



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

# SINDH BANK

## سندھ بینک

POWER TO THE PEOPLE  
بااختیار عوام

### POWER TO THE PEOPLE



Half Yearly  
Financial  
Statements  
June 30, 2026

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## VISION

Our vision is to be a leading bank which would play a positive role to generate economic activities for empowering the people by meeting their financial needs for running a successful business and create employment opportunities.

## MISSION

To develop as a leading Commercial Bank in the country by meeting its stated objectives of promoting economic development of the country in general and in the Province of Sindh in particular.

## Corporate Information

### Board of Directors

|                          |                                                |
|--------------------------|------------------------------------------------|
| Mr. Mohammed Aftab Alam  | Chairman/Independent Director                  |
| Mr. Fayaz Ahmed Jatoi    | Finance Secretary (GoS)/Non Executive Director |
| Mr. Javaid Bashir Sheikh | Non Executive Director                         |
| Mrs. Shaista Bano Gilani | Independent Director                           |
| Mr. Imtiaz Ahmad Butt    | Independent Director                           |
| Mr. Imran Samad          | Non Executive Director                         |
| Mr. Farhan Ashraf Khan   | Non Executive Director                         |
| Mr. Muhammad Anwaar      | President & CEO                                |

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**Deputy CEO** Syed Assad Ali Shah

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**Chief Financial Officer** Dilshad Hussain Khan

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**Company Secretary** Muhammad Irfan Zafar

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**Auditors'** Riaz Ahmad and Company  
Chartered Accountants.

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**Legal Advisors** Mohsin Tayebaly & Co

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**Share Registrar** CDC Share Registrar Services Ltd.

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**Registered/Head Office** 3rd Floor Federation House  
Abdullah Shah Ghazi Road  
Clifton, Karachi-75600  
UAN : +92-21-111-333-225  
Fax : +92-21-35870543

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**Registration Number** 0073917  
**NTN Number** 3654008-7  
**Website** www.sindhbank.com.pk  
**Facebook** /SindhBankLimitedOfficial  
**Instagram** /SindhBankLimited  
**LinkedIn** /Company/Sindh-bank-limited

## 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:

| (Rs. in '000)                                      |                        |                       |                                            |
|----------------------------------------------------|------------------------|-----------------------|--------------------------------------------|
| Balance Sheet                                      | As on<br>June 30 2026  | As on<br>Dec 31, 2025 | % age<br>Change<br>Increase/<br>(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%)                                   |
| <b>Paid up Capital net of accumulated losses</b>   | <b>33,708,898</b>      | <b>31,593,581</b>     | <b>6.70%</b>                               |
| Surplus/(deficit) on Revaluation of Assets -net    | 1,058,813              | 1,955,254             | (45.85%)                                   |
| <b>Equity</b>                                      | <b>34,767,711</b>      | <b>33,548,224</b>     | <b>3.64%</b>                               |
| <b>Borrowings</b>                                  | <b>885,000</b>         | <b>1,080,000</b>      | <b>(18.06%)</b>                            |
| <b>Deposits</b>                                    | <b>356,657,389</b>     | <b>342,091,252</b>    | <b>4.26%</b>                               |
| <b>Investment (carrying value)</b>                 | <b>211,784,372</b>     | <b>166,642,939</b>    | <b>27.09%</b>                              |
| <b>Gross Advances</b>                              | <b>145,260,191</b>     | <b>170,501,738</b>    | <b>(14.80%)</b>                            |
| Profit & Loss Account                              | Half Year Ended        |                       |                                            |
|                                                    | June 30, 2026          | June 30, 2025         | %age Change<br>Increase/<br>(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%)                                   |
| <b>Net markup/return/interest income</b>           | <b>7,697,887</b>       | <b>5,005,344</b>      | <b>53.79%</b>                              |
| 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%)                                  |
| <b>Non-mark-up/non-interest income</b>             | <b>595,788</b>         | <b>938,264</b>        | <b>(36.50%)</b>                            |
| <b>Total Income</b>                                | <b>8,293,675</b>       | <b>5,943,608</b>      | <b>39.54%</b>                              |
| <b>Non-mark-up/interest expenses</b>               | <b>6,356,417</b>       | <b>5,193,548</b>      | <b>22.39%</b>                              |
| <b>Profit / (Loss) before Tax &amp; Provisions</b> | <b>1,937,258</b>       | <b>750,060</b>        | <b>158.28%</b>                             |
| Credit allowance and write offs                    | 409,656                | 808,604               | (49.34)%                                   |
| Reversal of credit allowance                       | (2,524,040)            | (1,142,136)           | 120.99%                                    |
| <b>Credit allowance and write offs-net</b>         | <b>(2,114,384)</b>     | <b>(333,532)</b>      | <b>533.94%</b>                             |
| <b>Profit / (Loss) Before Tax</b>                  | <b>4,051,642</b>       | <b>1,083,594</b>      | <b>273.90%</b>                             |
| <b>Profit / (Loss) After Tax</b>                   | <b>2,408,366</b>       | <b>500,380</b>        | <b>381.3%</b>                              |
| <b>Profit / (Loss) per share (Rupees)</b>          | <b>0.70</b>            | <b>0.14</b>           | <b>400%</b>                                |
| Other Information                                  | As on<br>June 30, 2026 | As on<br>Dec 31, 2025 | %age Change                                |
| No. of Accounts                                    | 1,835,443              | 1,637,468             | 12.09%                                     |
| Number of Branches                                 | 330                    | 330                   | -                                          |

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 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 | For the half year ended<br>30-Jun-26 | For the half year ended<br>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.

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:

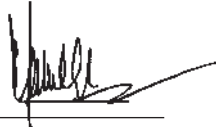
- i. Strengthening its role in mitigating the adverse impacts of climate change.
- ii. Promoting sustainable finance.
- iii. Enhancing infrastructure by improving access to finance.

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.

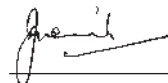
### **Acknowledgements**

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**  
 President & CEO



**Javid Bashir Sheikh**  
 Non Executive Director

Karachi,  
 August 13, 2026

## ڈائریکٹرز رپورٹ

سندھ بینک کے بورڈ آف ڈائریکٹرز کی جانب سے میں 30 جون 2026 کو ختم ہونے والی ششماہی کے مالیاتی نتائج پیش کر رہا ہوں۔ کارکردگی کا جائزہ ذیل میں پیش کیا گیا ہے:

(روپے ہزاروں میں)

| بیلنس شیٹ                                          | 30 جون 2026                   | 31 دسمبر 2025                 | فیصد تبدیلی (اضافہ/کمی) |
|----------------------------------------------------|-------------------------------|-------------------------------|-------------------------|
| اداشدہ سرمایہ                                      | 34,524,428                    | 34,524,428                    | -                       |
| ذخائر                                              | 3,601,067                     | 3,119,515                     | 15.44%                  |
| جمع شدہ نقصان                                      | (4,416,597)                   | (6,050,851)                   | (27.01%)                |
| اداشدہ سرمایہ (منہا جمع شدہ نقصان)                 | 33,708,898                    | 31,593,581                    | 6.70%                   |
| اثاثوں کی فرائض کی قدر کا سرپلس / (نقصان) - سرمایہ | 1,058,813                     | 1,955,254                     | (45.85%)                |
| ایکویٹی                                            | 34,767,711                    | 33,548,224                    | 3.64%                   |
| قرضہ جات                                           | 885,000                       | 1,080,000                     | (18.06%)                |
| ڈیپازٹس                                            | 356,657,389                   | 342,091,252                   | 4.26%                   |
| سرمایہ کاری (مالیتی قدر)                           | 211,784,372                   | 166,642,939                   | 27.09%                  |
| مجموعی ایڈوانسز                                    | 145,260,191                   | 170,501,738                   | (14.80%)                |
| منافع و نقصان کا کھاتہ                             |                               |                               |                         |
| نفع و نقصان کا کھاتہ                               | ختم شدہ ششماہی<br>30 جون 2026 | ختم شدہ ششماہی<br>30 جون 2025 | فیصد تبدیلی (اضافہ/کمی) |
| مارک اپ / منافع / سود کی آمدنی                     | 19,100,833                    | 18,522,116                    | 3.12%                   |
| مارک اپ / منافع / سود کے اخراجات                   | 11,402,946                    | 13,516,772                    | (15.64%)                |
| خالص مارک اپ / منافع / سود کی آمدنی                | 7,697,887                     | 5,005,344                     | 53.79%                  |
| فیس، کمیشن اور دیگر آمدنی                          | 405,697                       | 367,955                       | 10.26%                  |
| فارن ایکسچینج آمدنی                                | 328,897                       | 48,534                        | 577.65%                 |
| ڈیویڈنڈ آمدنی                                      | 80,347                        | 27,248                        | 194.87%                 |

| نفع و نقصان کا کھاتہ                   | ختم شدہ ششماہی<br>30 جون 2026 | ختم شدہ ششماہی<br>30 جون 2025 | فیصد تبدیلی (اضافہ/کمی) |
|----------------------------------------|-------------------------------|-------------------------------|-------------------------|
| سیکیورٹیز پر منافع / (نقصان)           | (219,153)                     | 494,527                       | (144.32%)               |
| نان مارک اپ / نان انٹرسٹ آمدنی         | 595,788                       | 938,264                       | (36.50%)                |
| کل آمدنی                               | 8,293,675                     | 5,943,608                     | 39.54%                  |
| نان مارک اپ / سود کے اخراجات           | 6,356,417                     | 5,193,548                     | 22.39%                  |
| ٹیکس اور اختصاص سے قبل منافع / (نقصان) | 1,937,258                     | 750,060                       | 158.28%                 |
| کریڈٹ الاؤنس اور رائٹ آف               | 409,656                       | 808,604                       | %(49.34)                |
| کریڈٹ الاؤنس کی واپسی                  | (2,524,040)                   | (1,142,136)                   | 120.99%                 |
| کریڈٹ الاؤنس اور رائٹ آف - خالص        | (2,114,384)                   | (333,532)                     | 533.94%                 |
| منافع / (نقصان) قبل از ٹیکس            | 4,051,642                     | 1,083,594                     | 273.90%                 |
| بعد از ٹیکس منافع / (نقصان)            | 2,408,366                     | 500,380                       | 381.3%                  |
| نی حصص منافع / (نقصان) (روپے)          | 0.70                          | 0.14                          | 400%                    |
| دیگر معلومات                           |                               |                               |                         |
| تفصیلات                                | بتاریخ 30 جون<br>2026         | بتاریخ 31 دسمبر<br>2025       | فیصد تبدیلی             |
| کھاتوں کی تعداد                        | 1,835,443                     | 1,637,468                     | 12.09%                  |
| برانچوں کی تعداد                       | 330                           | 330                           | -                       |

- 30 جون 2026 کو ختم ہونے والے چھ ماہ میں قبل از ٹیکس منافع 4,051 ملین روپے رہا، جبکہ گزشتہ سال اسی مدت میں قبل از ٹیکس منافع 1,083 ملین روپے تھا، جس سے 273.90 فیصد اضافہ کی عکاسی ہوتی ہے۔ اس فرق کے بنیادی اسباب ذیل میں دیے گئے ہیں:
- خالص سودی آمدنی میں 2,692 ملین روپے (53.79%) میں اضافے کی وجہ آمدنی دینے والے اثاثوں میں نمو، مناسب لاگت والے ڈیپازٹس پر توجہ اور بالخصوص نئے اکاؤنٹس کے ذریعے کرنٹ اکاؤنٹس اور غیر فعال قرضوں کی وصولی ہے۔
  - اس مدت کے دوران بینک کی اہم توجہ غیر فعال قرضوں کی وصولی پر مبذول رہی۔ جس کے نتیجے میں بینک نے کل 2,524 ملین روپے کے اختصاصات کو معکوس کیا، جبکہ گزشتہ سال اسی مدت میں یہ 1,142 ملین روپے معکوس کئے تھے۔
  - سیاسی جغرافیائی کشیدگی اور جنگ کے باعث مارکیٹ کے نامساعد حالات کی وجہ سے نان مارک اپ آمدنی میں 342.47 ملین روپے کمی واقع ہوئی، جس کے نتیجے میں سرمایہ کاری کی قدر میں 219.15 ملین روپے کا خسارہ ہوا، جبکہ گزشتہ سال اسی مدت میں سرمایہ کاری کی فروخت پر 494.52 ملین روپے کا منافع ہوا تھا۔

- نان مارک اپ اخراجات میں 1,613 ملین روپے (22.39%) کا اضافہ ہوا، جس کی بنیادی وجہ بینک کی جاری کاروباری سرگرمیوں کے مطابق آپریشنل اخراجات میں اضافہ ہے۔
- 30 جون 2026 کو ختم ہونے والی ششماہی میں منافع بعد از ٹیکس 2,408 ملین روپے رہا، جو گزشتہ سال اسی مدت کے 500.38 ملین روپے کے مقابلے میں چارگنا زیادہ ہے۔
- کل اثاثے 409.95 ارب روپے پر پہنچ گئے جبکہ 31 دسمبر 2025 کو یہ 397.57 ارب روپے تھے، اس طرح 12.38 ارب روپے (3%) کا اضافہ ریکارڈ کیا گیا۔
- 30 جون 2026 تک سرمایہ کاری کی مالیتی قدر 211.78 ارب روپے رہی جو کہ 31 دسمبر 2025 کے 166.64 ارب روپے کے مقابلے میں 27.09% زیادہ ہے۔
- مجموعی ایڈوانسز میں 14.80% کی کمی واقع ہوئی جو 31 دسمبر 2025 کے 171 ارب روپے سے کم ہو کر 145 ارب روپے رہ گئے، جس کی بنیادی وجہ حکومت کی معاونت یافتہ کموڈٹی فنانسنگ میں کمی ہے۔ ایڈوانسز پورٹ فولیو میں مجموعی کمی کے باوجود، بینک نے نجی شعبے کی قرضہ جات میں نمو حاصل کی، جس میں کارپوریٹ کمرشل قرضوں میں 9.87 ارب روپے (15.83%)، چھوٹے اور درمیانے درجے کے کاروباروں قرضوں میں 496 ملین روپے (5.21%)، زرعی قرضوں میں 337 ملین روپے (37.45%) اور صارفین کے قرضوں میں 172 ملین روپے (11.95%) کا اضافہ ہوا۔
- 30 جون 2026 تک کل ڈیپازٹس 4.26% اضافے کے ساتھ 356.65 ارب روپے ہو گئے جبکہ 31 دسمبر 2025 کو یہ 342.09 ارب روپے تھے۔ کسٹمر اکاؤنٹس کی تعداد 197,975 نئے اکاؤنٹس کے اضافے کے بعد 1,835,443 تک پہنچ گئی (یعنی 12.09% اضافہ) جو صارفین کے اعتماد اور بینک میں نئے کسٹمرز کو متعارف کرانے کی فعال کوششوں کا عکاس ہے۔

#### کریڈٹ ریٹنگ

وی آئی ایس کریڈٹ ریٹنگ کمپنی نے 30 جون 2026 کی اپنی رپورٹ میں طویل مدتی ادارے کی ریٹنگ AA اور قلیل مدتی ریٹنگ A1+ کی توثیق کی ہے۔

#### کم از کم کیپیٹل کی ضرورت اور کیپیٹل تناسب

30 جون 2026 تک بینک کی کیپیٹل ایڈیوکیٹی ریٹو 21.81% رہا جو کہ 11.5% کی کم از کم ضرورت سے نمایاں طور پر زیادہ ہے، اور لیورج ریٹو 3% کی کم از کم ضرورت کے مقابلے میں 5.63% رہا۔

#### معاشی جائزہ

مالیاتی سال 2026 کے لیے پاکستان کی حقیقی مجموعی ملکی پیداوار کی نمو عارضی طور پر 3.7% تخمینہ لگائی گئی ہے، جو بنیادی طور پر خدمات اور صنعت کے شعبوں پر مبنی ہے جس میں زراعت کا بھی اہم کردار ہے۔ مزید برآں، مالیاتی سال 2026 کے لیے ہیڈ لائن افراط زر 7.03%

ریکارڈ کی گئی جبکہ گزشتہ سال یہ 4.61% تھی، جس کی بڑی وجہ امریکہ-ایران جنگ کی وجہ سے خوراک اور توانائی کی بلند قیمتیں اور لوہے میں اثر ہے۔ قومی صارف اشاریہ قیمت میں اضافے نے اسٹیٹ بینک آف پاکستان کو سخت مالیاتی پالیسی برقرار رکھنے پر مجبور کیا، جس کے تحت پالیسی نرخ کو مالیاتی سال کے دوران 11% کی سطح کے قریب رکھا گیا۔ اس میں اپریل 2026 میں بینچ مارک پالیسی ریٹ میں 100 پیس پوائنٹس کا اضافہ شامل ہے، جس سے یہ موجودہ 11.50% کی سطح پر آ گیا۔

