10.2.1	**Opening balance**	**128,735**	98,480
	Impact of adoption of IFRS-09	-	-
	Charge / reversals		
	Charge for the year	(50,701)	30,256
	Reversals for the year	-	-
	Transfer during the period	-	-
	Reversal on disposals	-	-
	Transfers - net	(50,701)	30,256
	Closing Balance	**78,034**	128,735

10.3 Particulars of credit loss allowance

10.3.1 **Particulars of credit loss allowance against debt securities**

Domestic	June 30, 2026 (Un-audited)		December 31, 2025 (Audited)	
	Outstanding amount	**Credit loss allowance held**	**Outstanding amount**	**Credit loss allowance held**
	Rupees in '000			
Performing Stage 1	**206,449,176**	**326**	160,286,054	4,739
Underperforming Stage 2	-	-	224,236	46,288
Non-Performing Stage 3				
Substandard	-	-	-	-
Doubtful	-	-	-	-
Loss	77,708	77,708	77,708	77,708
	77,708	77,708	77,708	77,708
Total	**206,526,884**	**78,034**	160,587,998	128,735

11 ADVANCES

	June 30,2026 (Un-audited)			December 31,2025 (Audited)		
	Performing	Non Performing	Total	Performing	Non Performing	Total
	---------------- Rupees in '000' ----------------			---------------- Rupees in '000' ----------------		
Loans, cash credits, agriculture, running finances etc.	61,486,974	23,779,743	85,266,717	49,983,184	26,949,270	76,932,454
Commodity finance	29,250,164	-	29,250,164	64,772,450	-	64,772,450
Net investment in finance lease	1,553,656	186,217	1,739,873	600,564	184,908	785,472
Islamic financing and related assets	-	-		-	-	
Diminishing musharakah financing	38,159	121,353	159,512	38,966	121,353	160,319
Commodity finance - Running musharakah	30,000,000	-	30,000,000	30,000,000	-	30,000,000
Advance against Istisna	23,000	-	23,000	-	-	
Murabaha Financing	-	-	-	-	-	-
Ijarah financing under IFAS 2	10,230	-	10,230	10,474	-	10,474
	122,362,183	24,087,313	146,449,496	145,405,638	27,255,531	172,661,169
Bills discounted and purchased						
Payable in Pakistan	53,718	348,639	402,357	61,436	352,824	414,260
Payable outside Pakistan	-	-	-	-	-	-
	53,718	348,639	402,357	61,436	352,824	414,260
Advances - gross	122,415,901	24,435,952	146,851,853	145,467,074	27,608,355	173,075,429
Credit loss allowance against advances	-	-	-	-	-	-
- Stage 1	488,219	-	488,219	656,403	-	656,403
- Stage 2	939,369	-	939,369	245,970	-	245,970
- Stage 3	-	19,688,585	19,688,585	-	22,289,291	22,289,291
	1,427,588	19,688,585	21,116,173	902,373	22,289,291	23,191,664
Total Advances - Net credit loss allowance	120,988,313	4,747,367	125,735,680	144,564,701	5,319,064	149,883,765

11.1 Particulars of advances (gross)

	June 30, 2026 (Un-audited)	December 31, 2025 (Audited)
	----------- (Rupees in '000') -----------	
In local currency	146,352,048	173,075,429
In foreign currencies	499,805	-
	146,851,853	173,075,429

11.2 Advances incude Rs.24,426.41 (2025: Rs. 27,608.35) million, which have been placed under non performing status are as detaild below:

Category of Classification of stage 3	June 30,2026 (Un-audited) Non Performing Loans	June 30,2026 (Un-audited) Credit loss allowance	December 31,2025 (Audited) Non Performing Loans	December 31,2025 (Audited) Credit loss allowance
	------- Rupees in '000' ------			
Domestic				
Other Assets Especially Mentioned	-	-	-	-
Substandard	659	-	12,248	10,518
Doubtful	9,226	7,513	296,860	11,156
Loss	24,426,067	19,681,072	27,299,247	22,267,617
Total	24,435,952	19,688,585	27,608,355	22,289,291

11.2.1 This represents non-performing portfolio of agricultural and small and medium enterprise financing classified as OAEM as per the requirements of the Prudential Regulations for Agricultural, Infrastructure Project Financing and Small and Medium Enterprise Financing issued by the State Bank of Pakistan.

11.2.2 The Bank has availed the benefit of forced sale value on plant and machinery under charge and mortgaged residential and commercial property (land and building only) held as collateral against non-performing advances under the prudential regulation issued by the State Bank of Pakistan. Had the benefit not been taken by the Bank, specific provision against non-performing advances would have been higher by Rs.**4,702.80** (2025: Rs. 5,476.96) million. The resultant increase in profit due to FSV benefit taken will not be available for distribution as cash and stock dividend to shareholders.

11.3 **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	**656,404**	**245,969**	**22,289,291**	**23,191,665**
Exchange adjustments	-	-	-	-
Other Adjustment	-	**219,535**	**(219,535)**	-
Charge for the period	**(168,185)**	**473,865**	**142,868**	**448,548**
Reversals	-	-	**(2,391,316)**	**(2,391,316)**
	(168,185)	**473,865**	**(2,248,447)**	**(1,942,767)**
Amounts charged off - Agriculture loans	-	-	**(132,724)**	**(132,724)**
Net charge / (reversal) during the period	**(168,185)**	**473,865**	**(2,381,171)**	**(2,075,492)**
Amounts written off	-	-	-	-
Closing balance	**488,219**	**939,369**	**19,688,585**	**21,116,173**