علاوہ ازیں، پاکستان میں مالیاتی سال 2026 میں 139 ملین امریکی ڈالر کا کرنٹ اکاؤنٹ خسارہ ہوا جبکہ گزشتہ سال 1.8 ارب امریکی ڈالر سے زائد کا کرنٹ اکاؤنٹ سرپلس تھا۔ اس سال پاکستان کے تجارتی خسارے میں سالانہ بنیادوں پر 25% کا اضافہ ہوا جس کی وجہ زراعت کے ابتدائی شعبے میں برآمدات میں 5% کی کمی اور درآمدات میں 9% کا اضافہ تھا۔ مشرق وسطیٰ کے تنازعہ کے باعث عالمی سطح پر توانائی کی بڑھتی ہوئی قیمتوں اور بنیادی طور پر مشینری، ٹرانسپورٹ اور فوڈ سیکٹر سے متعلق درآمدات میں نمودارآمدات میں اضافے کی وجہ بنی۔ اس کے باوجود، پاکستان مالیاتی سال 2026 کے لیے ورکرز ترسیلات زر میں سالانہ بنیادوں پر 9% کی نمو حاصل کرنے میں کامیاب رہا، جو 41.6 ارب امریکی ڈالر پر پہنچ گئی۔ مزید برآں، سال کے لیے آئی ٹی برآمدات 21% بڑھ کر 4.6 ارب امریکی ڈالر کی ریکارڈ سطح پر پہنچ گئیں۔ ان دونوں پیش رفتوں نے ملک کے ادائیگیوں کے توازن کو مستحکم حالت میں رکھنے میں مدد کی۔

مزید برآں، جون 2026 کے اختتام پر پاکستان کے غیر ملکی زرمبادلہ کے ذخائر 22 ارب امریکی ڈالر سے تجاوز کر گئے، جس میں اسٹیٹ بینک کے زرمبادلہ کے ذخائر مستحکم آمد اور اسٹیٹ بینک کی اوپن مارکیٹ سے خریداری کے باعث 16.5 ارب امریکی ڈالر ریکارڈ کیے گئے۔ اس کے ساتھ ہی اسٹیٹ بینک کی فارورڈ واجبات میں بھی نمایاں کمی آئی۔ نتیجے کے طور پر، جون 2026 کے اختتام تک روپیہ امریکی ڈالر کے مقابلے میں 2% مستحکم ہوا۔ آخر میں، اصلاحاتی ایجنڈے کو جاری رکھتے ہوئے، وفاقی حکومت نے مالیاتی سال 2027 کے لیے بجٹ پیش کیا جس میں 2% پرائمری سرپلس کا ہدف مقرر کیا گیا۔ یاد رہے کہ بجٹ میں 18.8 ٹریلین روپے کا حجم تجاویز کے طور پر پیش کیا گیا، جس میں بنیادی طور پر ٹیکس نیٹ کو وسیع کرنے اور سخت نفاذ پر مبنی 2.3 ٹریلین روپے کے اضافی ریونیو اقدامات شامل ہیں۔ تاہم، تنخواہ دار طبقے اور کارپوریٹ سیکٹر کو ریلیف بھی فراہم کیا گیا اور برآمدی شعبے کی نمو کو فروغ دینے کے لیے مراعات دی گئیں۔

### پاکستان اسٹاک ایکسچینج کا جائزہ

کے ایس ای-100 انڈیکس نے مالیاتی سال 2026 کے دوران 43.52% کا منافع دیا، جو 30 جون 2026 کو 180,302 پوائنٹس پر بند ہوا۔ اگرچہ سال کے دوسرے نصف حصے میں مارکیٹ کی کارکردگی سیاسی جغرافیائی عوامل مثلاً امریکہ-ایران جنگ کے آغاز اور اس کے نتیجے میں توانائی کی قیمتوں میں اضافے کی وجہ سے شدید متاثر ہوئی، جس سے عدم یقینی اور بلند افراط زر کی وجہ سے شرح سود میں اضافے کی توقعات پیدا ہوئیں، نیز نئے سبیل منٹ میکانزم کا آغاز ہوا۔ چنانچہ، کیلنڈر سال 2026 کے پہلے نصف کی بنیاد پر، کے ایس ای-100 انڈیکس نے 3.59% کا منافع ریکارڈ کرتے ہوئے 180,302 پوائنٹس پر اختتام کیا، جس دوران غیر ملکی فروخت تقریباً 596.9 ملین امریکی ڈالر ریکارڈ کی گئی۔ آگے چل کر، سیاسی جغرافیائی غیر استحکام مارکیٹ کے مجموعی رجحان اور بالخصوص کے ایس ای-100 انڈیکس کی کارکردگی کو متاثر کرتا رہے گا۔

مزید برآں، مارکیٹ کے مشارکین پاکستان کی میکرو اکنامک کارکردگی کا جائزہ لیتے رہیں گے، خاص طور پر جیو پالیٹیکل پیش رفت اور اندرونی

سیکیورٹی کی صورتحال سے درپیش بڑھتے ہوئے خطرات کے تناظر میں۔ علاوہ ازیں، استحکام کو یقینی بنانے کے لیے مزید مانیٹری سختی آنے والے سال میں نمو کو متاثر کر سکتی ہے، جس سے مجموعی کارپوریٹ سیکٹر کی کارکردگی متاثر ہوگی۔ پاکستان اور دیگر دوست ممالک کی ثالثی کی کوششیں بھی بار آور ثابت ہونے کا امکان ہے، جس سے جیو پالیٹیکل محاذ پر درکار وضاحت مل سکے گی۔

#### سندھ مائیکرو فنانس بینک لمیٹڈ

سندھ مائیکرو فنانس بینک لمیٹڈ اسٹیٹ بینک آف پاکستان سے لائسنس یافتہ، قومی سطح کا مائیکرو فنانس ادارہ ہے جس نے مئی 2016 میں 1,000 ملین روپے کے ابتدائی پیڈ اپ کیپیٹل کے ساتھ اپنے آپریشنز کا آغاز کیا۔ 30 جون 2026 تک، بینک کی ایکویٹی اندرونی طور پر پیدا ہونے والے منافع کے ذریعے بڑھ کر 1.80 ارب روپے ہو گئی ہے، جس نے اسے پاکستان کا واحد مائیکرو فنانس بینک بنا دیا ہے جو اپنے قیام سے لے کر اب تک مسلسل ہر سال منافع درج کر رہا ہے۔

30 جون 2026 کو ختم ہونے والی ششماہی کے لیے، اس بینک نے 343.42 ملین روپے کا ٹیکس سے قبل منافع رپورٹ کیا، جو 30 جون 2025 کو ختم ہونے والی پچھلی ششماہی میں ریکارڈ کیے گئے 203.94 ملین روپے کے مقابلے میں 68.39% کا شاندار اضافہ ظاہر کرتا ہے۔ ششماہی کے لیے ٹیکس کے بعد منافع 220.85 ملین روپے رہا جبکہ گزشتہ سال اسی مدت میں یہ 128.32 ملین روپے تھا، جو سالانہ بنیادوں پر 72.11% نمو کو ظاہر کرتا ہے۔ اس شاندار کارکردگی کی بنیادی وجہ خالص سودی آمدنی میں 29% کا اضافہ تھا، جو گزشتہ سال کے اسی عرصے کے 603 ملین روپے سے بڑھ کر 779 ملین روپے ہو گئی۔

بینک کا بزنس ماڈل گراس روٹ مائیکرو فنانسنگ میں مضبوطی سے پیوست ہے، جس کا بنیادی مقصد دیہی اور نیم شہری علاقوں میں آمدنی پیدا کرنے والی سرگرمیوں میں مصروف خواتین کو باختیار بنانا ہے۔ بینک کے اوسط قرض کا سائز تقریباً 57,000 روپے ہے اور مائیکرو فنانس سیکٹر میں 1% سے کم کی سب سے کم خرابی؟ قروض کی شرح کو برقرار رکھے ہوئے ہے۔ قیام کے بعد سے، بینک نے سندھ بھر میں 22 برانچوں اور 99 سروس سنٹرز پر مشتمل 121 کاروباری مقامات کے نیٹ ورک کے ذریعے صوبے کے ہر ضلع کا احاطہ کرتے ہوئے خواتین کو 21.8 ارب روپے کے 550,000 سے زائد قروض جاری کیے ہیں۔

30 جون 2026 تک بینک کی کیپیٹل ایڈیکویسی ریشو مضبوطی کے ساتھ 44.44% پر رہا۔ (دسمبر 2025 44.791) 4,140 ملین روپے کے رسک وڈیٹا ٹائٹل کے مقابلے میں کل اہل کیپیٹل 1,842 ملین روپے رہا، جو مسلسل توسیع کے لیے بینک کے مضبوط کیپیٹل بفرز کو اجاگر کرتا ہے۔

پاکستان کریڈٹ ریٹنگ ایجنسی نے بینک کی کریڈٹ ریٹنگ کی طویل مدتی کے لیے 'A' اور قلیل مدتی کے لیے 'A1' کی توثیق کی ہے جس کا آؤٹ لک 'مستحکم' ہے۔ وی آئی ایس کریڈٹ ریٹنگ کمپنی نے بھی بینک کو مستحکم آؤٹ لک کے ساتھ 'A/A-1' کی یکساں ریٹنگ دی ہے، جو اسے ملک کے سب سے اعلیٰ درجہ بند مائیکرو فنانس بینکوں میں شامل کرتی ہے۔

بینک نے سالوں کے دوران اعلیٰ کارکردگی کے معیار، مضبوط گورننس فریم ورک، اور مسلسل کارکردگی کو برقرار رکھا ہے جس کے نتیجے میں 10 فروری 2026 کو اسٹیٹ بینک سے نیشنل لیول لائسنس حاصل ہوا، جس سے پورے پاکستان میں آپریشنز ممکن ہو گئے۔ بینک نے بلوچستان اور جنوبی پنجاب میں مرحلہ وار نامیاتی توسیع کا آغاز کر دیا ہے، جس سے پاکستان بھر کی محروم برادریوں تک رسائی میں بتدریج اضافہ ہو رہا ہے۔

30 جون 2026 کو ختم ہونے والی ششماہی کے اہم مالیاتی نکات کا خلاصہ ذیل میں پیش کیا گیا ہے:

| بیلنس شیٹ                   | 30 جون 2026<br>(ملین روپے)                | 31 دسمبر 2025<br>(ملین روپے)              |
|-----------------------------|-------------------------------------------|-------------------------------------------|
| مجموعی قرضہ جاتی پورٹ فولیو | 3,072                                     | 2,723                                     |
| کل اثاثے                    | 6,486                                     | 4,832                                     |
| ڈیپازٹس                     | 1,750                                     | 1,554                                     |
| قرضہ جات                    | 2,515                                     | 1,266                                     |
| کل واجبات                   | 4,686                                     | 3,252                                     |
| خالص ایکویٹی                | 1,800                                     | 1,580                                     |
| منافع و خسارے کا کھاتہ      |                                           |                                           |
| تفصیلات                     | ختم شدہ ششماہی 30 جون 2026<br>(ملین روپے) | ختم شدہ ششماہی 30 جون 2025<br>(ملین روپے) |
| خالص سودی آمدنی             | 779                                       | 603                                       |
| منافع قبل از ٹیکس           | 343                                       | 204                                       |
| ٹیکس                        | (123)                                     | (76)                                      |
| منافع بعد از ٹیکس           | 221                                       | 128                                       |
| فی حصص آمدنی (روپے)         | 2.21                                      | 1.28                                      |
| دیگر تفصیلات                |                                           |                                           |
| تفصیلات                     | 30 جون 2026                               | 31 دسمبر 2025                             |
| کاروباری مقامات کی تعداد    | 118                                       | 113                                       |
| کمپیوٹل ایڈیکولیسی ریشو     | 42.66%                                    | 44.74%                                    |

مستقبل کا منظر نامہ

سندھ بینک لمیٹڈ کی اسلامی بینک میں تبدیلی

سندھ بینک لمیٹڈ، اپنی مکمل ملکیت والی ذیلی کمپنی سندھ مائیکرو فنانس بینک کے ساتھ، اسٹیٹ بینک کے وژن 2028 کے مطابق مکمل شرعی تعبیل حاصل کرنے کے لیے پرعزم ہے۔ چنانچہ، بینک نے 31 اکتوبر 2024 کو اسٹیٹ بینک آف پاکستان کو اپنا اسلامی تبدیلی کا منصوبہ جمع

کرایا، جس میں تمام روایتی برانچوں کی اسلامی بینکنگ میں مرحلہ وار تبدیلی کا خاکہ پیش کیا گیا ہے، جسے 31 دسمبر 2027 تک مکمل کیا جائے گا۔

سال 2025 کے دوران، بینک نے 45 منظور شدہ روایتی برانچوں کو اسلامی بینکنگ برانچوں میں کامیابی کے ساتھ تبدیل کر دیا ہے اور 2026 کے اختتام تک مزید 49 برانچوں کی تبدیلی کی توقع ہے۔

### دیگر اہم اہداف

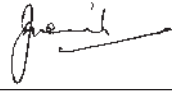
اب تک حاصل ہونے والے حوصلہ افزا نتائج کے ساتھ، انتظامیہ درج ذیل امور پر اپنی توجہ مرکوز رکھنے کے لیے پرعزم ہے:

1. مناسب لاگت والے ڈیپازٹس متحرک کرنا؛
  2. کنزیومر، چھوٹے و درمیانے کاروبار اور کمرشل بزنس میں اضافہ؛
  3. ہمارے صارفین کو سہولت فراہم کرنے کے لیے متبادل ڈیلیوری اور سروس چینلز کی جستجو؛ اور
  4. غیر فعال قروض میں کمی کی تیز رفتار کو برقرار رکھنا۔
- ماحولیاتی تبدیلی اور اس کے نتیجے میں پیدا ہونے والے معاشی و سماجی چیلنجوں کی روشنی میں، بینک درج ذیل شعبوں پر توجہ مرکوز کرے گا:
1. ماحولیاتی تبدیلی کے منفی اثرات کو کم کرنے میں اپنے کردار کو مضبوط بنانا۔
  2. پائیدار مالیات کو فروغ دینا۔
  3. فنانس تک رسائی کو بہتر بنا کر انفراسٹرکچر کو بڑھانا۔
- بینک زراعت، ٹیکنالوجی سیکٹر، چھوٹے اور درمیانے درجے کے کاروباروں، مائیکرو فنانس اور ٹریڈ فنانس جیسے اہم شعبوں میں بہتری پالیسی اقدامات کے ذریعے اپنے ماحولیاتی شمولیت کے فریم ورک کو مضبوط بنانے کا ارادہ رکھتا ہے اور ڈیجیٹل حل پر زیادہ سے زیادہ توجہ دیتے ہوئے ماحولیاتی خواندگی کے پروگراموں کو نافذ کرے گا۔

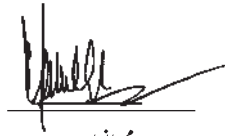
### اعتراف

بورڈ آف ڈائریکٹرز کی جانب سے، میں انضباطی اداروں، حصص یافتگان اور کسٹمرز کا ان کی مسلسل رہنمائی، تعاون اور بینک اور اس کی انتظامیہ پر اعتماد کا شکریہ ادا کرتا ہوں۔

منجانب بورڈ آف ڈائریکٹرز



جاوید شیخ  
(ٹران ایگزیکٹو ڈائریکٹر)



محمد انوار  
صدر/CEO

کراچی،

13 اگست 2026

**Riaz Ahmad & Company**  
 Chartered Accountants

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 Bahria Town Tower, Block 2  
 P.E.C.H.S., Karachi, Pakistan  
 T: +92 (21) 3431 08 26 - 7  
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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

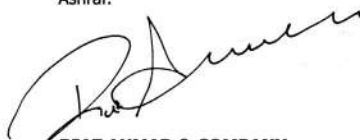
Based on our review, nothing has come to our attention that causes us to believe that the accompanying unconsolidated condensed interim financial statements are not prepared, in all material respects, in accordance with approved accounting and reporting standards as applicable in Pakistan for interim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

**Riaz Ahmad & Company**  
Chartered Accountants

**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**

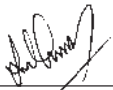
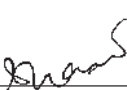
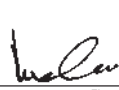
**DATE: 19 AUGUST 2026**  
**UDIN: RR202610045kXY5URQvC**

**UNCONSOLIDATED CONDENSED INTERIM  
FINANCIAL STATEMENTS  
HALF YEAR AND QUARTER ENDED  
JUNE 30, 2026**

## Unconsolidated Condensed Interim Statement of Financial Position As at June 30, 2026

| As at June 30, 2026                              |    | June 30,<br>2026<br>(Un-audited) | December 31,<br>2025<br>(Audited) |
|--------------------------------------------------|----|----------------------------------|-----------------------------------|
|                                                  |    | ----- (Rupees in '000) -----     |                                   |
| <b>ASSETS</b>                                    |    |                                  |                                   |
| 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                       |
| <b>LIABILITIES</b>                               |    |                                  |                                   |
| 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 liabilities                                | 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                       |
| <b>NET ASSETS</b>                                |    | <b>34,767,711</b>                | <b>33,548,224</b>                 |
| <b>REPRESENTED BY</b>                            |    |                                  |                                   |
| 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                        |
| <b>CONTINGENCIES AND COMMITMENTS</b>             |    |                                  |                                   |
|                                                  | 24 |                                  |                                   |

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

|                                                                                     |                                                                                     |                                                                                     |                                                                                      |                                                                                       |
|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|
|  |  |  |  |  |
| President and<br>Chief Executive Officer                                            | Chief Financial Officer                                                             | Director                                                                            | Director                                                                             | Chairman                                                                              |

## Unconsolidated Condensed Interim Profit and Loss Account (Un-audited) For the Quarter and Half Year Ended June 30, 2026

|                                                        |    | Quarter ended    |                  | Half year ended  |                  |
|--------------------------------------------------------|----|------------------|------------------|------------------|------------------|
|                                                        |    | June 30,<br>2026 | June 30,<br>2025 | June 30,<br>2026 | June 30,<br>2025 |
| Note ----- (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       |
| <b>Net mark-up / return / profit / interest income</b> |    | <b>3,894,333</b> | <b>2,653,790</b> | <b>7,697,887</b> | <b>5,005,344</b> |
| <b>NON MARK-UP / INTEREST INCOME</b>                   |    |                  |                  |                  |                  |
| 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            |
| <b>Total non-markup/interest income</b>                |    | <b>804,065</b>   | <b>614,403</b>   | <b>595,788</b>   | <b>938,264</b>   |
| <b>Total income</b>                                    |    | <b>4,698,398</b> | <b>3,268,193</b> | <b>8,293,675</b> | <b>5,943,608</b> |
| <b>NON MARK-UP / INTEREST EXPENSES</b>                 |    |                  |                  |                  |                  |
| Operating expenses                                     | 30 | 3,319,338        | 2,730,375        | 6,355,522        | 5,193,548        |
| Other charges                                          | 31 | 895              | -                | 895              | -                |
| <b>Total non-markup/interest expenses</b>              |    | <b>3,320,233</b> | <b>2,730,375</b> | <b>6,356,417</b> | <b>5,193,548</b> |
| <b>PROFIT BEFORE PROVISIONS</b>                        |    | <b>1,378,165</b> | <b>537,818</b>   | <b>1,937,258</b> | <b>750,060</b>   |
| Credit loss allowance and write offs - net             | 32 | (422,834)        | (293,700)        | (2,114,384)      | (333,532)        |
| <b>PROFIT BEFORE TAXATION</b>                          |    | <b>1,800,999</b> | <b>831,518</b>   | <b>4,051,642</b> | <b>1,083,592</b> |
| Taxation                                               | 33 | 560,832          | 450,787          | 1,643,276        | 583,212          |
| <b>PROFIT AFTER TAXATION</b>                           |    | <b>1,240,167</b> | <b>380,731</b>   | <b>2,408,366</b> | <b>500,380</b>   |
| ----- (Rupees) -----                                   |    |                  |                  |                  |                  |
| <b>Basic and diluted earnings per share</b>            | 34 | <b>0.36</b>      | <b>0.11</b>      | <b>0.70</b>      | <b>0.14</b>      |

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

  
 President and  
 Chief Executive Officer

  
 Chief Financial Officer

  
 Director

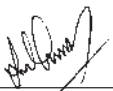
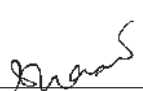
  
 Director

  
 Chairman

## Unconsolidated Condensed Interim Statement of Comprehensive Income (Un-audited) For the Quarter and Half Year Ended June 30, 2026

|                                                                                              | Quarter ended    |                  | Half year ended  |                  |
|----------------------------------------------------------------------------------------------|------------------|------------------|------------------|------------------|
|                                                                                              | June 30,<br>2026 | June 30,<br>2025 | June 30,<br>2026 | June 30,<br>2025 |
|                                                                                              | (Rupees in '000) |                  |                  |                  |
| Profit after taxation for the period                                                         | 1,240,167        | 380,731          | 2,408,366        | 500,380          |
| <b>Other comprehensive income</b>                                                            |                  |                  |                  |                  |
| <b>Items that may be reclassified to profit and loss account in subsequent periods:</b>      |                  |                  |                  |                  |
| 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          |
| <b>Items that will not be reclassified to profit and loss account in subsequent periods:</b> |                  |                  |                  |                  |
| 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                |
| <b>Total comprehensive income</b>                                                            | <b>1,539,535</b> | <b>1,081,688</b> | <b>1,511,926</b> | <b>972,781</b>   |

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

|                                                                                     |                                                                                     |                                                                                     |                                                                                      |                                                                                       |
|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|
|  |  |  |  |  |
| President and<br>Chief Executive Officer                                            | Chief Financial Officer                                                             | Director                                                                            | Director                                                                             | Chairman                                                                              |

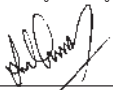
## Unconsolidated Condensed Interim Statement of Changes in Equity (Un-audited) For the Half Year Ended June 30, 2026

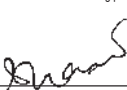
|                                                                                 | Capital Reserves  |                      |                          |               | Surplus / (Deficit) on revaluation |                  |                            | Total              |
|---------------------------------------------------------------------------------|-------------------|----------------------|--------------------------|---------------|------------------------------------|------------------|----------------------------|--------------------|
|                                                                                 | Share Capital     | Shares Deposit Money | Reserves on amalgamation | Share Premium | Statutory Reserve *                | Investments      | Fixed / Non-banking assets | Accumulated loss** |
| Rupees in '000                                                                  |                   |                      |                          |               |                                    |                  |                            |                    |
| <b>Balance as at December 31, 2024 after adoption of IFRS-09</b>                | 34,524,428        | -                    | 9,433                    | 51            | 2,438,947                          | 798,042          | 86,400                     | (8,705,257)        |
| Profit/Loss for the period ended June 30, 2025                                  | -                 | -                    | -                        | -             | -                                  | -                | -                          | 500,380            |
| Other comprehensive income - net of tax                                         | -                 | -                    | -                        | -             | -                                  | -                | -                          | -                  |
| Movement in revaluation reserve of investments in debt instruments - net of tax | -                 | -                    | -                        | -             | -                                  | 472,397          | -                          | -                  |
| Movement in revaluation reserve of equity investments - net of tax              | -                 | -                    | -                        | -             | -                                  | (44,938)         | -                          | -                  |
| Gain on sale of equity securities carried at FVOCI - net of tax                 | -                 | -                    | -                        | -             | -                                  | -                | -                          | 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             |
| Transfer to statutory reserve                                                   | -                 | -                    | -                        | -             | 100,076                            | -                | -                          | (100,076)          |
| <b>Balance as at June 30, 2025</b>                                              | <b>34,524,428</b> | <b>-</b>             | <b>9,433</b>             | <b>51</b>     | <b>2,539,023</b>                   | <b>1,225,501</b> | <b>86,400</b>              | <b>(8,260,011)</b> |
| Profit/Loss for the six months ended December 31, 2025                          | -                 | -                    | -                        | -             | -                                  | -                | -                          | 2,854,429          |
| Other comprehensive income - net of tax                                         | -                 | -                    | -                        | -             | -                                  | -                | -                          | -                  |
| Movement in revaluation reserve of investments in debt instruments - net of tax | -                 | -                    | -                        | -             | -                                  | 235,990          | -                          | -                  |
| Movement in revaluation reserve of equity investments - net of tax              | -                 | -                    | -                        | -             | -                                  | 532,184          | -                          | -                  |
| Gain on sale of equity securities carried at FVOCI - net of tax                 | -                 | -                    | -                        | -             | -                                  | (124,821)        | -                          | -                  |
| Remeasurement loss on defined benefit obligations - net of tax                  | -                 | -                    | -                        | -             | -                                  | -                | -                          | (154,262)          |
| Movement in revaluation reserve of non-banking assets - net of tax              | -                 | -                    | -                        | -             | -                                  | -                | -                          | -                  |
| Total other comprehensive income - net of tax                                   | -                 | -                    | -                        | -             | -                                  | 643,353          | -                          | (74,383)           |
| Transfer to statutory reserve                                                   | -                 | -                    | -                        | -             | 570,886                            | -                | -                          | (570,886)          |
| <b>Balance as at December 31, 2025</b>                                          | <b>34,524,428</b> | <b>-</b>             | <b>9,433</b>             | <b>51</b>     | <b>3,109,909</b>                   | <b>1,868,854</b> | <b>86,400</b>              | <b>(6,050,851)</b> |
| 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)          |
| Deposits - Amortised cost                                                       | -                 | -                    | -                        | -             | -                                  | 15,124           | -                          | 15,124             |
| Total other comprehensive income - net of tax                                   | -                 | -                    | -                        | -             | -                                  | (29,818)         | -                          | (292,014)          |
| <b>Balance as at January 1, 2026 - as restated</b>                              | <b>34,524,428</b> | <b>-</b>             | <b>9,433</b>             | <b>51</b>     | <b>3,109,909</b>                   | <b>1,839,036</b> | <b>86,400</b>              | <b>(6,342,865)</b> |
| Profit/Loss for the period ended June 30, 2026                                  | -                 | -                    | -                        | -             | -                                  | -                | -                          | 2,408,366          |
| Other comprehensive income - net of tax                                         | -                 | -                    | -                        | -             | -                                  | -                | -                          | -                  |
| Movement in revaluation reserve of investments in debt instruments - net of tax | -                 | -                    | -                        | -             | -                                  | (399,466)        | -                          | (425)              |
| Movement in revaluation reserve of equity investments - net of tax              | -                 | -                    | -                        | -             | -                                  | (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                                   | -                 | -                    | -                        | -             | -                                  | (866,622)        | -                          | (425)              |
| Transfer to statutory reserve                                                   | -                 | -                    | -                        | -             | 481,673                            | -                | -                          | (481,673)          |
| <b>Balance as at June 30, 2026</b>                                              | <b>34,524,428</b> | <b>-</b>             | <b>9,433</b>             | <b>51</b>     | <b>3,591,582</b>                   | <b>972,414</b>   | <b>86,400</b>              | <b>(4,416,597)</b> |

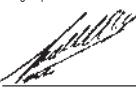
\* Statutory reserve represents amount set aside as per the requirements of Section 21 of the Banking Companies Ordinance, 1962.

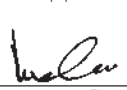
\*\* As more fully explained in notes 11.2.2 of these unconsolidated financial statements, accumulated loss includes an amount of Rupees 2,344.82 million net of tax as at June 30, 2026 (December 31, 2025: Rs. 2,628.94 million) representing additional profit arising from availing forced sale value benefit 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**

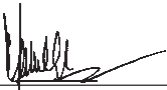
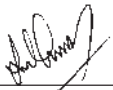
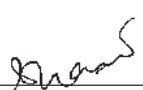
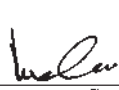
  
**Director**

  
**Chairman**

## Unconsolidated Condensed Interim Cash Flow Statement (Un-audited) For the Half Year Ended June 30, 2026

|                                                                       |             | June 30,<br>2026             | June 30,<br>2025    |
|-----------------------------------------------------------------------|-------------|------------------------------|---------------------|
|                                                                       |             | ----- (Rupees in '000) ----- |                     |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>                            | <b>Note</b> |                              |                     |
| Profit before taxation                                                |             | 4,051,642                    | 1,083,592           |
| Less: Dividend income                                                 |             | (80,347)                     | (27,248)            |
|                                                                       |             | <u>3,971,295</u>             | <u>1,056,344</u>    |
| <b>Adjustments:</b>                                                   |             |                              |                     |
| 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 FVTPL                       | 28.2        | (292,881)                    | (21,296)            |
| Gain on sale of operating fixed assets                                | 29          | (8,908)                      | (242)               |
|                                                                       |             | <u>(1,257,760)</u>           | <u>649,426</u>      |
|                                                                       |             | <u>2,713,535</u>             | <u>1,705,770</u>    |
| <b>(Increase) / decrease in operating assets</b>                      |             |                              |                     |
| Lendings to financial institutions                                    |             | 1,457,607                    | 3,384,028           |
| Securities classified as FVTPL                                        |             | (2,831,260)                  | (502,445)           |
| Advances                                                              |             | 25,241,547                   | (34,843,177)        |
| Other assets                                                          |             | (28,023)                     | 4,494,528           |
|                                                                       |             | <u>23,839,871</u>            | <u>(27,467,066)</u> |
| <b>Increase / (decrease) in operating liabilities</b>                 |             |                              |                     |
| 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          |
|                                                                       |             | <u>11,339,571</u>            | <u>28,351,792</u>   |
|                                                                       |             | <u>37,892,977</u>            | <u>2,590,496</u>    |
| Contribution to gratuity fund                                         |             | (373,942)                    | (177,202)           |
| Income tax paid                                                       |             | (759,541)                    | (705,364)           |
| <b>Net cash generated from operating activities</b>                   |             | <u>36,759,494</u>            | <u>1,707,930</u>    |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>                            |             |                              |                     |
| 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                 |
| <b>Net cash (used in) investing activities</b>                        |             | <u>(45,702,229)</u>          | <u>(3,442,506)</u>  |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>                            |             |                              |                     |
| Shares deposit money                                                  |             | -                            | -                   |
| Payment of lease liability against right of use assets                |             | (616,133)                    | (592,314)           |
| <b>Net cash (used in) financing activities</b>                        |             | <u>(616,133)</u>             | <u>(592,314)</u>    |
| (Decrease) / increase in cash and cash equivalents                    |             | (9,558,868)                  | (2,326,890)         |
| <b>Cash and cash equivalents at the beginning of the year</b>         |             | <u>31,495,058</u>            | <u>26,399,081</u>   |
| Impact of expected credit loss allowance on cash and cash equivalents |             | 3,550                        | (824)               |
| <b>Cash and cash equivalents at the end of the period</b>             | 35          | <u>21,939,740</u>            | <u>24,071,367</u>   |

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

|                                                                                     |                                                                                     |                                                                                     |                                                                                      |                                                                                       |
|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|
|  |  |  |  |  |
| President and<br>Chief Executive Officer                                            | Chief Financial Officer                                                             | Director                                                                            | Director                                                                             | Chairman                                                                              |

## Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) For the Half Year Ended June 30, 2026

### 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 unconsolidated 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 unconsolidated condensed interim financial statements should be read in conjunction with the financial statements of the Bank for the year 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.

|                                                                          |                                                                                                                                                                                                                                                               | June 30,<br>2026<br>(Un-audited) | December 31,<br>2025<br>(Audited) |
|--------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|-----------------------------------|
|                                                                          |                                                                                                                                                                                                                                                               | ----- (Rupees '000) -----        |                                   |
| <b>7. CASH AND BALANCES WITH TREASURY BANKS</b>                          | <b>Note</b>                                                                                                                                                                                                                                                   |                                  |                                   |
| <b>In hand</b>                                                           |                                                                                                                                                                                                                                                               |                                  |                                   |
| Local currency                                                           |                                                                                                                                                                                                                                                               | 6,401,197                        | 6,111,978                         |
| Foreign currency                                                         |                                                                                                                                                                                                                                                               | 180,193                          | 144,466                           |
|                                                                          |                                                                                                                                                                                                                                                               | 6,581,390                        | 6,256,444                         |
| <b>With State Bank of Pakistan (SBP) in</b>                              |                                                                                                                                                                                                                                                               |                                  |                                   |
| 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                        |
| <b>With National Bank of Pakistan in</b>                                 |                                                                                                                                                                                                                                                               |                                  |                                   |
| Local currency current accounts                                          |                                                                                                                                                                                                                                                               | 717,750                          | 851,477                           |
| Local currency deposit accounts                                          | 7.5                                                                                                                                                                                                                                                           | 5,111                            | 3,136                             |
|                                                                          |                                                                                                                                                                                                                                                               | 722,861                          | 854,613                           |
| <b>Prize bonds</b>                                                       |                                                                                                                                                                                                                                                               | 3,291                            | 5,996                             |
| Less: Credit Loss allowance held against<br>balances with treasury banks |                                                                                                                                                                                                                                                               | 41                               | 14                                |
|                                                                          |                                                                                                                                                                                                                                                               | <u>19,218,971</u>                | <u>27,774,017</u>                 |
| <b>7.1</b>                                                               | This represents cash reserve required to be maintained with SBP as per the requirement of Section 22 of the Banking Companies Ordinance, 1962.                                                                                                                |                                  |                                   |
| <b>7.2</b>                                                               | This represents US Dollar Settlement Account maintained with SBP.                                                                                                                                                                                             |                                  |                                   |
| <b>7.3</b>                                                               | This represents foreign currency (FCY) cash reserve maintained with SBP to comply with statutory reserve requirement applicable on Bank's FCY deposits.                                                                                                       |                                  |                                   |
| <b>7.4</b>                                                               | 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. |                                  |                                   |
| <b>7.5</b>                                                               | 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,<br>2026<br>(Un-audited) | December 31,<br>2025<br>(Audited) |
|-----------------------------------------------------------------------|-------------|----------------------------------|-----------------------------------|
|                                                                       |             | ----- (Rupees '000) -----        |                                   |
| <b>8. BALANCES WITH OTHER BANKS</b>                                   | <b>Note</b> |                                  |                                   |
| <b>In Pakistan</b>                                                    |             |                                  |                                   |
| 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                           |
| <b>Outside Pakistan</b>                                               |             |                                  |                                   |
| In current accounts                                                   | 8.3         | 2,219,540                        | 3,623,467                         |
| Less: Credit Loss allowance held against<br>balances with other banks | 8.4         | 540                              | 4,117                             |
|                                                                       |             | <u>2,720,769</u>                 | <u>3,721,041</u>                  |

- 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.