	December 31,2025 (Audited)			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
	---------- Rupees in '000' ----------			
Opening balance	442,926	961,229	25,149,913	26,554,068
Exchange adjustments	-	-	-	-
Impact of adoption of IFRS 9	-	-	-	-
Charge for the period	213,478	(715,260)	1,776,876	1,275,094
Reversals	-	-	(4,572,031)	(4,572,031)
	213,478	(715,260)	(2,795,154)	(3,296,936)
Amounts charged off - Agriculture loans	-	-	(65,468)	(65,468)
Net charge / (reversal) during the period	213,478	(715,260)	(2,860,622)	(3,362,404)
Transferred to other assets under DPS agreement	-	-	-	-
Transfer from investments -TFC	-	-	-	-
Amounts written off	-	-	-	-
Closing balance	656,404	245,969	22,289,291	23,191,665

11.4 **Advances - Exposure**

	June 30,2026 (Un-audited)			
	Stage 1	Stage 2	Stage 3	Total
	------------- Rupees in '000' -------------			
Gross carrying amount - Current year	105,389,037	40,078,035	27,608,356	173,075,429
New Advances	16,256,879	12,117,869	1,791	28,376,538
Due to credit deterioration	-	-	-	-
Advances derecognised or repaid	(33,266,259)	(19,180,683)	(2,136,174)	(54,583,117)
Transfer to stage 1	2,038,886	(2,038,886)	-	-
Transfer to stage 2	(5,045,769)	6,083,776	(1,038,007)	-
Transfer to stage 3	(10,120)	(3,170)	13,291	-
	(20,026,383)	(3,021,095)	(3,159,099)	(26,206,579)
Transfer from investments -TFC	-	-	-	-
Amounts charged off	(3,565)	(127)	(13,305)	(16,997)
Closing balance	85,359,088	37,056,814	24,435,952	146,851,853

	December 31,2025 (Audited)			
	Stage 1	Stage 2	Stage 3	Total
	------------- Rupees in '000' -------------			
Gross carrying amount - Current year	24,480,963	46,260,970	30,094,973	100,836,906
New Advances	90,295,008	1,161,229	-	91,456,237
Due to credit deterioration				-
Advances derecognised or repaid	(11,447,558)	(5,385,888)	(2,351,115)	(19,184,562)
Transfer to stage 1	2,207,923	(2,207,923)	-	-
Transfer to stage 2	(101,733)	3,309,556	(3,207,823)	-
Transfer to stage 3	(38,333)	(3,059,374)	3,097,707	-
	80,915,307	(6,182,400)	(2,461,230)	72,271,676
Transfer from investments -TFC	-	-	-	-
Amounts charged off	(7,233)	(534)	(25,386)	(33,153)
Closing balance	105,389,037	40,078,035	27,608,356	173,075,429

11.5 **Particulars of credit loss allowance**

	June 30,2026 (Un-audited)			
	Stage 1	Stage 2	Stage 3	Total
	------------- Rupees in '000' -------------			
Opening balance	656,404	245,969	22,289,291	23,191,664
Exchange adjustments	-	-	-	-
New Advances	293,022	58	1,779	294,859
Due to credit deterioration	-	-	-	-
Changes in risk parameters (PDs/LGDs/EADs)	81,168	463,567	8,653	553,388
Advances derecognised or repaid	(537,316)	(119,144)	(2,253,899)	(2,910,359)
Transfer to stage 1	31,675	(31,675)	-	-
Transfer to stage 2	(35,289)	383,871	(348,582)	-
Transfer to stage 3	(1,408)	(3,149)	4,557	-
Reversals	-	-	-	-
	(168,149)	693,528	(2,587,491)	(2,062,113)
Amounts charged off - Agriculture loans	-	-	-	-
	(168,149)	693,528	(2,587,491)	(2,062,113)
Transfer from investments -TFC	-	-	-	-
Amounts written off	(36)	(126)	(13,216)	(13,379)
Closing balance	488,219	939,369	19,688,585	21,116,173

	December 31,2025 (Audited)			
	Stage 1	Stage 2	Stage 3	Total
	------------- Rupees in '000' -------------			
Opening balance	442,926	961,229	25,149,913	26,554,068
New Advances	514,513	-	-	514,513
Due to credit deterioration	-	-	-	-
Changes in risk parameters (PDs/LGDs/EADs)	110,230	55,275	855,099	1,020,603
Advances derecognised or repaid	(402,255)	(56,705)	(4,440,830)	(4,899,789)
Transfer to stage 1	-	-	-	-
Transfer to stage 2	(1,253)	159,635	(158,382)	-
Transfer to stage 3	(525)	(876,970)	877,495	-
Reversals	-	-	-	-
	220,711	(718,766)	(2,866,618)	(3,364,673)
Amounts charged off - Agriculture loans	(7,233)	(534)	(25,386)	(33,153)
	213,478	(719,300)	(2,892,005)	(3,397,826)
Transfer from investments -TFC	-	-	-	-
Amounts written off	-	4,040	31,380	35,420
Closing balance	656,404	245,969	22,289,291	23,191,664

11.6 **Advances-Category of Classification**

		June 30,2026 (Un-audited)		December 31,2025 (Audited)	
		Outstanding amount	**Credit loss allowance / provision**	Outstanding amount	Credit loss allowance / provision
		--------- Rupees in '000' --------			
Performing	Stage 1	**85,359,088**	**488,219**	105,389,036	656,404
Underperforming	Stage 2	**37,056,814**	**939,369**	40,078,036	245,969
Non-Performing	Stage 3			-	-
Substandard		**659**	-	12,248	10,518
Doubtful		**9,226**	**7,513**	296,860	11,156
Loss		**24,426,067**	**19,681,072**	27,299,248	22,267,617
		24,435,951	**19,688,585**	27,608,356	22,289,291
Total		**146,851,853**	**21,116,173**	173,075,429	23,191,664

		Note	June 30, 2026 (Un-audited)	December 31, 2025 (Audited)
12.	**PROPERTY AND EQUIPMENT**		-------- (Rupees in '000') -------	
	Capital work-in-progress	12.1	853,068	423,652
	Property and equipment		2,268,811	1,596,371
			3,121,878	2,020,023
12.1	**Capital work-in-progress**			
	Civil works		7,399	800
	Advances to suppliers		845,669	422,852
			853,068	423,652