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

#### 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           |
|                                                                               | <u>19,958,618</u> | <u>21,414,467</u> |
| Less: Credit loss allowance held<br>against lending to financial institutions | (2,906)           | (1,148)           |
| Lending to financial institutions - net of credit loss allowance              | <u>19,955,712</u> | <u>21,413,319</u> |

#### 9.1 Particulars of lendings

|                       |                   |                   |
|-----------------------|-------------------|-------------------|
| In local currency     | 19,955,712        | 21,413,319        |
| In foreign currencies | -                 | -                 |
|                       | <u>19,955,712</u> | <u>21,413,319</u> |

#### 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<br>(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<br>(PDs/LGDs/EADs) | -              | -       | -       | -     |
| Closing Balance                               | 1,148          | -       | -       | 1,148 |

## 10 INVESTMENTS

### Investments by type

June 30, 2026 (Un-audited)

|                                                | Cost /<br>Amortised<br>cost | Credit loss<br>allowance | Surplus /<br>(Deficit) | Carrying<br>Value  |
|------------------------------------------------|-----------------------------|--------------------------|------------------------|--------------------|
| ----- Rupees in '000 -----                     |                             |                          |                        |                    |
| <b>Debt Instruments:</b>                       |                             |                          |                        |                    |
| <b>Classified / Measured at FVTPL</b>          |                             |                          |                        |                    |
| Federal Government Securities                  |                             |                          |                        |                    |
| Market Treasury Bills                          | 1,716,937                   | -                        | 5,174                  | 1,722,111          |
|                                                | 1,716,937                   | -                        | 5,174                  | 1,722,111          |
| <b>Classified / Measured at amortised cost</b> |                             |                          |                        |                    |
| 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         |
| <b>Classified / Measured at FVOCI</b>          |                             |                          |                        |                    |
| 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        |
| <b>Equity instruments:</b>                     |                             |                          |                        |                    |
| <b>Classified / Measured at FVTPL</b>          |                             |                          |                        |                    |
| 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          |
| <b>Classified / Measured at FVOCI</b>          |                             |                          |                        |                    |
| 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          |
| <b>Investment in Subsidiary</b>                |                             |                          |                        |                    |
| Fully paid ordinary shares                     | 750,000                     | -                        | -                      | 750,000            |
| <b>Total Investments</b>                       | <b>209,830,582</b>          | <b>(77,868)</b>          | <b>2,031,658</b>       | <b>211,784,372</b> |

December 31, 2025 (Audited)

| Cost /<br>Amortised<br>cost | Credit loss<br>allowance | Surplus /<br>(Deficit) | Carrying<br>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 FVTPL**

|              |           |   |         |           |
|--------------|-----------|---|---------|-----------|
| 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            |
| <b>Total Investments</b>   | <u>162,579,387</u> | <u>(128,569)</u> | <u>4,192,121</u> | <u>166,642,939</u> |

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

## 10.2 Particulars of credit loss allowance

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

|                         | June 30, 2026 (Un-audited) |                                  | December 31, 2025 (Audited) |                                  |
|-------------------------|----------------------------|----------------------------------|-----------------------------|----------------------------------|
|                         | Outstanding<br>amount      | Credit loss<br>allowance<br>held | Outstanding<br>amount       | Credit loss<br>allowance<br>held |
| Domestic                |                            |                                  |                             |                                  |
|                         | ----- 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                           |
| <b>Total</b>            | <b>204,988,274</b>         | <b>77,868</b>                    | <b>159,517,267</b>          | <b>128,569</b>                   |

# 11 ADVANCES

|                                                         | June 30, 2026 (Un-audited) |                |             | December 31, 2025 (Audited) |                |             |
|---------------------------------------------------------|----------------------------|----------------|-------------|-----------------------------|----------------|-------------|
|                                                         | Performing                 | Non Performing | Total       | Performing                  | Non Performing | Total       |
| ----- 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 |
| <b>Bills discounted and purchased</b>                   |                            |                |             |                             |                |             |
| 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     |
| <b>Advances - gross</b>                                 | 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  |
| <b>Total Advances - Net credit loss allowance</b>       | 119,628,755                | 4,747,303      | 124,376,058 | 142,202,462                 | 5,318,996      | 147,521,458 |

|                                             | June 30, 2026<br>(Un-audited) | December 31, 2025<br>(Audited) |
|---------------------------------------------|-------------------------------|--------------------------------|
| ----- (Rupees '000) -----                   |                               |                                |
| <b>11.1 Particulars of advances (gross)</b> |                               |                                |
| 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:

|                                              | June 30, 2026 (Un-audited) |                       | December 31, 2025 (Audited) |                       |
|----------------------------------------------|----------------------------|-----------------------|-----------------------------|-----------------------|
|                                              | Non Performing Loans       | Credit loss allowance | Non Performing Loans        | Credit loss allowance |
| ----- Rupees in '000 -----                   |                            |                       |                             |                       |
| <b>Category of Classification of stage 3</b> |                            |                       |                             |                       |
| <b>Domestic</b>                              |                            |                       |                             |                       |
| 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            |
| <b>Total</b>                                 | 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                       | -              | -              | -                 | -                 |
| <b>Closing balance</b>                    | <b>268,482</b> | <b>936,548</b> | <b>19,679,104</b> | <b>20,884,134</b> |

| 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                             | -              | -              | -                 | -                 |
| <b>Closing balance</b>                          | <b>458,048</b> | <b>242,365</b> | <b>22,279,867</b> | <b>22,980,280</b> |

**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                  | -                 | -                 | -                 | -                  |
| <b>Closing balance</b>               | <b>83,780,829</b> | <b>37,052,956</b> | <b>24,426,406</b> | <b>145,260,191</b> |

|                                      | 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                           |
| Underperforming | Stage 2 | 37,052,956                 | 936,548                           |
| Non-Performing  | Stage 3 | -                          | -                                 |
| Substandard     |         | 659                        | -                                 |
| Doubtful        |         | 2,304                      | 655                               |
| Loss            |         | 24,423,443                 | 19,678,448                        |
|                 |         | 24,426,406                 | 19,679,103                        |
| <b>Total</b>    |         | <b>145,260,191</b>         | <b>20,884,133</b>                 |

|                                                                                  | Note | June 30,<br>2026<br>(Un-audited) | December 31,<br>2025<br>(Audited) |
|----------------------------------------------------------------------------------|------|----------------------------------|-----------------------------------|
|                                                                                  |      | ----- (Rupees '000) -----        |                                   |
| 12. PROPERTY AND EQUIPMENT                                                       |      |                                  |                                   |
| Capital work-in-progress                                                         | 12.1 | 853,068                          | 423,652                           |
| Property and equipment                                                           |      | <u>2,236,327</u>                 | <u>1,565,936</u>                  |
|                                                                                  |      | <u>3,089,395</u>                 | <u>1,989,588</u>                  |
| 12.1 Capital work-in-progress                                                    |      |                                  |                                   |
| Civil works                                                                      |      | 7,399                            | 800                               |
| Equipment                                                                        |      | -                                | -                                 |
| Advances to suppliers                                                            |      | <u>845,669</u>                   | <u>422,852</u>                    |
|                                                                                  |      | <u>853,068</u>                   | <u>423,652</u>                    |
|                                                                                  |      | June 30,<br>2026                 | June 30,<br>2025                  |
| 12.2 Addition to property and equipment                                          |      | ----- (Un-audited) -----         |                                   |
|                                                                                  |      | ----- (Rupees '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                                                                         |      | <u>714,351</u>                   | <u>18,545</u>                     |
| Total                                                                            |      | <u>961,374</u>                   | <u>224,397</u>                    |
| 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                                                                         |      | <u>557</u>                       | <u>-</u>                          |
| Total                                                                            |      | <u>875</u>                       | <u>44</u>                         |

|                                                                         | June 30,<br>2026<br>(Un-audited) | December 31,<br>2025<br>(Audited) |
|-------------------------------------------------------------------------|----------------------------------|-----------------------------------|
| <b>13. RIGHT OF USE ASSETS</b>                                          |                                  |                                   |
| <b>Year ended December 31</b>                                           | ----- (Rupees '000) -----        |                                   |
| 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                                                  | <u>3,825,247</u>                 | <u>3,656,418</u>                  |
| <b>At December 31</b>                                                   |                                  |                                   |
| Cost                                                                    | 7,358,391                        | 6,781,401                         |
| Accumulated depreciation                                                | (3,533,144)                      | (3,124,983)                       |
| Net book value                                                          | <u>3,825,247</u>                 | <u>3,656,418</u>                  |
| Rate of depreciation (percentage)                                       | 10% to 100%                      | 10% to 100%                       |
| <b>14. INTANGIBLE ASSETS</b>                                            |                                  |                                   |
| Computer Software                                                       | 132,196                          | 114,537                           |
| Others                                                                  | -                                | -                                 |
|                                                                         | <u>132,196</u>                   | <u>114,537</u>                    |
|                                                                         | June 30,<br>2026                 | June 30,<br>2025                  |
| <b>14.1 Additions to intangible assets</b>                              | (Un-audited)                     |                                   |
|                                                                         | ----- Rupees in '000 -----       |                                   |
| The additions intangible assets during the period:                      |                                  |                                   |
| Computer Software                                                       | <u>41,470</u>                    | <u>35,820</u>                     |
| <b>Disposal of property and equipment</b>                               |                                  |                                   |
| The net book value of intangible assets disposed off during the period. | <u>-</u>                         | <u>-</u>                          |
|                                                                         | June 30,<br>2026<br>(Un-audited) | December 31,<br>2025<br>(Audited) |
| <b>15. DEFERRED TAX ASSETS-NET</b>                                      | ----- (Rupees '000) -----        |                                   |
| <b>Deductible Temporary Differences on</b>                              |                                  |                                   |
| 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                           |
|                                                                         | <u>15,198,438</u>                | <u>16,274,149</u>                 |
| <b>Taxable Temporary Differences on</b>                                 |                                  |                                   |
| 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 assets                            | (93,600)                         | (93,600)                          |
| Unrealized gain/loss on equity investment FVTPL                         | (3,014)                          | (155,312)                         |
| Accelerated tax amortization - intangible assets                        | (18,413)                         | (17,777)                          |
|                                                                         | <u>(1,157,871)</u>               | <u>(2,319,159)</u>                |
|                                                                         | <u>14,040,567</u>                | <u>13,954,990</u>                 |

- 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.

|                                                                                    | June 30,<br>2026<br>Note (Un-audited) | December 31,<br>2025<br>(Audited) |
|------------------------------------------------------------------------------------|---------------------------------------|-----------------------------------|
| <b>16. OTHER ASSETS</b>                                                            | <b>----- (Rupees '000) -----</b>      |                                   |
| 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                           |
|                                                                                    | <b>11,509,853</b>                     | <b>11,479,700</b>                 |
| Less: Provision held against other assets                                          | 16.2 (875,006)                        | (875,006)                         |
| Other assets (net of provision)                                                    | <b>10,634,847</b>                     | <b>10,604,694</b>                 |
| Surplus on revaluation of non-banking assets<br>acquired in satisfaction of claims | <b>180,000</b>                        | <b>180,000</b>                    |
|                                                                                    | <b>10,814,847</b>                     | <b>10,784,694</b>                 |

**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 | -                | (10,392)         |
| Reversals             | -                | -                |
| Amount written off    | -                | -                |
| Closing balance       | <b>(875,006)</b> | <b>(875,006)</b> |

|                                                                  | Note | June 30,<br>2026<br>(Un-audited) | December 31,<br>2025<br>(Audited) |
|------------------------------------------------------------------|------|----------------------------------|-----------------------------------|
|                                                                  |      | ----- (Rupees '000) -----        |                                   |
| <b>17. BILLS PAYABLE</b>                                         |      |                                  |                                   |
| In Pakistan                                                      |      | 2,355,617                        | 4,236,755                         |
| Outside Pakistan                                                 |      | -                                | -                                 |
|                                                                  |      | <u>2,355,617</u>                 | <u>4,236,755</u>                  |
| <b>18. BORROWINGS</b>                                            |      |                                  |                                   |
| <b>Secured</b>                                                   |      |                                  |                                   |
| 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                                 |      | -                                | -                                 |
|                                                                  |      | <u>885,000</u>                   | <u>1,080,000</u>                  |
| <b>18.1 Particulars of borrowings with respect to Currencies</b> |      |                                  |                                   |
| In local currency                                                |      | 885,000                          | 1,080,000                         |
| In foreign currencies                                            |      | -                                | -                                 |
|                                                                  |      | <u>885,000</u>                   | <u>1,080,000</u>                  |
| <b>19. DEPOSITS AND OTHER ACCOUNTS</b>                           |      |                                  |                                   |

|                               | June 30, 2026 (Un-audited) |                          |                    | December 31, 2025 (Audited) |                          |                    |
|-------------------------------|----------------------------|--------------------------|--------------------|-----------------------------|--------------------------|--------------------|
|                               | In Local<br>Currency       | In Foreign<br>Currencies | Total              | In Local<br>Currency        | In Foreign<br>Currencies | Total              |
|                               | ----- Rupees in '000 ----- |                          |                    |                             |                          |                    |
| <b>Customers</b>              |                            |                          |                    |                             |                          |                    |
| 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          |
|                               | <u>341,510,242</u>         | <u>2,870,610</u>         | <u>344,380,852</u> | <u>329,096,668</u>          | <u>2,989,580</u>         | <u>332,086,248</u> |
| <b>Financial Institutions</b> |                            |                          |                    |                             |                          |                    |
| 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            |
|                               | <u>12,273,313</u>          | <u>3,224</u>             | <u>12,276,537</u>  | <u>10,003,539</u>           | <u>1,465</u>             | <u>10,005,004</u>  |
|                               | <u>353,783,555</u>         | <u>2,873,834</u>         | <u>356,657,389</u> | <u>339,100,207</u>          | <u>2,991,045</u>         | <u>342,091,252</u> |

|                                                             | Note | June 30,<br>2026<br>(Un-audited) | December 31,<br>2025<br>(Audited) |
|-------------------------------------------------------------|------|----------------------------------|-----------------------------------|
|                                                             |      | ----- (Rupees '000) -----        |                                   |
| <b>20. Lease liabilities</b>                                |      |                                  |                                   |
| 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                                             |      | <u>5,135,795</u>                 | <u>4,847,455</u>                  |
| <b>20.1 Contractual maturity of lease liabilities</b>       |      |                                  |                                   |
| 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                             |
|                                                             |      | <u>4,516,070</u>                 | <u>4,348,180</u>                  |
| Total lease liabilities                                     |      | <u>5,135,795</u>                 | <u>4,847,455</u>                  |
| <b>21. OTHER LIABILITIES</b>                                |      |                                  |                                   |
| 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                         |
|                                                             |      | <u>10,111,555</u>                | <u>11,757,804</u>                 |
| Credit loss allowance against off-balance sheet obligations | 21.1 | 45,067                           | 11,511                            |
|                                                             |      | <u>10,156,622</u>                | <u>11,769,315</u>                 |

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

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

### 22.1 Authorised capital

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

### 22.2 Issued, subscribed and paid-up share capital

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

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

|                                                                                             |        | June 30,<br>2026<br>(Un-audited) | December 31,<br>2025<br>(Audited) |
|---------------------------------------------------------------------------------------------|--------|----------------------------------|-----------------------------------|
|                                                                                             | Note   | ----- (Rupees '000) -----        |                                   |
| <b>23. SURPLUS/(DEFICIT) ON REVALUATION OF ASSETS - NET</b>                                 |        |                                  |                                   |
| <b>Surplus / (deficit) on revaluation of</b>                                                |        |                                  |                                   |
| - 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                           |
|                                                                                             |        | <u>2,205,861</u>                 | <u>4,073,444</u>                  |
| <b>Deferred tax on surplus / (deficit) on revaluation of:</b>                               |        |                                  |                                   |
| - 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)                          |
|                                                                                             |        | <u>(1,147,048)</u>               | <u>(2,118,191)</u>                |
|                                                                                             |        | <u>1,058,813</u>                 | <u>1,955,254</u>                  |
| <b>23.1 Surplus on revaluation of non-banking assets acquired in satisfaction of claims</b> |        |                                  |                                   |
| Surplus on revaluation as at January 01                                                     |        | 180,000                          | 180,000                           |
| Recognised during the year                                                                  |        | -                                | -                                 |
| Surplus on revaluation as at December 31                                                    |        | <u>180,000</u>                   | <u>180,000</u>                    |
| Less: related deferred tax liability on:                                                    |        |                                  |                                   |
| - revaluation as at January 01                                                              |        | (93,600)                         | (93,600)                          |
| - revaluation recognised during the year                                                    |        | -                                | -                                 |
|                                                                                             |        | <u>(93,600)</u>                  | <u>(93,600)</u>                   |
|                                                                                             |        | <u>86,400</u>                    | <u>86,400</u>                     |
| <b>24. CONTINGENCIES AND COMMITMENTS</b>                                                    |        |                                  |                                   |
| -Guarantees                                                                                 | 24.1   | 10,652,656                       | 8,908,919                         |
| -Commitments                                                                                | 24.2   | 126,707,780                      | 99,700,068                        |
| -Other contingent liabilities                                                               |        | -                                | -                                 |
|                                                                                             |        | <u>137,360,436</u>               | <u>108,608,987</u>                |
| <b>24.1 Guarantees:</b>                                                                     |        |                                  |                                   |
| Financial guarantees                                                                        |        | 2,241,197                        | 1,170,887                         |
| Performance guarantees                                                                      |        | 5,491,310                        | 5,841,003                         |
| Other guarantees                                                                            |        | 2,920,149                        | 1,897,029                         |
|                                                                                             |        | <u>10,652,656</u>                | <u>8,908,919</u>                  |
| <b>24.2 Commitments:</b>                                                                    |        |                                  |                                   |
| <b>Documentary credits and short-term trade-related transactions</b>                        |        |                                  |                                   |
| - letters of credit                                                                         |        | 5,027,302                        | 5,208,618                         |
| <b>Commitments in respect of:</b>                                                           |        |                                  |                                   |
| - 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                        |
| <b>Commitments for acquisition of:</b>                                                      |        |                                  |                                   |
| - fixed assets                                                                              |        | 182,673                          | 196,268                           |
|                                                                                             |        | <u>126,707,780</u>               | <u>99,700,088</u>                 |

|                                                                            | Note | June 30,<br>2026<br>(Un-audited) | December 31,<br>2025<br>(Audited) |
|----------------------------------------------------------------------------|------|----------------------------------|-----------------------------------|
|                                                                            |      | ----- (Rupees '000) -----        |                                   |
| <b>24.2.1 Commitments in respect of forward foreign exchange contracts</b> |      |                                  |                                   |
| Purchase                                                                   |      | 37,993,047                       | 29,049,476                        |
| Sale                                                                       |      | 37,957,191                       | 29,010,009                        |
|                                                                            |      | <u>75,950,238</u>                | <u>58,059,485</u>                 |

**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<br>and other commitments to lend | 24.2.2.1 | 26,076,060        | 15,354,032        |
|                                                                                  |          | <u>45,547,567</u> | <u>36,235,717</u> |

**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,<br>2026           | June 30,<br>2025  |
|                                           | (Un-audited)               |                   |
|                                           | ----- Rupees in '000 ----- |                   |
| <b>25. MARK-UP/RETURN/INTEREST EARNED</b> |                            |                   |
| 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            |
|                                           | <u>19,100,833</u>          | <u>18,522,116</u> |

**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           |
|                                                               | <u>11,402,946</u> | <u>13,516,772</u> |

**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            |
|                                                      | <u>393,957</u> | <u>366,610</u> |

|                                                                      |             | Half Year Ended            |                  |
|----------------------------------------------------------------------|-------------|----------------------------|------------------|
|                                                                      |             | June 30,<br>2026           | June 30,<br>2025 |
|                                                                      |             | (Un-audited)               |                  |
|                                                                      |             | ----- Rupees in '000 ----- |                  |
| <b>28. GAIN ON SECURITIES</b>                                        | <b>Note</b> |                            |                  |
| Realised                                                             | 28.1        | 73,728                     | 473,231          |
| Unrealised - Measured at FVTPL                                       | 28.2        | (292,881)                  | 21,296           |
|                                                                      |             | <u>(219,153)</u>           | <u>494,527</u>   |
| <b>28.1 Realised gain on:</b>                                        |             |                            |                  |
| Federal Government Securities                                        |             | 292                        | 427,899          |
| Shares of listed companies                                           |             | 73,436                     | 45,332           |
| Mutual Funds                                                         |             | -                          | -                |
|                                                                      |             | <u>73,728</u>              | <u>473,231</u>   |
| <b>28.2 Net (loss) / gain on financial assets measured at FVTPL:</b> |             |                            |                  |
| Designated upon initial recognition                                  |             | -                          | -                |
| Mandatorily measured at FVTPL                                        |             | (292,881)                  | 21,296           |
|                                                                      |             | <u>(292,881)</u>           | <u>21,296</u>    |
| <b>29. OTHER INCOME</b>                                              |             |                            |                  |
| Gain on sale of operating fixed assets                               |             | 8,908                      | 242              |
| Rent on premises shared                                              |             | 638                        | 675              |
| Godwon charges                                                       |             | 70                         | 110              |
| Others                                                               |             | 2,124                      | 318              |
|                                                                      |             | <u>11,740</u>              | <u>1,345</u>     |
| <b>30. OPERATING EXPENSES</b>                                        |             |                            |                  |
| Total compensation expense                                           | 30.2        | 3,489,753                  | 2,889,406        |
| <b>Property expense</b>                                              |             |                            |                  |
| 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          |
|                                                                      |             | <u>1,285,066</u>           | <u>1,161,337</u> |
| <b>Information technology expenses</b>                               |             |                            |                  |
| 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           |
|                                                                      |             | <u>442,452</u>             | <u>297,962</u>   |

|                                      |             | Half Year Ended            |                  |
|--------------------------------------|-------------|----------------------------|------------------|
|                                      |             | June 30,<br>2026           | June 30,<br>2025 |
|                                      |             | (Un-audited)               |                  |
|                                      |             | ----- Rupees in '000 ----- |                  |
| <b>OPERATING EXPENSES</b>            | <b>Note</b> |                            |                  |
| <b>Other operating expenses</b>      |             |                            |                  |
| 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 |  |

|                                                                             | Note   | Half Year Ended                                   |                  |
|-----------------------------------------------------------------------------|--------|---------------------------------------------------|------------------|
|                                                                             |        | June 30,<br>2026                                  | June 30,<br>2025 |
|                                                                             |        | <b>(Un-audited)</b><br>----- Rupees in '000 ----- |                  |
| <b>30.3 Auditors' remuneration</b>                                          |        |                                                   |                  |
| 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              |
|                                                                             |        | <u>10,054</u>                                     | <u>9,126</u>     |
| <b>31. OTHER CHARGES</b>                                                    |        |                                                   |                  |
| Penalties imposed by the State Bank of Pakistan                             |        | 895                                               | -                |
| Others                                                                      |        | -                                                 | -                |
|                                                                             |        | <u>895</u>                                        | <u>-</u>         |
| <b>32. CREDIT LOSS ALLOWANCE &amp; WRITE OFFS - NET</b>                     |        |                                                   |                  |
| Credit loss allowance for<br>diminution in value of investments             | 10.1.1 | (50,701)                                          | 28,193           |
| Reversal of credit loss allowance /<br>provision against loans and advances | 11.3   | (2,524,040)                                       | (1,142,136)      |
| Credit loss allowance / provision<br>against loans and advances             | 11.3   | 427,893                                           | 781,026          |
| Credit loss allowance against lendings<br>to financial institutions         | 9.2    | 1,758                                             | 618              |
| Reversal of credit loss allowance<br>against other assets                   | 16.2   | -                                                 | -                |
| Credit loss allowance against<br>off-balance sheet obligations              | 21.1   | 33,556                                            | (834)            |
| Credit loss allowance<br>against balance with other banks                   | 8.4    | (3,577)                                           | (399)            |
| Credit loss allowance against<br>balance with treasury banks                |        | 27                                                | -                |
| Fixed Assets Written-off                                                    |        | 153                                               | -                |
| Bad debts directly charged to<br>profit and loss account                    |        | 547                                               | -                |
|                                                                             |        | <u>(2,114,384)</u>                                | <u>(333,532)</u> |

|     |                                              | Half Year Ended            |                      |
|-----|----------------------------------------------|----------------------------|----------------------|
|     |                                              | June 30,<br>2026           | June 30,<br>2025     |
|     |                                              | (Un-audited)               |                      |
|     |                                              | ----- Rupees in '000 ----- |                      |
| 33. | <b>TAXATION</b>                              |                            |                      |
|     | Current                                      | 441,363                    | 383,167              |
|     | Deferred                                     | 1,201,913                  | 200,045              |
|     |                                              | <u>1,643,276</u>           | <u>583,212</u>       |
| 34. | <b>BASIC AND DILUTED EARNINGS PER SHARE</b>  |                            |                      |
|     | Profit for the period (Rupees in '000)       | <u>2,408,366</u>           | <u>500,380</u>       |
|     | Weighted average number of ordinary shares   | <u>3,452,442,817</u>       | <u>3,452,442,817</u> |
|     | Basic and diluted earnings per share (Rupee) | <u>0.70</u>                | <u>0.14</u>          |
| 35. | <b>CASH AND CASH EQUIVALENTS</b>             |                            |                      |
|     | Cash and balance with treasury banks         | 7 19,218,971               | 21,570,629           |
|     | Balance with other banks                     | 8 <u>2,720,769</u>         | <u>2,500,738</u>     |
|     |                                              | <u>21,939,740</u>          | <u>24,071,367</u>    |

36. **FAIR VALUE MEASUREMENTS**

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

Unquoted equity investments are carried 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 as part 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 (Un-audited)                                       |                     |                    |                      |
|------------------------------------------------------------------|---------------------|--------------------|----------------------|
| Fair Value                                                       |                     |                    |                      |
| Level 1                                                          | Level 2             | Level 3            | Total                |
| ----- Rupees in '000 -----                                       |                     |                    |                      |
| <b>On balance sheet financial instruments</b>                    |                     |                    |                      |
| <b>Financial assets measured at fair value</b>                   |                     |                    |                      |
| <b>Investments</b>                                               |                     |                    |                      |
| 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            |
|                                                                  | <u>5,014,863</u>    | <u>180,382,603</u> | <u>- 185,397,466</u> |
| <b>Financial assets disclosed but not measured at fair value</b> |                     |                    |                      |
| <b>Investments</b>                                               |                     |                    |                      |
| 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            |
|                                                                  | <u>- 23,914,795</u> | <u>-</u>           | <u>- 23,914,795</u>  |
| <b>Off balance sheet financial instruments</b>                   |                     |                    |                      |
| Foreign exchange contracts (purchase)                            | - 37,993,047        | -                  | - 37,993,047         |
| Foreign exchange contracts (sale)                                | - 37,957,191        | -                  | - 37,957,191         |
| <b>Non-Financial Assets</b>                                      |                     |                    |                      |
| 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 |
|----------------------------|---------|---------|-------|
| ----- Rupees in '000 ----- |         |         |       |

**On balance sheet financial instruments**

**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            |
|                            | <u>4,505,973</u> | <u>142,931,537</u> | <u>-</u> | <u>147,437,510</u> |

**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           |
|                                      | <u>-</u> | <u>18,455,429</u> | <u>-</u> | <u>18,455,429</u> |

**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 (Un-audited) |                   |                               |                    |
|----------------------------------------|----------------------------|-------------------|-------------------------------|--------------------|
|                                        | Trading and sales          | Retail banking    | Commercial banking and others | Total              |
|                                        | ----- Rupees in '000 ----- |                   |                               |                    |
| <b>Profit &amp; Loss</b>               |                            |                   |                               |                    |
| 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          |
| <b>Balance Sheet</b>                   |                            |                   |                               |                    |
| 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         |
| <b>Total Assets</b>                    | <b>254,249,576</b>         | <b>12,120,784</b> | <b>405,252,918</b>            | <b>671,623,278</b> |
| 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         |
| <b>Total liabilities</b>               | <b>249,879,438</b>         | <b>12,120,784</b> | <b>374,855,346</b>            | <b>636,855,568</b> |
| Equity                                 | 4,370,138                  | -                 | 30,397,572                    | 34,767,710         |
| <b>Total Equity &amp; liabilities</b>  | <b>254,249,576</b>         | <b>12,120,784</b> | <b>405,252,918</b>            | <b>671,623,278</b> |
| <b>Contingencies &amp; Commitments</b> | <b>95,421,745</b>          | <b>-</b>          | <b>41,938,691</b>             | <b>137,360,436</b> |

## Segment Details with respect to Business Activities

|                                    | June 30, 2025 (Un-audited) |                |                               |             |
|------------------------------------|----------------------------|----------------|-------------------------------|-------------|
|                                    | Trading and sales          | Retail banking | Commercial banking and others | Total       |
|                                    | Rupees in '000             |                |                               |             |
| <b>Profit &amp; Loss</b>           |                            |                |                               |             |
| 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              |                   |                               |                    |
| <b>Balance Sheet</b>                   |                             |                   |                               |                    |
| 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         |
| <b>Total Assets</b>                    | <u>212,711,311</u>          | <u>11,034,907</u> | <u>391,568,034</u>            | <u>615,314,252</u> |
| 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         |
| <b>Total Equity &amp; liabilities</b>  | <u>212,711,311</u>          | <u>11,034,907</u> | <u>391,568,034</u>            | <u>615,314,252</u> |
| <b>Contingencies &amp; Commitments</b> | <u>78,941,170</u>           | <u>-</u>          | <u>29,667,817</u>             | <u>108,608,987</u> |

### 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 (Un-audited) |                           |              |                       | December 31, 2025 (Audited) |                           |              |                       |
|------------------------------------------------------|----------------------------|---------------------------|--------------|-----------------------|-----------------------------|---------------------------|--------------|-----------------------|
|                                                      | Directors                  | Key manage-ment personnel | Subsidiaries | Other related parties | Directors                   | Key manage-ment personnel | Subsidiaries | Other related parties |
|                                                      | Rupees in '000'            |                           |              |                       |                             |                           |              |                       |
| <b>Lendings to financial institutions</b>            |                            |                           |              |                       |                             |                           |              |                       |
| Opening balance                                      | -                          | -                         | -            | -                     | -                           | -                         | -            | -                     |
| Addition during the period                           | -                          | -                         | 500,000      | -                     | -                           | -                         | -            | -                     |
| Repaid during the period                             | -                          | -                         | -            | -                     | -                           | -                         | -            | -                     |
| Transfer in / (out) - net                            | -                          | -                         | -            | -                     | -                           | -                         | -            | -                     |
| Closing balance                                      | -                          | -                         | 500,000      | -                     | -                           | -                         | -            | -                     |
| <b>Investments</b>                                   |                            |                           |              |                       |                             |                           |              |                       |
| Opening balance                                      | -                          | -                         | 750,000      | -                     | -                           | -                         | 750,000      | -                     |
| Investment made during the period                    | -                          | -                         | -            | -                     | -                           | -                         | -            | -                     |
| Investment redeemed / disposed off during the period | -                          | -                         | -            | -                     | -                           | -                         | -            | -                     |
| Closing balance                                      | -                          | -                         | 750,000      | -                     | -                           | -                         | 750,000      | -                     |
| <b>Advances</b>                                      |                            |                           |              |                       |                             |                           |              |                       |
| 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                |
| <b>Other Assets</b>                                  |                            |                           |              |                       |                             |                           |              |                       |
| Interest / mark-up accrued                           | -                          | 232                       | 6,246        | 2,326                 | -                           | 278                       | 4,475        | 2,283                 |
| <b>Deposits and other accounts</b>                   |                            |                           |              |                       |                             |                           |              |                       |
| 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             |
| <b>Other Liabilities</b>                             |                            |                           |              |                       |                             |                           |              |                       |
| 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 manage-ment personnel | Subsidiaries | Other related parties | Directors     | Key manage-ment personnel | Subsidiaries | Other related parties |
|                                             | Rupees in '000' |                           |              |                       |               |                           |              |                       |
| <b>Income</b>                               |                 |                           |              |                       |               |                           |              |                       |
| 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                   |
| <b>Expense</b>                              |                 |                           |              |                       |               |                           |              |                       |
| 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                |
| <b>Others</b>                               |                 |                           |              |                       |               |                           |              |                       |
| 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.

|                                                                         | June 30,<br>2026<br>(Un-audited)                     | December 31,<br>2025<br>(Audited)                    |
|-------------------------------------------------------------------------|------------------------------------------------------|------------------------------------------------------|
|                                                                         | ----- (Rupees '000) -----                            |                                                      |
| <b>39 CAPITAL ADEQUACY, LEVERAGE RATIO &amp; LIQUIDITY REQUIREMENTS</b> |                                                      |                                                      |
| <b>Minimum Capital Requirement (MCR):</b>                               |                                                      |                                                      |
| Paid-up capital (net of losses)                                         | 30,107,831                                           | 28,473,577                                           |
| <b>Capital Adequacy Ratio (CAR):</b>                                    |                                                      |                                                      |
| 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                                            |
| <b>Total Eligible Capital (Tier 1 + Tier 2)</b>                         | <b>24,495,171</b>                                    | <b>23,115,068</b>                                    |
| <b>Risk Weighted Assets (RWAs):</b>                                     |                                                      |                                                      |
| Credit Risk                                                             | 69,851,083                                           | 55,301,312                                           |
| Market Risk                                                             | 22,333,933                                           | 16,884,380                                           |
| Operational Risk                                                        | 20,134,137                                           | 20,134,137                                           |
| <b>Total</b>                                                            | <b>112,319,153</b>                                   | <b>92,319,829</b>                                    |
| <b>Common Equity Tier 1 Capital Adequacy ratio</b>                      | <b>20.72%</b>                                        | <b>22.69%</b>                                        |
| <b>Tier 1 Capital Adequacy Ratio</b>                                    | <b>20.72%</b>                                        | <b>22.69%</b>                                        |
| <b>Total Capital Adequacy Ratio</b>                                     | <b>21.81%</b>                                        | <b>25.04%</b>                                        |
| <b>Notional minimum capital requirements prescribed by SBP</b>          |                                                      |                                                      |
| 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%                                               |
| <b>Approach followed for determining Risk Weighted Assets</b>           |                                                      |                                                      |
| Credit Risk                                                             | <b>Comprehensive Maturity method Basic Indicator</b> | <b>Comprehensive Maturity method Basic Indicator</b> |
| Market Risk                                                             |                                                      |                                                      |
| Operational Risk                                                        |                                                      |                                                      |
|                                                                         | June 30,<br>2026<br>(Un-audited)                     | December 31,<br>2025<br>(Audited)                    |
|                                                                         | ----- (Rupees '000) -----                            |                                                      |
| <b>Leverage Ratio (LR):</b>                                             |                                                      |                                                      |
| Eligible Tier-1 Capital                                                 | 23,274,547                                           | 20,950,961                                           |
| Total Exposures                                                         | 413,595,363                                          | 397,121,739                                          |
| <b>Leverage Ratio (%)</b>                                               | <b>5.63%</b>                                         | <b>5.28%</b>                                         |
| <b>Liquidity Coverage Ratio (LCR):</b>                                  |                                                      |                                                      |
| Total High Quality Liquid Assets                                        | 189,056,481                                          | 183,159,874                                          |
| Total Net Cash Outflow                                                  | 51,539,593                                           | 47,152,234                                           |
| <b>Liquidity Coverage Ratio (%)</b>                                     | <b>367%</b>                                          | <b>388%</b>                                          |
| <b>Net Stable Funding Ratio (NSFR):</b>                                 |                                                      |                                                      |
| Total Available Stable Funding                                          | 269,032,269                                          | 256,915,076                                          |
| Total Required Stable Funding                                           | 134,175,319                                          | 128,858,448                                          |
| <b>Net Stable Funding Ratio</b>                                         | <b>201%</b>                                          | <b>199%</b>                                          |