		June 30, 2026	June 30, 2025
		(Un-audited)	
		-------- (Rupees in '000') -------	
12.2	**Addition to property and equipment** The following additions have been made to fixed assets during the period:		
	Property and equipment		
	Leasehold improvements	23,710	6,388
	Furniture and fixture	8,989	10,643
	Computer and office equipment	223,312	66,550
	Vehicles	714,351	39,134
	Total	970,363	122,715
12.3	**Disposal of property and equipment** The net book value of fixed assets disposed off during the period is as follows:		
	Leasehold improvements	251	44
	Computer and office equipment	67	-
	Vehicles	557	-
	Total	875	44

	June 30, 2026 (Un-audited)	December 31, 2025 (Audited)
13. RIGHT OF USE ASSETS	------ (Rupees in '000') -----	
Year ended December 31		
Opening net book value	3,733,191	3,498,477
Reassessment / renewals	576,990	1,052,503
Disposals	-	-
Depreciation charge	(427,354)	(817,789)
Closing net book value	3,882,827	3,733,191
At December 31		
Cost	7,552,037	6,975,047
Accumulated depreciation	(3,669,210)	(3,241,856)
Net book value	3,882,827	3,733,191
Rate of depreciation (percentage)	10% to 100%	10% to 100%

14. INTANGIBLE ASSETS

Computer Software	139,475	117,692
Others	-	-
	139,475	117,692

	June 30, 2026	June 30, 2025
	(Un-audited)	
14.1 Additions to intabgible assets	----- (Rupees in '000') -----	
The additions intangible asssets during the period:		
Computer Software	46,855	35,820
Disposal of property and equipment		
The net book value of intangible assets disposed off during the period.	-	-

15. DEFERRED TAX ASSETS-NET

	June 30, 2026 (Un-audited)	December 31, 2025 (Audited)
	------ (Rupees in '000') -----	
Deductible Temporary Differences on		
Credit loss allowance against advances	11,928,178	12,766,468
Post retirement employee benefits	55,603	54,201
Tax losses carried forward	878,384	1,050,942
Provision for diminution in the value of investments	40,491	66,861
Impact of Adoption of EIR	316,137	
Others	1,367,753	1,780,815
Right of use assets	693,816	632,084
	15,280,362	16,351,371
Taxable Temporary Differences on		
Deficit on revaluation of investments	(1,053,449)	(2,024,234)
Accelerated tax depreciation - tangible fixed assets	11,870	(27,202)
Impact of Adoption of EIR.	-	-
Surplus on revaluation of non-banking assets	(93,600)	(93,600)
Unrealized gain/loss on equity investment FVTPL	(3,014)	(155,312)
Accelerated tax amortization - intangible assets	(17,684)	(17,316)
	(1,155,877)	(2,317,664)
	14,124,485	14,033,707

15.1 The Bank has an aggregate amount of deferred tax assets of Rs.14,124.485 million (2025: Rs. 14,033.7 million). Deferred tax asset has been recorded based on management's best estimate of the probable benefits expected to be realised in future years in the form of reduced tax liability as the Bank would be able to set off the profits earned in those years against the deferred tax asset. In this regard, the Bank has prepared financial projections for future taxable profits, which have been approved by the Board of the Bank, to assess the recoverability of deferred tax assets. The projections involve certain key management assumptions underlying the estimation of future taxable profits. The determination of future taxable profits is most sensitive to certain key assumptions such as growth in high yield consumer advances, investment returns, potential reversal of provision against assets, interest rates, cost of funds and expected recoveries of classified loans. Any significant change in such assumptions may have an effect on the recoverability of the deferred tax assets. Management believes that it is probable that the Bank will be able to achieve the profits and consequently, the deferred tax asset will be fully realised in future.

	Note	June 30, 2026 (Un-audited)	December 31, 2025 (Audited)
16. OTHER ASSETS		-------- (Rupees in '000') --------	
Income / mark-up accrued in local currency		**6,918,638**	6,724,377
Accrued commission income		**39,992**	39,992
Advances, deposits, advance rent and other prepayments		**1,895,302**	1,523,669
Receivable against sale of shares		**70,559**	563,093
Insurance premium receivable against agriculture loans		**10,107**	7,750
Stationery and stamps on hand		**15,331**	17,362
Dividends receivable		**2,130**	-
Receivable against 1 Link ATM settlement account		**139,440**	419,518
Acceptances		**39,035**	-
Insurance claims receivable		**17,178**	10,320
Non-Banking Assets Acquired in Satisfaction of Claims		**1,770,000**	1,770,000
Other receivables		**718,348**	495,166
		11,636,060	11,571,247
Less: Provison held against other assets	16.2	**(880,798)**	(880,807)
Other assets (net of provision)		**10,755,263**	10,690,440
Surplus on revaluation of non-banking assets acquired in satisfaction of claims	16.3	**180,000**	180,000
		10,935,263	10,870,440

16.1 Market value of non-banking assets acquired in satisfaction of claims

Non-banking assets acquired in satisfaction of claims have been revalued by independent professional valuer. The revaluation was conducted by M/s. Iqbal A. Nanjee & Co. Pvt. Ltd. based on their professional assessment of present market values, has reported no significant change in the market value of these assets.