#### 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

|                                                 |      | June 30,<br>2026<br>(Un-audited) | December 31,<br>2025<br>(Audited) |
|-------------------------------------------------|------|----------------------------------|-----------------------------------|
|                                                 | Note | ----- (Rupees '000) -----        |                                   |
| <b>Assets</b>                                   |      |                                  |                                   |
| 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                           |
|                                                 |      | <b>37,404,414</b>                | <b>37,611,630</b>                 |
| <b>Liabilities</b>                              |      |                                  |                                   |
| 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                         |
|                                                 |      | <b>36,570,114</b>                | <b>36,383,471</b>                 |
| <b>Net Assets</b>                               |      | <b>834,300</b>                   | <b>1,228,159</b>                  |
| <b>Represented By</b>                           |      |                                  |                                   |
| 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                           |
|                                                 |      | <b>834,300</b>                   | <b>1,228,159</b>                  |
| <b>CONTINGENCIES AND COMMITMENTS</b>            | 40.5 |                                  |                                   |

## STATEMENT OF PROFIT OR LOSS ACCOUNT

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

|                                                                    | Note | For the half year ended                                |                  |
|--------------------------------------------------------------------|------|--------------------------------------------------------|------------------|
|                                                                    |      | June 30,<br>2026                                       | June 30,<br>2025 |
|                                                                    |      | ----- (Un-audited) -----<br>----- Rupees in '000 ----- |                  |
| Profit / return on financing, investments<br>and placements earned | 40.6 | 1,866,896                                              | 458,072          |
| Return on deposits and other dues expensed                         | 40.7 | 1,632,724                                              | 274,679          |
| <b>Net income earned</b>                                           |      | <b>234,172</b>                                         | <b>183,393</b>   |
| <b>Other income</b>                                                |      |                                                        |                  |
| 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              |
|                                                                    |      | <b>35,122</b>                                          | <b>63,462</b>    |
| <b>Total income</b>                                                |      | <b>269,294</b>                                         | <b>246,855</b>   |
| <b>Other expenses</b>                                              |      |                                                        |                  |
| Administrative expenses                                            |      | 600,999                                                | 154,466          |
| Other charges                                                      |      | -                                                      | -                |
|                                                                    |      | <b>600,999</b>                                         | <b>154,466</b>   |
| <b>(Loss)/Profit before provision</b>                              |      | <b>(331,705)</b>                                       | <b>92,389</b>    |
| Credit allowance and write offs - net                              |      | 46,957                                                 | 1,694            |
| <b>(Loss)/Profit before taxation</b>                               |      | <b>(378,662)</b>                                       | <b>90,695</b>    |

|                                             | June 30, 2026 (Un-audited) |                          |       | December 31, 2025 (Audited) |                          |         |
|---------------------------------------------|----------------------------|--------------------------|-------|-----------------------------|--------------------------|---------|
|                                             | In Local<br>Currency       | In Foreign<br>Currencies | Total | In Local<br>Currency        | In Foreign<br>Currencies | Total   |
| ----- Rupees in '000 -----                  |                            |                          |       |                             |                          |         |
| <b>40.1 DUE FROM FINANCIAL INSTITUTIONS</b> |                            |                          |       |                             |                          |         |
| Musharaka arrangements                      | -                          | -                        | -     | 549,991                     | -                        | 549,991 |

**40.2 INVESTMENTS**

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

|                                                                | June 30,<br>2026<br>(Un-audited) | December 31,<br>2025<br>(Audited) |
|----------------------------------------------------------------|----------------------------------|-----------------------------------|
| ----- (Rupees '000) -----                                      |                                  |                                   |
| <b>40.3 ISLAMIC FINANCING AND RELATED ASSETS</b>               |                                  |                                   |
| 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                           |
|                                                                | <u>30,192,743</u>                | <u>30,170,794</u>                 |
| Less: Credit Loss Allowance against islamic financings         |                                  |                                   |
| - Stage 1                                                      | 170                              | 76                                |
| - Stage 2                                                      | 21                               | 172                               |
| - Stage 3                                                      | 60,498                           | 33,578                            |
|                                                                | <u>60,689</u>                    | <u>33,826</u>                     |
| <b>Islamic financing and related assets - net of provision</b> | <u>30,132,054</u>                | <u>30,136,968</u>                 |

#### 40.4 DEPOSITS

##### Customers

Current deposits  
 Savings deposits  
 Term deposits  
 Margin and other deposits

June 30, 2026  
 (Un-audited)  
 ----- (Rupees '000) -----

December 31, 2025  
 (Audited)

|            |            |
|------------|------------|
| 2,797,253  | 2,543,173  |
| 13,463,437 | 9,998,422  |
| 1,896,960  | 6,555,457  |
| 33,346     | 33,115     |
| 18,190,996 | 19,130,167 |

##### Financial Institutions

Current deposits  
 Savings deposits  
 Term deposits  
 Margin and other deposits

|            |            |
|------------|------------|
| 77         | 1,226      |
| 6,451,302  | 27,649     |
| 150,000    | -          |
| 50         | -          |
| 6,601,429  | 28,875     |
| 24,792,425 | 19,159,042 |

#### 40.5 CONTINGENCIES AND COMMITMENTS

-Guarantees  
 -Letter of Credit  
 -Commitments

|         |         |
|---------|---------|
| 263,142 | 262,003 |
| 260,188 | 53,964  |
| -       | -       |
| 523,330 | 315,967 |

##### Half year ended

June 30, 2026  
 (Un-audited)  
 ----- Rupees in '000 -----

June 30, 2025

#### 40.6 PROFIT / RETURN ON FINANCING, INVESTMENTS AND PLACEMENTS EARNED

##### Profit earned on:

Financing  
 Investments  
 Placements  
 On deposits with financial institutions

|           |         |
|-----------|---------|
| 1,674,463 | 128,815 |
| 189,975   | 254,054 |
| 2,458     | 75,203  |
| -         | -       |
| 1,866,896 | 458,072 |

#### 40.7 RETURN ON DEPOSITS AND OTHER DUES EXPENSED

Deposits and other accounts  
 Due to Financial Institutions  
 Amortisation of lease liability against right-of-use assets

|           |         |
|-----------|---------|
| 756,032   | 228,907 |
| 857,811   | 29,950  |
| 18,881    | 15,822  |
| 1,632,724 | 274,679 |

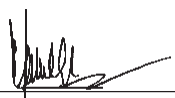
|                                                   | June 30,<br>2026<br>(Un-audited) | December 31,<br>2025<br>(Audited) |
|---------------------------------------------------|----------------------------------|-----------------------------------|
|                                                   | ----- (Rupees '000) -----        |                                   |
| <b>40.8 ACCUMULATED (LOSS)/PROFIT</b>             |                                  |                                   |
| Opening Balance                                   | 122,457                          | (34,225)                          |
| Add: Islamic Banking profit/(loss) for the period | (378,662)                        | 156,682                           |
| Closing Balance                                   | <u>(256,205)</u>                 | <u>122,457</u>                    |

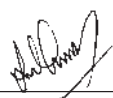
**41. GENERAL**

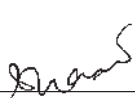
41.1 Figures have been rounded off to the nearest thousand Rupees.

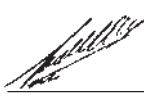
**42. DATE OF AUTHORISATION FOR ISSUE**

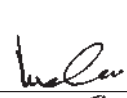
These unconsolidated financial statements were authorised for issue by the Board of Directors on August 13, 2026.

  
\_\_\_\_\_  
President and  
Chief Executive Officer

  
\_\_\_\_\_  
Chief Financial Officer

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Chairman

IN MEMORY OF SHAHEED MONTASABA RENAZIR BHUTTO  
 شہید محترمہ منٹاسبا ریناز بھٹو کی یاد میں  
**SINDH BANK**  
 سندھ بینک  
 POWER TO THE PEOPLE  
 باختیار عوام

## AUTO FINANCE



### \*Features

- Minimum Documentation.
- Quick and Hassle Free Processing.
- Low Mark-Up Rates.
- Flexible Financing.
- Financing of New and Used Cars (not older than 5 years).

\* Terms & Conditions Apply

**CONSOLIDATED CONDENSED INTERIM  
FINANCIAL STATEMENTS  
HALF YEAR AND QUARTER ENDED  
JUNE 30, 2026**

## Consolidated Condensed Interim Statement of Financial Position As at June 30, 2026

| As at June 30, 2026                              |    | June 30,<br>2026<br>(Un-audited) | December 31,<br>2025<br>(Audited) |
|--------------------------------------------------|----|----------------------------------|-----------------------------------|
| Note                                             |    | ----- (Rupees in '000) -----     |                                   |
| <b>ASSETS</b>                                    |    |                                  |                                   |
| 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                       |
| <b>LIABILITIES</b>                               |    |                                  |                                   |
| 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 liabilities                                | 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                       |
| <b>NET ASSETS</b>                                |    | 35,818,289                       | 34,378,048                        |
| <b>REPRESENTED BY</b>                            |    |                                  |                                   |
| 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                        |
| <b>CONTINGENCIES AND COMMITMENTS</b>             |    |                                  |                                   |
|                                                  | 24 |                                  |                                   |

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

|                                                                                     |                                                                                     |                                                                                     |                                                                                      |                                                                                       |
|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|
|  |  |  |  |  |
| President and<br>Chief Executive Officer                                            | Chief Financial Officer                                                             | Director                                                                            | Director                                                                             | Chairman                                                                              |

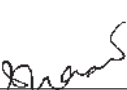
## Consolidated Condensed Interim Profit And Loss Account (Un-audited) For the Quarter and Half Year Ended June 30, 2026

|                                                 |    | Quarter ended    |                  | Half year ended  |                  |
|-------------------------------------------------|----|------------------|------------------|------------------|------------------|
|                                                 |    | June 30,<br>2026 | June 30,<br>2025 | June 30,<br>2026 | June 30,<br>2025 |
| Note                                            |    | (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             |

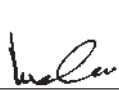
The annexed notes from 1 to 41 form an integral part of these consolidated financial statements.

  
President and  
Chief Executive Officer

  
Chief Financial Officer

  
Director

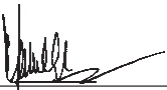
  
Director

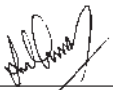
  
Chairman

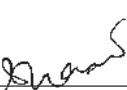
## Consolidated Condensed Interim Statement of Comprehensive Income (Un-audited) For the Quarter and Half Year Ended June 30, 2026

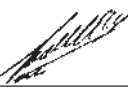
|                                                                                              | Quarter ended                |                  | Half year ended  |                  |
|----------------------------------------------------------------------------------------------|------------------------------|------------------|------------------|--------------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

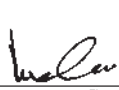
The annexed notes from 1 to 41 form an integral part of these consolidated financial statements.

  
 President and  
 Chief Executive Officer

  
 Chief Financial Officer

  
 Director

  
 Director

  
 Chairman

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## Consolidated Condensed Interim Statement of Changes In Equity (Un-audited) For the Half Year Ended June 30, 2026

|                                                                                  |                            |                      | Capital Reserves         |               |                     |                                      | Surplus / (Deficit) on revaluation |                            | Accumulated Loss *** |            |
|----------------------------------------------------------------------------------|----------------------------|----------------------|--------------------------|---------------|---------------------|--------------------------------------|------------------------------------|----------------------------|----------------------|------------|
|                                                                                  | Share Capital              | Shares Deposit Money | Reserves on amalgamation | Share Premium | Statutory Reserve * | Depositors protection fund reserve** | Investments                        | Fixed / Non-banking assets |                      | Total      |
|                                                                                  | ----- Rupees in '000 ----- |                      |                          |               |                     |                                      |                                    |                            |                      |            |
| 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                                                             | -                          | -                    | -                        | -             | -                   | -                                    | -                                  | -                          | -                    | -          |
| 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 form an integral part of these consolidated financial statements.

  
**President and  
Chief Executive Officer**

  
**Chief Financial Officer**

  
**Director**

  
**Director**

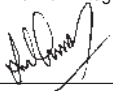
  
**Chairman**

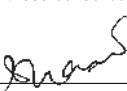
## Consolidated Condensed Interim Cash Flow Statement (Un-audited) For the Half Year Ended June 30, 2026

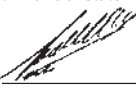
|                                                                       |             | June 30,<br>2026             | June 30,<br>2025    |
|-----------------------------------------------------------------------|-------------|------------------------------|---------------------|
|                                                                       |             | ----- (Rupees in '000) ----- |                     |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>                            | <b>Note</b> |                              |                     |
| Profit before taxation                                                |             | 4,395,058                    | 1,287,536           |
| Less: Dividend income                                                 |             | (80,347)                     | (27,248)            |
|                                                                       |             | <u>4,314,711</u>             | <u>1,260,288</u>    |
| <b>Adjustments:</b>                                                   |             |                              |                     |
| 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 FVTPL                       | 28.2        | (292,881)                    | (21,296)            |
| Gain on sale of operating fixed assets                                | 29          | (8,908)                      | (242)               |
|                                                                       |             | <u>(1,187,110)</u>           | <u>754,429</u>      |
|                                                                       |             | <u>3,127,600</u>             | <u>2,014,717</u>    |
| <b>(Increase) / decrease in operating assets</b>                      |             |                              |                     |
| Lendings to financial institutions                                    |             | 1,457,607                    | 3,384,028           |
| Securities classified as FVTPL                                        |             | (2,831,260)                  | (502,445)           |
| Advances - net                                                        |             | 23,395,787                   | (34,909,757)        |
| Other assets - net                                                    |             | (64,284)                     | 4,475,616           |
|                                                                       |             | <u>21,957,850</u>            | <u>(27,552,558)</u> |
| <b>Increase / (decrease) in operating liabilities</b>                 |             |                              |                     |
| 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          |
|                                                                       |             | <u>10,180,735</u>            | <u>28,845,702</u>   |
|                                                                       |             | <u>35,266,185</u>            | <u>3,307,861</u>    |
| Contribution to gratuity fund                                         |             | (389,285)                    | (186,857)           |
| Income tax paid                                                       |             | (896,853)                    | (746,316)           |
| <b>Net cash generated from / (used in) operating activities</b>       |             | <u>33,980,047</u>            | <u>2,374,688</u>    |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>                            |             |                              |                     |
| 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                 |
| <b>Net cash (used in) / generated from investing activities</b>       |             | <u>(46,188,086)</u>          | <u>(3,691,331)</u>  |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>                            |             |                              |                     |
| Shares deposit money                                                  |             | -                            | -                   |
| Payment of lease liability against right of use assets                |             | (640,601)                    | (609,360)           |
| <b>Net cash (used in) / generated from financing activities</b>       |             | <u>(640,601)</u>             | <u>(609,360)</u>    |
| <b>(Decrease) / increase in cash and cash equivalents</b>             |             | <u>(9,542,365)</u>           | <u>(1,926,003)</u>  |
| <b>Cash and cash equivalents at the beginning of the year</b>         |             | <u>32,130,828</u>            | <u>27,194,696</u>   |
| Impact of expected credit loss allowance on cash and cash equivalents |             | 3,550                        | 18                  |
| <b>Cash and cash equivalents at the end of the period</b>             | 35          | <u>22,592,013</u>            | <u>25,268,711</u>   |

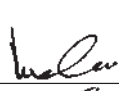
The annexed notes from 1 to 41 form an integral part of these consolidated financial statements.

  
President and  
Chief Executive Officer

  
Chief Financial Officer

  
Director

  
Director

  
Chairman

## Notes To The Consolidated Condensed Interim Financial Statements (Un-audited) For the Half Year Ended June 30, 2026

### 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,<br>2026<br>(Un-audited) | December 31,<br>2025<br>(Audited) |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|----------------------------------|-----------------------------------|
|                                                                                                                                                                                                                                                                   | Note | ----- (Rupees '000) -----        |                                   |
| <b>7. CASH AND BALANCES WITH TREASURY BANKS</b>                                                                                                                                                                                                                   |      |                                  |                                   |
| <b>In hand</b>                                                                                                                                                                                                                                                    |      |                                  |                                   |
| Local currency                                                                                                                                                                                                                                                    |      | 6,402,791                        | 6,113,302                         |
| Foreign currency                                                                                                                                                                                                                                                  |      | 180,193                          | 144,466                           |
|                                                                                                                                                                                                                                                                   |      | 6,582,984                        | 6,257,768                         |
| <b>With State Bank of Pakistan (SBP) in</b>                                                                                                                                                                                                                       |      |                                  |                                   |
| 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                        |
| <b>With National Bank of Pakistan in</b>                                                                                                                                                                                                                          |      |                                  |                                   |
| Local currency current accounts                                                                                                                                                                                                                                   |      | 721,044                          | 851,477                           |
| Local currency deposit accounts                                                                                                                                                                                                                                   | 7.5  | 5,111                            | 13,040                            |
|                                                                                                                                                                                                                                                                   |      | 726,155                          | 864,517                           |
| <b>Prize bonds</b>                                                                                                                                                                                                                                                |      | 3,291                            | 5,996                             |
| Less: Credit Loss allowance held against<br>balances with treasury banks                                                                                                                                                                                          |      | 41                               | 14                                |
|                                                                                                                                                                                                                                                                   |      | <u>19,290,652</u>                | <u>27,845,704</u>                 |
| 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,<br>2026<br>(Un-audited) | December 31,<br>2025<br>(Audited) |
|-------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|-----------------------------------|
|                                                                               | Note                                                                                                                                                                                                                                                                            | ----- (Rupees '000) -----        |                                   |
| <b>8. BALANCES WITH OTHER BANKS</b>                                           |                                                                                                                                                                                                                                                                                 |                                  |                                   |
| <b>In Pakistan</b>                                                            |                                                                                                                                                                                                                                                                                 |                                  |                                   |
| 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                           |
| <b>Outside Pakistan</b>                                                       |                                                                                                                                                                                                                                                                                 |                                  |                                   |
| In current accounts                                                           | 8.3                                                                                                                                                                                                                                                                             | 2,219,540                        | 3,623,467                         |
| Less: Credit Loss allowance held against<br>balances with other banks         | 8.4                                                                                                                                                                                                                                                                             | 840                              | 4,277                             |
|                                                                               |                                                                                                                                                                                                                                                                                 | 3,301,361                        | 4,285,124                         |
| <b>8.1</b>                                                                    | This includes savings account with a commercial bank carrying profit at the rate of 9% to 10% (2025: 9% to 11.50%) per annum.                                                                                                                                                   |                                  |                                   |
| <b>8.2</b>                                                                    | This includes TDR with a Microfinance bank carrying profit at the rate of 14.25% (2025: 14.25%) per annum.                                                                                                                                                                      |                                  |                                   |
| <b>8.3</b>                                                                    | 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. |                                  |                                   |
| <b>8.4 Opening balance</b>                                                    |                                                                                                                                                                                                                                                                                 | 4,277                            | 1,403                             |
| Impact of adoption of IFRS-09                                                 |                                                                                                                                                                                                                                                                                 | -                                | -                                 |
| Charge / reversals;                                                           |                                                                                                                                                                                                                                                                                 |                                  |                                   |
| Charge for the period                                                         |                                                                                                                                                                                                                                                                                 | -                                | 2,894                             |
| Reversals for the period                                                      |                                                                                                                                                                                                                                                                                 | (3,437)                          | (20)                              |
|                                                                               |                                                                                                                                                                                                                                                                                 | (3,437)                          | 2,874                             |
| <b>Closing Balance</b>                                                        |                                                                                                                                                                                                                                                                                 | 840                              | 4,277                             |
| <b>9. LENDINGS TO FINANCIAL INSTITUTIONS</b>                                  |                                                                                                                                                                                                                                                                                 |                                  |                                   |
| 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<br>lending to financial institutions |                                                                                                                                                                                                                                                                                 | (2,906)                          | (1,148)                           |
| Lending to financial institutions - net of credit<br>loss allowance           |                                                                                                                                                                                                                                                                                 | 19,955,712                       | 21,413,319                        |
| <b>9.1 Particulars of lendings</b>                                            |                                                                                                                                                                                                                                                                                 |                                  |                                   |
| 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             |                            |                             |                            |
| <b>Domestic</b>  |         |                            |                            |                             |                            |
| Performing       | Stage 1 | 19,958,618                 | 2,906                      | 21,414,467                  | 1,148                      |
| Under performing | Stage 2 | -                          | -                          | -                           | -                          |
| Non-performing   | Stage 3 |                            |                            |                             |                            |
| Substandard      |         | -                          | -                          | -                           | -                          |
| Doubtful         |         | -                          | -                          | -                           | -                          |
| Loss             |         | -                          | -                          | -                           | -                          |
| <b>Total</b>     |         | <b>19,958,618</b>          | <b>2,906</b>               | <b>21,414,467</b>           | <b>1,148</b>               |

## 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 |          |          |              |
| <b>Opening balance</b>                       | 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)   | -              | -        | -        | -            |
| <b>Closing Balance</b>                       | <b>2,906</b>   | <b>-</b> | <b>-</b> | <b>2,906</b> |

| December 31, 2025 (Audited)                  |                |          |          |              |
|----------------------------------------------|----------------|----------|----------|--------------|
|                                              | Stage 1        | Stage 2  | Stage 3  | Total        |
|                                              | Rupees in '000 |          |          |              |
| <b>Opening balance</b>                       | 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)   | -              | -        | -        | -            |
| <b>Closing Balance</b>                       | <b>1,148</b>   | <b>-</b> | <b>-</b> | <b>1,148</b> |

## 10 INVESTMENTS

### Investments by type

June 30, 2026 (Un-audited)

|                                                | Cost /<br>Amortised<br>cost | Credit<br>loss<br>allowance | Surplus /<br>(Deficit) | Carrying<br>Value  |
|------------------------------------------------|-----------------------------|-----------------------------|------------------------|--------------------|
|                                                | ----- Rupees in '000 -----  |                             |                        |                    |
| <b>Debt Instruments:</b>                       |                             |                             |                        |                    |
| <b>Classified / Measured at FVOCI</b>          |                             |                             |                        |                    |
| <b>Federal Government Securities</b>           |                             |                             |                        |                    |
| Market Treasury Bills                          | 1,716,937                   | -                           | 5,174                  | 1,722,111          |
|                                                | 1,716,937                   | -                           | 5,174                  | 1,722,111          |
| <b>Classified / Measured at amortised cost</b> |                             |                             |                        |                    |
| <b>Federal Government Securities</b>           |                             |                             |                        |                    |
| 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         |
| <b>Classified / Measured at FVOCI</b>          |                             |                             |                        |                    |
| <b>Federal Government Securities</b>           |                             |                             |                        |                    |
| 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        |
| <b>Equity instruments:</b>                     |                             |                             |                        |                    |
| <b>Classified / Measured at FVTPL</b>          |                             |                             |                        |                    |
| <b>Shares</b>                                  |                             |                             |                        |                    |
| Listed                                         | 2,287,401                   | -                           | (221,768)              | 2,065,633          |
| Mutual funds                                   | 123,660                     | -                           | 222,390                | 346,050            |
|                                                | 2,411,061                   | -                           | 622                    | 2,411,683          |
| <b>Classified / Measured at FVOCI</b>          |                             |                             |                        |                    |
| <b>Shares</b>                                  |                             |                             |                        |                    |
| 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          |
| <b>Total Investments</b>                       | <b>210,619,192</b>          | <b>(78,183)</b>             | <b>2,031,658</b>       | <b>212,572,667</b> |

December 31, 2025 (Audited)

| Cost /<br>Amortised<br>cost | Credit<br>loss<br>allowance | Surplus /<br>(Deficit) | Carrying<br>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 FVTPL

|              |           |   |         |           |
|--------------|-----------|---|---------|-----------|
| 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,<br>2026<br>(Un-audited) | December 31,<br>2025<br>(Audited) |
|---------------------------------------------------------------------------|----------------------------------|-----------------------------------|
|                                                                           | ----- (Rupees '000) -----        |                                   |
| <b>10.1 Investments given as collateral Federal government securities</b> |                                  |                                   |
| Pakistan Investment Bonds                                                 | -                                | -                                 |
| Market Treasury Bills                                                     | -                                | -                                 |
| Term Deposit Receipt                                                      | -                                | -                                 |
|                                                                           | <u>-</u>                         | <u>-</u>                          |
| <b>10.2 Provision for diminution in value of investments</b>              |                                  |                                   |
| <b>10.2.1 Opening balance</b>                                             | <b>128,735</b>                   | <b>98,480</b>                     |
| Impact of adoption of IFRS-09                                             | -                                | -                                 |
| Charge / reversals                                                        |                                  |                                   |
| Charge for the period                                                     | (50,701)                         | 30,256                            |
| Reversals for the period                                                  | -                                | -                                 |
| Transfer during the period                                                | -                                | -                                 |
| Reversal on disposals                                                     | -                                | -                                 |
| Transfers - net                                                           | (50,701)                         | 30,256                            |
| <b>Closing Balance</b>                                                    | <b>78,034</b>                    | <b>128,735</b>                    |

### 10.3 Particulars of credit loss allowance

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

|                         | June 30, 2026 (Un-audited) |                                  | December 31, 2025 (Audited) |                                  |
|-------------------------|----------------------------|----------------------------------|-----------------------------|----------------------------------|
|                         | Outstanding<br>amount      | Credit loss<br>allowance<br>held | Outstanding<br>amount       | Credit loss<br>allowance<br>held |
|                         | ----- Rupees in '000 ----- |                                  |                             |                                  |
| <b>Domestic</b>         |                            |                                  |                             |                                  |
| 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                           |
|                         | <u>77,708</u>              | <u>77,708</u>                    | <u>77,708</u>               | <u>77,708</u>                    |
| <b>Total</b>            | <b>206,526,884</b>         | <b>78,034</b>                    | <b>160,587,998</b>          | <b>128,735</b>                   |

## 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 |
| <b>Bills discounted and purchased</b>                   |                            |                |             |                             |                |             |
| 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     |
| <b>Advances - gross</b>                                 | 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  |
| <b>Total Advances - Net credit loss allowance</b>       | 120,988,313                | 4,747,367      | 125,735,680 | 144,564,701                 | 5,319,064      | 149,883,765 |

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

### 11.1 Particulars of advances (gross)

|                       |                    |                    |
|-----------------------|--------------------|--------------------|
| In local currency     | 146,352,048        | 173,075,429        |
| In foreign currencies | 499,805            | -                  |
|                       | <u>146,851,853</u> | <u>173,075,429</u> |

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

| Note                                         | June 30, 2026 (Un-audited) |                       | December 31, 2025 (Audited) |                       |
|----------------------------------------------|----------------------------|-----------------------|-----------------------------|-----------------------|
|                                              | Non Performing Loans       | Credit loss allowance | Non Performing Loans        | Credit loss allowance |
| ----- Rupees in '000 -----                   |                            |                       |                             |                       |
| <b>Category of Classification of stage 3</b> |                            |                       |                             |                       |
| 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            |
| <b>Total</b>                                 | <b>24,435,952</b>          | <b>19,688,585</b>     | <b>27,608,355</b>           | <b>22,289,291</b>     |

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                       | -                          | -              | -                 | -                 |
| <b>Closing balance</b>                    | <b>488,219</b>             | <b>939,370</b> | <b>19,688,585</b> | <b>21,116,173</b> |

|                                                 | 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                             | -                           | -              | -                 | -                 |
| <b>Closing balance</b>                          | <b>656,404</b>              | <b>245,969</b> | <b>22,289,291</b> | <b>23,191,665</b> |

#### 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)           |
| <b>Closing balance</b>               | <b>85,359,088</b>          | <b>37,056,814</b> | <b>24,435,952</b> | <b>146,851,853</b> |

|                                      | 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)           |
| <b>Closing balance</b>               | <b>105,389,037</b>          | <b>40,078,035</b> | <b>27,608,356</b> | <b>173,075,429</b> |

## 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                       | -              | -              | -                 | -                 |
| <b>New Advances</b>                        | <b>293,022</b> | <b>58</b>      | <b>1,779</b>      | <b>294,859</b>    |
| 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)          |
| <b>Closing balance</b>                     | <b>488,219</b> | <b>939,369</b> | <b>19,688,585</b> | <b>21,116,173</b> |

| 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        |
| <b>New Advances</b>                        | <b>514,513</b> | <b>-</b>       | <b>-</b>          | <b>514,513</b>    |
| 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            |
| <b>Closing balance</b>                     | <b>656,404</b> | <b>245,969</b> | <b>22,289,291</b> | <b>23,191,664</b> |

## 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 ----- |                                   | ----- Rupees in '000 -----  |                                   |
| Performing      | Stage 1 | 85,359,088                 | 488,219                           | 105,389,036                 | 656,404                           |
| Underperforming | Stage 2 | 37,056,814                 | 939,370                           | 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                        |
| <b>Total</b>    |         | <b>146,851,853</b>         | <b>21,116,173</b>                 | <b>173,075,429</b>          | <b>23,191,664</b>                 |

|                                                |             | June 30, 2026 (Un-audited) |  | December 31, 2025 (Audited) |  |
|------------------------------------------------|-------------|----------------------------|--|-----------------------------|--|
|                                                |             | ----- (Rupees '000) -----  |  |                             |  |
| <b>12. PROPERTY AND EQUIPMENT</b>              | <b>Note</b> |                            |  |                             |  |
| Capital work-in-progress                       | 12.1        | 853,068                    |  | 423,652                     |  |
| Property and equipment                         |             | 2,268,811                  |  | 1,596,371                   |  |
|                                                |             | <u>3,121,878</u>           |  | <u>2,020,023</u>            |  |
| <b>12.1 Capital work-in-progress</b>           |             |                            |  |                             |  |
| Civil works                                    |             | 7,399                      |  | 800                         |  |
| Advances to suppliers                          |             | 845,669                    |  | 422,852                     |  |
|                                                |             | <u>853,068</u>             |  | <u>423,652</u>              |  |
| <b>12.2 Addition to property and equipment</b> |             |                            |  |                             |  |
|                                                |             | June 30, 2026 (Un-audited) |  | June 30, 2025 (Un-audited)  |  |
|                                                |             | ----- (Rupees '000) -----  |  |                             |  |

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

|                               |                |  |                |
|-------------------------------|----------------|--|----------------|
| <b>Property and equipment</b> |                |  |                |
| 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         |
| <b>Total</b>                  | <u>970,363</u> |  | <u>122,715</u> |

|                                                                                  | June 30,<br>2026<br>(Un-audited) | June 30,<br>2025<br>(Un-audited)  |
|----------------------------------------------------------------------------------|----------------------------------|-----------------------------------|
|                                                                                  | ----- (Rupees '000) -----        |                                   |
| <b>12.3 Disposal of property and equipment</b>                                   |                                  |                                   |
| 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                              | -                                 |
| <b>Total</b>                                                                     | <b>875</b>                       | <b>44</b>                         |
|                                                                                  | June 30,<br>2026<br>(Un-audited) | December 31,<br>2025<br>(Audited) |
|                                                                                  | ----- (Rupees '000) -----        |                                   |
| <b>13. RIGHT OF USE ASSETS</b>                                                   |                                  |                                   |
| <b>Year ended December 31</b>                                                    |                                  |                                   |
| 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                                                           | <b>3,882,827</b>                 | <b>3,733,191</b>                  |
| <b>At December 31</b>                                                            |                                  |                                   |
| Cost                                                                             | 7,552,037                        | 6,975,047                         |
| Accumulated depreciation                                                         | (3,669,210)                      | (3,241,856)                       |
| Net book value                                                                   | <b>3,882,827</b>                 | <b>3,733,191</b>                  |
| Rate of depreciation (percentage)                                                | 10% to 100%                      | 10% to 100%                       |
| <b>14. INTANGIBLE ASSETS</b>                                                     |                                  |                                   |
| Computer Software                                                                | 139,475                          | 117,692                           |
| Others                                                                           | -                                | -                                 |
|                                                                                  | <b>139,475</b>                   | <b>117,692</b>                    |
|                                                                                  | June 30,<br>2026<br>(Un-audited) | June 30,<br>2025<br>(Un-audited)  |
|                                                                                  | ----- (Rupees '000) -----        |                                   |
| <b>14.1 Additions to intangible assets</b>                                       |                                  |                                   |
| <b>The additions intangible assets during the period:</b>                        |                                  |                                   |
| Computer Software                                                                | 46,855                           | 35,820                            |
| <b>Disposal of property and equipment</b>                                        |                                  |                                   |
| The net book value of intangible assets disposed off during the period.          |                                  |                                   |
|                                                                                  | -                                | -                                 |

|                                                      | June 30,<br>2026<br>(Un-audited) | December 31,<br>2025<br>(Audited) |
|------------------------------------------------------|----------------------------------|-----------------------------------|
|                                                      | ----- (Rupees '000) -----        |                                   |
| <b>15. DEFERRED TAX ASSETS-NET</b>                   |                                  |                                   |
| <b>Deductible Temporary Differences on</b>           |                                  |                                   |
| 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                           |
|                                                      | <b>15,280,362</b>                | <b>16,351,371</b>                 |
| <b>Taxable Temporary Differences on</b>              |                                  |                                   |
| 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)                          |
|                                                      | <b>(1,155,877)</b>               | <b>(2,317,664)</b>                |
|                                                      | <b>14,124,485</b>                | <b>14,033,707</b>                 |

- 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.

|                                                                                    |      | June 30,<br>2026<br>(Un-audited) | December 31,<br>2025<br>(Audited) |
|------------------------------------------------------------------------------------|------|----------------------------------|-----------------------------------|
|                                                                                    | Note | ----- (Rupees '000) -----        |                                   |
| <b>16. OTHER ASSETS</b>                                                            |      |                                  |                                   |
| 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: Provision 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<br>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.