		June 30, 2026 (Un-audited)	December 31, 2025 (Audited)
16.2	**Movement in credit loss allowance / provision held against other assets**		
	Opening balance	(880,807)	(872,219)
	Charge for the period / year	(28)	(10,392)
	Reversals	-	1,804
	Amount written off	-	-
	Closing balance	(880,835)	(880,807)
17.	**BILLS PAYABLE**		
	In Pakistan	2,355,617	4,236,755
	Outside Pakistan	-	-
		2,355,617	4,236,755
18.	**BORROWINGS**		
	Secured		
	Borrowings from State Bank of Pakistan		
	- Under export refinance scheme	885,000	1,080,000
	- Under long term finance facility	-	-
	Repurchase agreement borrowings - Secured		
	- State Bank of Pakistan (SBP)	884,788	-
	- Other commercial banks / DFI's	150,000	-
		1,034,788	-
	Un-Secured		
	- State Bank of Pakistan (SBP)	-	917,000
	- Other micro finance	-	200,000
		-	1,117,000
		1,919,788	2,197,000
18.1	**Particulars of borrowings with respect to Currencies**		
	In local currency	1,919,788	2,197,000
	In foreign currencies	-	-
		1,919,788	2,197,000

19. DEPOSITS AND OTHER ACCOUNTS

	June 30,2026 (Un-audited)			December 31,2025 (Audited)		
	In Local Currency	In Foreign currencies	Total	In Local Currency	In Foreign currencies	Total
	(Rupees in '000')					
Customers						
Current deposits	108,543,355	991,620	109,534,975	111,558,325	948,477	112,506,802
Savings deposits	182,783,454	1,294,759	184,078,213	171,601,069	1,335,434	172,936,503
Term deposits	48,286,976	584,231	48,871,207	44,469,235	705,669	45,174,904
Margin and other deposits	3,279,084	-	3,279,084	2,721,682	-	2,721,682
	342,892,869	2,870,609	345,763,479	330,350,311	2,989,580	333,339,891
Financial Institutions						
Current deposits	1,541,778	3,225	1,545,003	1,859,030	1,465	1,860,495
Savings deposits	7,820,988	-	7,820,988	6,054,528	-	6,054,528
Term deposits	2,010,000	-	2,010,000	1,935,000	-	1,935,000
Margin and other deposits	120,062	-	120,062	120,062	-	120,062
	11,492,827	3,225	11,496,053	9,968,620	1,465	9,970,085
	354,385,697	2,873,834	357,259,531	340,318,932	2,991,045	343,309,977

		Note	June 30, 2026 (Un-audited)	December 31, 2025 (Audited)
			----- (Rupees in '000') -----	
20.	**Lease liabilities**			
	Opening balance		4,962,934	4,441,555
	Reassessment / renewals		576,990	1,052,503
	Interest expense		333,492	681,348
	Lease payments including interest		(640,601)	(1,262,751)
	Other adjustments / transfers		3,078	50,279
	Closing balance		5,235,893	4,962,934
20.1	**Contractual maturity of lease laibilities**			
	Short-term lease liabilities - within one year		698,472	567,449
	Long-term lease liabilities			
	- 1 to 5 years		2,668,056	2,278,337
	- 5 to 10 years		1,867,954	2,113,528
	- More than 10 years		1,411	3,620
			4,537,421	4,395,485
	Total lease liabilities		5,235,893	4,962,934
21.	**OTHER LIABILITIES**			
	Mark-up / return / interest payable in local currency		6,411,709	5,955,384
	Mark-up / return / interest payable in foreign currency		21,652	16,389
	Accrued expenses		688,908	336,434
	Net defined benefit liability		121,597	394,085
	Provision for compensated absences		529,151	532,617
	Payable against 1 Link ATM settlement account		-	-
	Payable to defined contribution plan		1,778	1,482
	Payable against purchase of shares		28,940	62,870
	Mark to market gain on forward foreign exchange contracts		16,189	512,510
	Retention money		83,746	77,089
	Federal excise duty / sales tax on services payable		11,531	14,747
	Withholding tax payable		951,195	298,423
	Acceptances		39,035	-
	Provision for taxation - net		407,905	735,840
	Security deposit against leases		359,823	161,101
	Others		752,654	2,971,273
			10,425,813	12,070,244
	Credit loss allowance against off-balance sheet obligations	21.1	45,067	11,511
			10,470,880	12,081,755
21.1	**Opening balance**		11,511	3,898
	Impact of adoption of IFRS-09		-	-
	Charge / reversals;			
	Charge for the year		33,556	7,613
	Reversals for the year		-	-
			33,556	7,613
	Closing Balance		45,067	11,511

21.1.1 Credit loss allowance against off balance sheet obligations include ECL in respect of letter of credit, letter of guarantees, shipping guarantees, acceptances and commitments against forward lendings etc.

22. SHARE CAPITAL - NET

22.1 Authorised capital

June 30, 2026 (Un-audited)	December 31, 2025 (Audited)		June 30, 2026 (Un-audited)	December 31, 2025 (Audited)
Number of shares			--- (Rupees in '000') ---	
3,500,000,000	3,500,000,000	Ordinary shares of Rs.10 each	35,000,000	35,000,000

22.2 Issued, subscribed and paid-up share capital

June 30, 2026 (Un-audited)	December 31, 2025 (Audited)		Note	June 30, 2026 (Un-audited)	December 31, 2025 (Audited)
Number of shares				--- (Rupees in '000') ---	
3,071,013,000	3,071,013,000	Fully paid in cash: Ordinary shares of Rs.10 each		30,710,130	30,710,130
-	-	Right shares of Rs.10 each issued during the year		-	-
381,429,817	381,429,817	Ordinary shares of Rs. 10 issued as consideration of amalgamation		3,814,298	3,814,298
3,452,442,817	3,452,442,817			34,524,428	34,524,428

22.3 The Government of Sindh, through its Finance Department, owns 99.97% ordinary shares of the Bank.

23. SURPLUS/(DEFICIT) ON REVALUATION OF ASSETS - NET

	Note	June 30, 2026	December 31, 2025
Surplus / (deficit) on revaluation of			
- Securities measured at FVOCI - Debt		1,103,928	1,998,269
- Securities measured at FVOCI - Equity		921,933	1,895,176
- Non-banking assets acquired in satisfaction of claims	23.1	180,000	180,000
		2,205,861	4,073,445
Deferred tax on surplus / (deficit) on revaluation of:			
- Securities measured at FVOCI - Debt		(574,043)	(1,039,099)
- Securities measured at FVOCI - Equity		(479,405)	(985,492)
- Non-banking assets acquired in satisfaction of claims	14	(93,600)	(93,600)
		(1,147,048)	(2,118,191)
		1,058,813	1,955,254

23.1 Surplus on revaluation of non-banking assets acquired in satisfaction of claims

	Note	June 30, 2026	December 31, 2025
Surplus on revaluation as at January 01		180,000	180,000
Recognised during the year		-	-
Surplus on revaluation as at December 31		180,000	180,000
Less: related deferred tax liability on:			
- revaluation as at January 01		(93,600)	(93,600)
- revaluation recognised during the year		93,600	-
	15	-	(93,600)
		180,000	86,400

24 CONTINGENCIES AND COMMITMENTS

	Note	June 30, 2026	December 31, 2025
-Guarantees	24.1	10,652,656	8,908,919
-Commitments	24.2	126,708,556	99,700,088
-Other contingent liabilities		-	-
		137,361,212	108,609,007

		Note	June 30, 2026 (Un-audited)	December 31, 2025 (Audited)
			--- (Rupees in '000') ---	
24.1	**Guarantees:**			
	Financial guarantees		**2,241,198**	1,170,887
	Performance guarantees		**5,491,310**	5,841,003
	Other guarantees		**2,920,149**	1,897,029
			10,652,656	8,908,919
24.2	**Commitments:**			
	Documentary credits and short-term trade-related transactions			
	- letters of credit		**5,027,302**	5,208,618
	Commitments in respect of:			
	- forward foreign exchange contracts	24.2.1	**75,950,238**	58,059,485
	- forward lending, borrowings and credits	24.2.2	**45,548,343**	36,235,717
	Commitments for acquisition of:			
	- fixed assets		**182,673**	196,268
			126,708,556	99,700,088
24.2.1	**Commitments in respect of forward foreign exchange contracts**			
	Purchase		**37,993,047**	29,049,476
	Sale		**37,957,191**	29,010,009
			75,950,238	58,059,485
24.2.2	**Commitments in respect of forward lending, borrowings and credits**			
	Forward repurchase agreement borrowing		-	-
	Forward resale agreement lending		**19,471,507**	20,881,685
	Undrawn formal standby facilities, credit lines and other commitments to lend	24.2.2.1	**26,076,060**	15,354,032
			45,547,567	36,235,717

24.2.2.1 Commitments to extend credit

The Bank enters into commitments to extend credit in the normal course of its business but these are revocable commitments that do not attract any significant penalty or expense if the facility is unilaterally withdrawn.

		Note	Half year ended June 30, 2026	Half year ended June 30, 2025
			Un-audited	
25.	**MARK-UP/RETURN/INTEREST EARNED**		---- (Rupees in '000') ----	
	On loans and advances		**8,458,964**	5,007,817
	On investments		**10,772,140**	13,908,436
	On lendings to financial institutions		**673,577**	309,967
	On balances with banks		**126,488**	108,592
			20,031,170	19,334,812
26.	**MARK-UP/RETURN/INTEREST EXPENSED**			
	Deposits		**10,772,612**	12,108,921
	Borrowings		**448,077**	1,282,080
	Finance charge on lease liability against right of use assets		**333,492**	335,414
			11,554,181	13,726,415
27.	**FEE AND COMMISSION INCOME**			
	Branch banking customer fees		**45,824**	60,814
	Consumer finance related fees		**2,677**	2,234
	Card related fees (debit cards)		**186,396**	175,549
	Commission on trade		**76,337**	77,317
	Commission on guarantees		**62,920**	41,104
	Credit related fees		**16,711**	4,349
	Commission on remittances including home remittances		**2,145**	4,424
	Others		**947**	819
			393,957	366,610
28.	**GAIN ON SECURITIES**			
	Realised	28.1	**73,728**	473,231
	Unrealised - Measured at FVPL	28.2	**(292,881)**	21,296
			(219,153)	494,527
28.1	**Realised gain on:**			
	Federal Government Securities		**292**	427,899
	Shares of listed companies		**73,436**	45,332
	Mutual Funds			-
			73,728	473,231

		Note	Half year ended June 30, 2026	Half year ended June 30, 2025
			Un-audited	
			---- (Rupees in '000') ----	
28.2	**Net gain on financial assets measured at FVPL:**			
	Designated upon initial recognition		-	-
	Mandatorily measured at FVPL		(292,881)	21,296
			(292,881)	21,296
29.	**OTHER INCOME**			
	Gain on sale of operating fixed assets		8,908	242
	Rent on premises shared		638	675
	Godwon charges		70	110
	Others		2,124	318
			11,740	1,345
30.	**OPERATING EXPENSES**			
	Total compensation expense	30.2	3,782,075	3,121,659
	Property expense			
	Rent & taxes		76,102	42,381
	Insurance		34,783	31,258
	Utilities cost		306,038	240,498
	Security		414,177	417,852
	Repairs & maintenance		28,622	25,755
	Depreciation		38,546	36,199
	Depreciation - right of use assets		427,353	397,203
			1,325,622	1,191,146
	Information technology expenses			
	Software maintenance		177,171	112,434
	Hardware maintenance		65,600	64,884
	Depreciation		63,196	41,081
	Amortisation		25,072	22,462
	Network charges		11,822	11,420
	Others		107,481	51,313
			450,342	303,594

		Half year ended	
		June 30, 2026	June 30, 2025
		Un-audited	
OPERATING EXPENSES	Note	---- (Rupees	in '000') ----
Other operating expenses			
Directors' fees and allowances		17,200	15,353
Fees and allowances to Shariah Board		3,116	1,427
Legal and professional charges		24,039	15,439
Travelling & conveyance		47,396	41,469
NIFT clearing charges		25,261	23,938
Training & development		6,230	4,297
Postage & courier charges		14,913	10,721
Communication		219,412	127,479
Stationery & printing		108,767	89,858
Marketing, advertisement & publicity		57,775	48,422
Auditor's Remuneration	30.3	10,337	9,551
Repairs & maintenance		96,200	96,232
Brokerage and commission		6,164	6,864
Entertainment Expenses		49,153	41,534
Fees and subscription		86,702	59,725
Insurance expenses		7,760	5,513
Premium of deposit protection fund		62,382	54,641
Depreciation		195,307	94,060
Outsourced service costs	30.1	124,467	110,919
Others		32,381	31,062
		1,194,960	888,504
		6,752,999	5,504,903

30.1 Total cost for the period included in other operating expenses relating to Janitorial outsourced activities.

30.2 Total compensation expense

Managerial Remuneration		
- Fixed	2,384,156	1,952,147
- Variable Cash Bonus / Awards	75,744	31,139
Charge for defined benefit plan	116,797	117,576
Contribution to defined contribution plan	108,307	89,740
Rent & house maintenance	524,399	446,543
Utilities	109,186	92,927
Medical	109,186	92,927
Conveyance	101,691	111,937
Dearness Allowance	33,057	28,370
Employee old age benefits contribution	26,814	23,982
Leave Fare Assistance Allowances	32,411	21,091
Leave Encashment	8,000	3,000
Staff Insurances	70,477	54,967
Others	81,849	55,314
	3,782,075	3,121,659

			Half year ended	
			June 30, 2026	June 30, 2025
			Un-audited	
30.3	**Auditors' remuneration**	Note	---------- (Rupees in '000') ----------	
	Audit fee		8,858	8,220
	Fee for other statutory certifications		636	856
	Special certifications and sundry advisory services		306	-
	Out-of-pocket expenses		537	475
			10,337	9,551

31. OTHER CHARGES

Penalties imposed by the State Bank of Pakistan		913	-
Others		-	-
		913	-

32. CREDIT LOSS ALLOWANCE & WRITE OFFS - NET

Credit loss allowance for dimunition in value of investments	10.3.1	(50,701)	28,243
Reversal of credit loss allowance / provision against loans and advances	11.3	(2,523,891)	(1,053,643)
Credit loss allowance / provision against loans and advances	11.3	461,353	781,026
Credit loss allowance against lendings to financial institutions	9.2	1,758	618
Reversal of credit loss allowance against other assets	16.2	(78)	-
Credit loss allowance against off-balance sheet obligations	21.1	33,556	(1,676)
Credit loss allowance against balance with other banks	8.4	(3,437)	(346)
Credit loss allowance against balance with treasury banks		27	-
Fixed Assets Written-off		153	-
Bad debts directly charged to profit and loss account		5,067	-
		(2,076,192)	(245,778)

33. TAXATION

Current	568,918	483,243
Prior years	-	-
Deferred	1,196,924	175,595
	1,765,842	658,838

34. BASIC AND DILUTED EARNINGS PER SHARE

Profit for the period (Rupees in '000)	2,629,216	628,698
Weighted average number of ordinary shares	3,452,442,817	3,452,442,817
Basic and diluted earnings per share (Rupee)	0.76	0.18

35. CASH AND CASH EQUIVALENTS

Cash and balance with treasury banks	6	19,290,652	21,697,877
Balance with other banks	7	3,301,361	3,570,834
		22,592,013	25,268,711

36. FAIR VALUE MEASUREMENTS

The fair values of traded investments are based on quoted market prices.

Unquoted equity investments are caried at the lower of cost or break-up value of the investee company. The fair value of the same is not required to be calculated.

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 and therefore, are not reported aspart of this disclosure.

In the opinion of 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 following fair value hierarchy, based on the lowest level input that is significant to the fair value measurement.

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 asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: Fair value measurements using inputs that are not based on observable market data

36.1 Fair value of financial and non-financial assets

The table below analyses the financial and non-financial assets carried at fair values, by valuation methods. For financial assets, the Bank essentially carries its investments in debt and equity securities at fair values. Valuation of investments is carried out as per guidelines specified by the SBP.

	June 30,2026			
	Fair Value			
	Level 1	Level 2	Level 3	Total
On balance sheet financial instruments	(Rupees in '000')			
Financial assets measured at fair value				
Investments				
Pakistan Investment Bonds	-	144,199,581	-	144,199,581
Market Treasury Bills	-	32,371,408	-	32,371,408
Shares of listed companies	4,611,292	-	-	4,611,292
Units of mutual funds	403,571	-	-	403,571
Ijarah Sukuk - GoP	-	3,500,257	-	3,500,257
Sukuk bonds	-	311,357	-	311,357
	5,014,863	180,382,603	-	185,397,466
Financial assets disclosed but not measured at fair value				
Investments				
Market Treasury Bills	-	12,391,391	-	12,391,391
Pakistan Investment Bonds	-	11,792,611	-	11,792,611
Term finance certificates - Listed	-	-	-	-
Term finance certificates - Unlisted	-	119,403	-	119,403
Term Deposit Receipt	-	1,149,834		1,149,834
	-	25,453,239	-	25,453,239
Off balance sheet financial instruments				
Foreign exchange contracts (purchase)	-	37,993,047	-	37,993,047
Foreign exchange contracts (sale)	-	37,957,191	-	37,957,191
Non-Financial Assets				
Land and building (Non-banking assets)	-	1,950,000	-	1,950,000

	December 31,2025 (Audited)			
	Fair Value			
	Level 1	Level 2	Level 3	Total
On balance sheet financial instruments	(Rupees in '000')			
Financial assets measured at fair value				
Investments				
Pakistan Investment Bonds	-	134,526,226	-	134,526,226
Market Treasury Bills	-	4,538,725	-	4,538,725
Shares of listed companies	4,098,174	-	-	4,098,174
Units of mutual funds	407,799	-	-	407,799
Ijarah Sukuk - GoP	-	3,521,150	-	3,521,150
Sukuk bonds	-	345,436	-	345,436
	4,505,973	142,931,537	-	147,437,510
Financial assets disclosed but not measured at fair value				
Investments				
Market Treasury Bills	-	3,758,698	-	3,758,698
Pakistan Investment Bonds	-	14,684,883	-	14,684,883
Term finance certificates - Listed	-	177,947	-	177,947
Term finance certificates - Unlisted	-	119,632	-	119,632
Term Deposit Receipts	-	785,000	-	785,000
	-	19,526,160	-	19,526,160
Off balance sheet financial instruments				
Foreign exchange contracts (purchase)				
Foreign exchange contracts (sale)	-	29,049,476	-	29,049,476
	-	29,010,009	-	29,010,009
Non-Financial Assets				
Land and building (Non-banking assets)	-	1,950,000	-	1,950,000

The valuation techniques used for the above assets are disclosed below:

Item	Valuation techniques and input used
Listed equity securities	The fair value of equity securities is calculated using the market prices, adjusted for appropriate discount if any.
Units of mutual funds	The fair value of units of mutual funds are determine based on their net assets value as published at the close of each business day.
Pakistan Investment Bonds / Market Treasury Bills	Fair values of Pakistan Investment Bonds and Treasury Bills are derived using the PKRV rates (Reuters page).
Government of Pakistan (GoP) - Ijarah Sukuks	Fair values derived using the PKISRV rates announced by the Financial Market Association (FMA) through Reuters.
Term Finance, Bonds and Sukuk certificates	Investments in debt securities (comprising term finance certificates, bonds, sukuk certificates 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 (MUFAP) in accordance with the methodology prescribed by the Securities and Exchange Commission of Pakistan.

37. SEGMENT INFORMATION

37.1 Segment Details with respect to Business Activities

	June 30,2026			
	Trading and sales	Retail banking	Commercial banking and others	Total
	(Rupees in '000')			
Profit & Loss				
Net mark-up/return/interest income	11,037,375	1,514,972	(4,075,358)	8,476,989
Inter segment revenue - net	(14,580,421)	-	14,580,421	-
Non mark-up / interest income	173,979	349	421,460	595,788
Total Income	(3,369,067)	1,515,321	10,926,523	9,072,777
Segment direct expenses	(85,302)	(71,348)	(4,892,994)	(5,049,644)
Inter segment expense allocation	(130,363)	(952,539)	(621,365)	(1,704,267)
Total expenses	(215,665)	(1,023,887)	(5,514,359)	(6,753,911)
Provisions	18,937	38,192	2,095,447	2,076,192
(Loss) / Profit before tax	(3,565,795)	453,242	7,507,611	4,395,058
Balance Sheet				
Cash & Bank balances	11,195,738	652,273	10,744,002	22,592,013
Investments	208,156,641	788,294	3,627,732	212,572,667
Net inter segment lending	-	-	261,715,549	261,715,549
Lendings to financial institutions	30,205,712	-	10,250,000	19,955,712
Advances - performing	44,995	13,431,099	107,512,219	120,988,313
Advances - non-performing	-	64	4,747,303	4,747,367
Others	4,674,724	538,725	26,990,479	32,203,928
Total Assets	254,277,810	15,410,455	405,087,284	674,775,549
Borrowings	-	1,034,788	885,000	1,919,788
Subordinated debt	-	-	-	-
Deposits & other accounts	-	602,142	356,657,389	357,259,531
Net inter segment borrowing	249,619,114	12,096,435	-	261,715,549
Others	337,195	174,038	17,551,157	18,062,390
Total liabilities	249,956,309	13,907,403	375,093,546	638,957,259
Equity	4,321,501	1,503,050	29,993,738	35,818,289
Total Equity & liabilities	254,277,810	15,410,453	405,087,284	674,775,549
Contingencies & Commitments	95,421,745	-	41,939,468	137,361,212

Segment Details with respect to Business Activities

	June 30,2025			
	Trading and sales	Retail banking	Commercial banking and others	Total
	(Rupees in '000')			
Profit & Loss				
Net mark-up/return/interest income	12,926,693	842,350	(8,160,646)	5,608,397
Inter segment revenue - net	(16,452,211)	-	16,452,211	-
Non mark-up / interest income	562,818	723	374,723	938,264
Total Income	(2,962,700)	843,073	8,666,288	6,546,661
Segment direct expenses	(72,865)	(55,081)	(4,069,034)	(4,196,980)
Inter segment expense allocation	(99,657)	(490,828)	(717,438)	(1,307,923)
Total expenses	(172,522)	(545,909)	(4,786,472)	(5,504,903)
Provisions	- -	87,754	333,532	245,778
(Loss) / Profit before tax	(3,135,222)	209,410	4,213,348	1,287,536

	December 31,2025 (Audited)			
	Trading and sales	Retail banking	Commercial banking and others	Total
	(Rupees in '000')			
Balance Sheet				
Cash & Bank balances	20,758,123	635,770	10,736,935	32,130,828
Investments	166,642,939	320,564	-	166,963,503
Net inter segment lending	-	-	217,741,251	217,741,251
Lendings to financial institutions	21,413,319	-	-	21,413,319
Advances - performing	(26,830)	13,361,268	131,230,263	144,564,701
Advances - non-performing	-	68	5,318,996	5,319,064
Others	3,923,760	310,705	26,540,589	30,775,054
Total Assets	212,711,311	14,628,375	391,568,034	618,907,720
Borrowings	-	1,117,000	1,080,000	2,197,000
Subordinated debt	-	-	-	-
Deposits & other accounts	-	1,218,725	342,091,252	343,309,977
Net inter segment borrowing	206,735,351	11,005,900	-	217,741,251
Others	948,611	456,674	19,876,159	21,281,444
Total liabilities	207,683,962	13,798,299	363,047,411	584,529,672
Equity	5,027,348	830,076	28,520,623	34,378,048
Total Equity & liabilities	212,711,310	14,628,375	391,568,034	618,907,720
Contingencies & Commitments	78,941,170	40,908	29,626,929	108,609,007

38. RELATED PARTY TRANSACTIONS

The related parties of the Bank comprise associated undertakings, directors, staff retirement funds and key management personnel (including their associates).

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. Transaction with executives and key management persons are undertaken at terms in accordance with employment agreements and service rules. Contributions to and accruals in respect of staff retirement benefit plans are made in accordance with the terms of the benefit plan. Remuneration of the President & Chief Executive Officer and directors are determined in accordance with the terms of their appointment.

Government of Sindh (GoS) through its Finance Department holds 99.97% shareholding in the Bank and therefore entities which are owned and / or controlled by the GoS, or where the GoS may exercise significant influence, are related parties of the Bank. The Bank in the ordinary course of business enters into transactions with Government-related entities. Such transactions include lending to, deposits from and provision of other banking services to such entities. However, it is impracticable to disclose transactions with all other entities owned or controlled by GoS.

	June 30,2026			June 30,2025		
	Directors	**Key management personnel**	**Other related parties**	Directors	Key management personnel	Other related parties
	(Rupees in '000')					
Income						
Mark-up / return / interest earned	-	3,985	4,486	-	3,431	4,840
Fee and commission income	1	21	347	-	2	1,196
Net gain on sale of securities	-	-	60	-	-	-
Other income	-	-	638	-	-	675
Expense						
Mark-up / return / interest paid	1,376	4,061	414,338	1,016	4,584	133,099
Remuneration paid	-	236,789	-	-	186,802	-
Contribution to provident fund	-	10,772	-	-	9,095	-
Provision for gratuity	-	34,439	-	-	31,946	-
Other staff benefits	-	82,830	-	-	31,736	-
Directors' meeting fee	17,200	-	-	14,375	-	-
Other expenses	175	-	-	213	-	-
Insurance premium paid	-	-	31,232	-	-	33,139
Others						
Sale of Government Securities	-	-	3,100,000	-	-	1,200,000
Purchase of Government Securities	-	-	100,000	-	-	120,000
Gratuity paid	-	11,662	-	-	2,786	-
Leave encashment paid	-	3,832	-	-	2,298	-
Insurance claims settled	-	-	4,727	-	-	1,199
Expenses recovered under agency arrangement	-	-	60	-	-	65

As at the date of consolidated statement of financial position, loans/advances and deposits related to government related entities and its related entities amounted to Rs. 24,284.89 million (2025: Rs. 34,912.45 million) note 11.1 and Rs.205,865.25 million (2025: Rs. 193,330.66 million) note 19. The above includes deposits amounting to Rs. 52,342.12 million (2025: Rs.40,349.48 million) received through the Finance Department, Government of Sindh.

39 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

	Note	June 30, 2026 (Un-audited)	December 31, 2025 (Audited)
		-------- (Rupees in '000') -------	
Minimum Capital Requirement (MCR):			
Paid-up capital (net of losses)		30,886,321	29,086,525
Capital Adequacy Ratio (CAR):			
Eligible Common Equity Tier 1 (CET 1) Capital		24,569,435	21,774,499
Eligible Additional Tier 1 (ADT 1) Capital		-	-
Total Eligible Tier 1 Capital		24,569,435	21,774,499
Eligible Tier 2 Capital		1,326,873	2,193,236
Total Eligible Capital (Tier 1 + Tier 2)		25,896,308	23,967,735
Risk Weighted Assets (RWAs):			
Credit Risk		71,748,976	56,595,517
Market Risk		22,333,933	16,884,380
Operational Risk		21,889,121	21,889,121
Total		115,972,030	95,369,018
Common Equity Tier 1 Capital Adequacy ratio		21.19%	22.83%
Tier 1 Capital Adequacy Ratio		21.19%	22.83%
Total Capital Adequacy Ratio		22.33%	25.13%
Notional minimum capital requirements prescribed by SBP			
CET1 minimum ratio		6.00%	6.00%
Tier 1 minimum ratio		7.50%	7.50%
Total capital minimum ratio		10.00%	10.00%
Total capital minimum ratio plus CCB		11.50%	11.50%
Approach followed for detrmining Risk Weighted Assets			
Credit Risk		Comprehensive	Comprehensive
Market Risk		Maturity method	Maturity method
Operational Risk		Basic Indicator	Basic Indicator

		June 30, 2026 (Un-audited)	December 31, 2025 (Audited)
		-------- (Rupees in '000') -------	
Leverage Ratio (LR):			
Eligiblle Tier-1 Capital		24,569,435	21,774,499
Total Exposures		425,012,176	404,766,211
Leverage Ratio (%)		5.78%	5.38%
Liquidity Coverage Ratio (LCR):			
Total High Quality Liquid Assets	SAME AS PER BANK LEVEL	189,056,481	183,159,874
Total Net Cash Outflow		51,539,593	47,152,234
Liquidity Coverage Ratio (%)		367%	388%
Net Stable Funding Ratio (NSFR):			
Total Available Stable Funding	SAME AS PER BANK LEVEL	269,032,269	256,915,076
Total Required Stable Funding		134,175,319	128,858,448
Net Stable Funding Ratio		201%	199%

SINDH BANK LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For The Half Year Ended June 30, 2026

40. GENERAL

40.1 Figures have been rounded off to the nearest thousand rupee.

41. DATE OF AUTHORISATION FOR ISSUE

These consolidated financial statements were authorised for issue by the Board of Directors on 13/08/2026.

President and Chief Executive Officer	Chief Financial Officer	Director	Director	Chairman