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

|                              | June 30,<br>2026<br>(Un-audited) | December 31,<br>2025<br>(Audited) |
|------------------------------|----------------------------------|-----------------------------------|
|                              | ----- (Rupees '000) -----        |                                   |
| Opening balance              | (880,807)                        | (872,219)                         |
| Charge for the period / year | (2)                              | (10,392)                          |
| Reversals                    | -                                | 1,804                             |
| Amount written off           | -                                | -                                 |
| Closing balance              | (880,808)                        | (880,807)                         |

|                                                                  | June 30,<br>2026<br>(Un-audited) | December 31,<br>2025<br>(Audited) |
|------------------------------------------------------------------|----------------------------------|-----------------------------------|
|                                                                  | ----- (Rupees '000) -----        |                                   |
| <b>17. BILLS PAYABLE</b>                                         |                                  |                                   |
| In Pakistan                                                      | 2,355,617                        | 4,236,755                         |
| Outside Pakistan                                                 | -                                | -                                 |
|                                                                  | <u>2,355,617</u>                 | <u>4,236,755</u>                  |
| <b>18. BORROWINGS</b>                                            |                                  |                                   |
| <b>Secured</b>                                                   |                                  |                                   |
| Borrowings from State Bank of Pakistan                           |                                  |                                   |
| - Under export refinance scheme                                  | 885,000                          | 1,080,000                         |
| - Under long term finance facility                               | -                                | -                                 |
| <b>Repurchase agreement borrowings - Secured</b>                 |                                  |                                   |
| - State Bank of Pakistan (SBP)                                   | 884,788                          | -                                 |
| - Other commercial banks / DFI's                                 | 150,000                          | -                                 |
|                                                                  | <u>1,034,788</u>                 | -                                 |
| <b>Un-Secured</b>                                                |                                  |                                   |
| - State Bank of Pakistan (SBP)                                   | -                                | 917,000                           |
| - Other micro finance                                            | -                                | 200,000                           |
|                                                                  | -                                | <u>1,117,000</u>                  |
|                                                                  | <u>1,919,788</u>                 | <u>2,197,000</u>                  |
| <b>18.1 Particulars of borrowings with respect to Currencies</b> |                                  |                                   |
| In local currency                                                | 1,919,788                        | 2,197,000                         |
| In foreign currencies                                            | -                                | -                                 |
|                                                                  | <u>1,919,788</u>                 | <u>2,197,000</u>                  |
| <b>19 DEPOSITS AND OTHER ACCOUNTS</b>                            |                                  |                                   |

|                               | June 30, 2026 (Un-audited) |                          |                    | December 31, 2025 (Audited) |                          |                    |
|-------------------------------|----------------------------|--------------------------|--------------------|-----------------------------|--------------------------|--------------------|
|                               | In Local<br>Currency       | In Foreign<br>Currencies | Total              | In Local<br>Currency        | In Foreign<br>Currencies | Total              |
|                               | ----- Rupees in '000 ----- |                          |                    |                             |                          |                    |
| <b>Customers</b>              |                            |                          |                    |                             |                          |                    |
| 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          |
|                               | <u>342,892,869</u>         | <u>2,870,609</u>         | <u>345,763,479</u> | <u>330,350,311</u>          | <u>2,989,580</u>         | <u>333,339,891</u> |
| <b>Financial Institutions</b> |                            |                          |                    |                             |                          |                    |
| 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            |
|                               | <u>11,492,827</u>          | <u>3,225</u>             | <u>11,496,053</u>  | <u>9,968,620</u>            | <u>1,465</u>             | <u>9,970,085</u>   |
|                               | <u>354,385,697</u>         | <u>2,873,834</u>         | <u>357,259,531</u> | <u>340,318,932</u>          | <u>2,991,045</u>         | <u>343,309,977</u> |

|                                                             | Note | June 30,<br>2026<br>(Un-audited) | December 31,<br>2025<br>(Audited) |
|-------------------------------------------------------------|------|----------------------------------|-----------------------------------|
| ----- (Rupees '000) -----                                   |      |                                  |                                   |
| <b>20. Lease liabilities</b>                                |      |                                  |                                   |
| 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                                             |      | <u>5,235,893</u>                 | <u>4,962,934</u>                  |
| <b>20.1 Contractual maturity of lease liabilities</b>       |      |                                  |                                   |
| 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                             |
|                                                             |      | <u>4,537,421</u>                 | <u>4,395,485</u>                  |
| Total lease liabilities                                     |      | <u>5,235,893</u>                 | <u>4,962,934</u>                  |
| <b>21. OTHER LIABILITIES</b>                                |      |                                  |                                   |
| 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                         |
|                                                             |      | <u>10,425,813</u>                | <u>12,070,244</u>                 |
| Credit loss allowance against off-balance sheet obligations | 21.1 | 45,067                           | 11,511                            |
|                                                             |      | <u>10,470,880</u>                | <u>12,081,755</u>                 |
| <b>21.1 Opening balance</b>                                 |      | 11,511                           | 3,898                             |
| Impact of adoption of IFRS-09                               |      | -                                | -                                 |
| Charge / reversals;                                         |      |                                  |                                   |
| Charge for the period                                       |      | 33,556                           | 7,613                             |
| Reversals for the period                                    |      | -                                | -                                 |
|                                                             |      | <u>33,556</u>                    | <u>7,613</u>                      |
| <b>Closing Balance</b>                                      |      | <u>45,067</u>                    | <u>11,511</u>                     |

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

### 22.1 Authorised capital

| June 30,<br>2026<br>(Un-audited) | December 31,<br>2025<br>(Audited) |                               | June 30,<br>2026<br>(Un-audited) | December 31,<br>2025<br>(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

|               |               |                                                                     |            |            |
|---------------|---------------|---------------------------------------------------------------------|------------|------------|
| 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 share 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,<br>2026<br>(Un-audited) | December 31,<br>2025<br>(Audited) |
|------|----------------------------------|-----------------------------------|
|      | ----- (Rupees '000) -----        |                                   |

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

### 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 | 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 | (93,600)    | (93,600)    |
|                                                         | (1,147,048) | (2,118,191) |
|                                                         | 1,058,813   | 1,955,254   |

|                                                                                             | Note     | June 30,<br>2026<br>(Un-audited) | December 31,<br>2025<br>(Audited) |
|---------------------------------------------------------------------------------------------|----------|----------------------------------|-----------------------------------|
|                                                                                             |          | ----- (Rupees '000) -----        |                                   |
| <b>23.1 Surplus on revaluation of non-banking assets acquired in satisfaction of claims</b> |          |                                  |                                   |
| 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                            |
| <b>24 CONTINGENCIES AND COMMITMENTS</b>                                                     |          |                                  |                                   |
| -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                       |
| <b>24.1 Guarantees:</b>                                                                     |          |                                  |                                   |
| 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                         |
| <b>24.2 Commitments:</b>                                                                    |          |                                  |                                   |
| <b>Documentary credits and short-term trade-related transactions</b>                        |          |                                  |                                   |
| - letters of credit                                                                         |          | 5,027,302                        | 5,208,618                         |
| <b>Commitments in respect of:</b>                                                           |          |                                  |                                   |
| - 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                        |
| <b>Commitments for acquisition of:</b>                                                      |          |                                  |                                   |
| - fixed assets                                                                              |          | 182,673                          | 196,268                           |
|                                                                                             |          | 126,708,556                      | 99,700,088                        |
| <b>24.2.1 Commitments in respect of forward foreign exchange contracts</b>                  |          |                                  |                                   |
| Purchase                                                                                    |          | 37,993,047                       | 29,049,476                        |
| Sale                                                                                        |          | 37,957,191                       | 29,010,009                        |
|                                                                                             |          | 75,950,238                       | 58,059,485                        |
| <b>24.2.2 Commitments in respect of forward lending, borrowings and credits</b>             |          |                                  |                                   |
| 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.

|                                                               |      | Half Year ended            |                   |
|---------------------------------------------------------------|------|----------------------------|-------------------|
|                                                               |      | June 30,<br>2026           | June 30,<br>2025  |
| Note                                                          |      | (Un-audited)               |                   |
|                                                               |      | ----- Rupees in '000 ----- |                   |
| <b>25. MARK-UP/RETURN/INTEREST EARNED</b>                     |      |                            |                   |
| 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           |
|                                                               |      | <u>20,031,170</u>          | <u>19,334,812</u> |
| <b>26. MARK-UP/RETURN/INTEREST EXPENSED</b>                   |      |                            |                   |
| 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           |
|                                                               |      | <u>11,554,181</u>          | <u>13,726,415</u> |
| <b>27. FEE AND COMMISSION INCOME</b>                          |      |                            |                   |
| 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               |
|                                                               |      | <u>393,957</u>             | <u>366,610</u>    |
| <b>28. GAIN ON SECURITIES</b>                                 |      |                            |                   |
| Realised                                                      | 28.1 | 73,728                     | 473,231           |
| Unrealised - Measured at FVPL                                 | 28.2 | (292,881)                  | 21,296            |
|                                                               |      | <u>(219,153)</u>           | <u>494,527</u>    |
| <b>28.1 Realised gain on:</b>                                 |      |                            |                   |
| Federal Government Securities                                 |      | 292                        | 427,899           |
| Shares of listed companies                                    |      | 73,436                     | 45,332            |
| Mutual Funds                                                  |      | -                          | -                 |
|                                                               |      | <u>73,728</u>              | <u>473,231</u>    |

|      |                                                | Half Year ended            |                  |
|------|------------------------------------------------|----------------------------|------------------|
|      |                                                | June 30,<br>2026           | June 30,<br>2025 |
| Note |                                                | (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           |
|      |                                                | <u>(292,881)</u>           | <u>21,296</u>    |
| 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              |
|      |                                                | <u>11,740</u>              | <u>1,345</u>     |
| 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          |
|      |                                                | <u>1,325,622</u>           | <u>1,191,146</u> |
|      | 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           |
|      |                                                | <u>450,342</u>             | <u>303,594</u>   |

|                                      |      | Half Year ended            |                  |
|--------------------------------------|------|----------------------------|------------------|
|                                      | Note | June 30,<br>2026           | June 30,<br>2025 |
| OPERATING EXPENSES                   |      | (Un-audited)               |                  |
|                                      |      | ----- 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           |
|                                           |  | <u>3,782,075</u> | <u>3,121,659</u> |

|                                                                          |        | Half Year ended            |                      |
|--------------------------------------------------------------------------|--------|----------------------------|----------------------|
|                                                                          | Note   | June 30,<br>2026           | June 30,<br>2025     |
|                                                                          |        | (Un-audited)               |                      |
|                                                                          |        | ----- Rupees in '000 ----- |                      |
| <b>30.3 Auditors' remuneration</b>                                       |        |                            |                      |
| 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                  |
|                                                                          |        | <u>10,337</u>              | <u>9,551</u>         |
| <b>31. OTHER CHARGES</b>                                                 |        |                            |                      |
| Penalties imposed by the State Bank of Pakistan                          |        | 913                        | -                    |
| Others                                                                   |        | -                          | -                    |
|                                                                          |        | <u>913</u>                 | <u>-</u>             |
| <b>32. CREDIT LOSS ALLOWANCE &amp; WRITE OFFS - NET</b>                  |        |                            |                      |
| Credit loss allowance for diminution 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                      | -                    |
|                                                                          |        | <u>(2,076,192)</u>         | <u>(245,778)</u>     |
| <b>33. TAXATION</b>                                                      |        |                            |                      |
| Current                                                                  |        | 568,918                    | 483,243              |
| Prior years                                                              |        | -                          | -                    |
| Deferred                                                                 |        | 1,196,924                  | 175,595              |
|                                                                          |        | <u>1,765,842</u>           | <u>658,838</u>       |
| <b>34. BASIC AND DILUTED EARNINGS PER SHARE</b>                          |        |                            |                      |
| Profit for the period (Rupees in '000)                                   |        | 2,629,216                  | 628,698              |
| Weighted average number of ordinary shares                               |        | <u>3,452,442,817</u>       | <u>3,452,442,817</u> |
| Basic and diluted earnings per share (Rupee)                             |        | 0.76                       | 0.18                 |

|                                      |   | Half Year ended            |                   |
|--------------------------------------|---|----------------------------|-------------------|
|                                      |   | June 30,<br>2026           | June 30,<br>2025  |
|                                      |   | (Un-audited)               |                   |
|                                      |   | ----- Rupees in '000 ----- |                   |
| <b>35. CASH AND CASH EQUIVALENTS</b> |   |                            |                   |
| Cash and balance with treasury banks | 6 | 19,290,652                 | 21,697,877        |
| Balance with other banks             | 7 | 3,301,361                  | 3,570,834         |
|                                      |   | <u>22,592,013</u>          | <u>25,268,711</u> |

### 36. FAIR VALUE MEASUREMENTS

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

Unquoted equity investments are carried 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 as part 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 (Un-audited)                                |                |             |         |             |
|-----------------------------------------------------------|----------------|-------------|---------|-------------|
| Fair Value                                                |                |             |         |             |
|                                                           | Level 1        | Level 2     | Level 3 | Total       |
|                                                           | Rupees in '000 |             |         |             |
| On balance sheet financial instruments                    |                |             |         |             |
| 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       |
|                                                           | Rupees in '000 |             |         |             |
| On balance sheet financial instruments                    |                |             |         |             |
| 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)                     | -              | 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 (Un-audited) |                   |                               |                    |
|------------------------------------|----------------------------|-------------------|-------------------------------|--------------------|
|                                    | Trading and sales          | Retail banking    | Commercial banking and others | Total              |
|                                    | ----- Rupees in '000 ----- |                   |                               |                    |
| <b>Profit &amp; Loss</b>           |                            |                   |                               |                    |
| 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          |
| <b>(Loss) / Profit before tax</b>  | <b>(3,565,795)</b>         | <b>453,242</b>    | <b>7,507,611</b>              | <b>4,395,058</b>   |
| <b>Balance Sheet</b>               |                            |                   |                               |                    |
| 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         |
| <b>Total Assets</b>                | <b>254,277,810</b>         | <b>15,410,455</b> | <b>405,087,284</b>            | <b>674,775,549</b> |

|                                        | June 30, 2026 (Un-audited) |                   |                               |                    |
|----------------------------------------|----------------------------|-------------------|-------------------------------|--------------------|
|                                        | Trading and sales          | Retail banking    | Commercial banking and others | Total              |
|                                        | Rupees in '000             |                   |                               |                    |
| 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         |
| <b>Total liabilities</b>               | <b>249,956,309</b>         | <b>13,907,403</b> | <b>375,093,546</b>            | <b>638,957,259</b> |
| Equity                                 | 4,321,501                  | 1,503,050         | 29,993,738                    | 35,818,289         |
| <b>Total Equity &amp; liabilities</b>  | <b>254,277,810</b>         | <b>15,410,453</b> | <b>405,087,284</b>            | <b>674,775,549</b> |
| <b>Contingencies &amp; Commitments</b> | <b>95,421,745</b>          | <b>-</b>          | <b>41,939,468</b>             | <b>137,361,212</b> |

**Segment Details with respect to Business Activities**

|                                    | June 30, 2025 (Un-audited) |                |                               |             |
|------------------------------------|----------------------------|----------------|-------------------------------|-------------|
|                                    | Trading and sales          | Retail banking | Commercial banking and others | Total       |
|                                    | Rupees in '000             |                |                               |             |
| <b>Profit &amp; Loss</b>           |                            |                |                               |             |
| 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              |                   |                               |                    |
| <b>Balance Sheet</b>               |                             |                   |                               |                    |
| 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         |
| <b>Total Assets</b>                | <b>212,711,311</b>          | <b>14,628,375</b> | <b>391,568,034</b>            | <b>618,907,720</b> |

|                                       | December 31, 2025 (Audited) |                   |                                     |                    |
|---------------------------------------|-----------------------------|-------------------|-------------------------------------|--------------------|
|                                       | Trading and<br>sales        | Retail<br>banking | Commercial<br>banking<br>and others | Total              |
|                                       | Rupees in '000              |                   |                                     |                    |
| 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        |
| <b>Others</b>                         | 948,611                     | 456,674           | 19,876,159                          | 21,281,444         |
| <b>Total liabilities</b>              | <u>207,683,962</u>          | <u>13,798,299</u> | <u>363,047,411</u>                  | <u>584,529,672</u> |
| Equity                                | 5,027,348                   | 830,076           | 28,520,623                          | 34,378,048         |
| <b>Total Equity &amp; liabilities</b> | <u>212,711,310</u>          | <u>14,628,375</u> | <u>391,568,034</u>                  | <u>618,907,720</u> |
| Contingencies & Commitments           | <u>78,941,170</u>           | <u>40,908</u>     | <u>29,626,929</u>                   | <u>108,609,007</u> |

### 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 Group enters into transactions with related parties in the ordinary course of business and on substantially the same terms as for comparable transactions with person of similar standing. 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 (Un-audited) |                          |                       | December 31, 2025 (Audited) |                          |                       |
|----------------------------------------------------|----------------------------|--------------------------|-----------------------|-----------------------------|--------------------------|-----------------------|
|                                                    | Director                   | Key Management Personnel | Other Related Parties | Director                    | Key Management Personnel | Other Related Parties |
|                                                    | Rupees in '000             |                          |                       |                             |                          |                       |
| <b>Investments</b>                                 |                            |                          |                       |                             |                          |                       |
| Opening balance                                    | -                          | -                        | 285,730               | -                           | -                        | 233,229               |
| Investment made during the year                    | -                          | -                        | 379,737               | -                           | -                        | 743,721               |
| Investment redeemed / disposed off during the year | -                          | -                        | (276,857)             | -                           | -                        | (691,220)             |
| Closing balance                                    | -                          | -                        | 388,610               | -                           | -                        | 285,730               |
| <b>Advances</b>                                    |                            |                          |                       |                             |                          |                       |
| Opening balance                                    | -                          | 245,864                  | 64,377                | -                           | 171,457                  | 64,377                |
| Addition during the year                           | -                          | 48,590                   | 1                     | -                           | 84,677                   | -                     |
| Repaid during the year                             | -                          | (39,231)                 | -                     | -                           | (52,474)                 | -                     |
| Transfer in / (out) - net                          | -                          | 1,173                    | -                     | -                           | 42,204                   | -                     |
| Closing balance                                    | -                          | 256,396                  | 64,378                | -                           | 245,864                  | 64,377                |
| <b>Other Assets</b>                                |                            |                          |                       |                             |                          |                       |
| Interest / mark-up accrued                         | -                          | 215                      | 2,326                 | -                           | 278                      | 2,283                 |
| <b>Deposits and other accounts</b>                 |                            |                          |                       |                             |                          |                       |
| Opening balance                                    | 55,328                     | 102,010                  | 7,649,478             | 20,863                      | 74,467                   | 2,824,555             |
| Received during the year                           | 57,676                     | 412,354                  | 12,328,643            | 149,704                     | 586,989                  | 33,506,499            |
| Withdrawn during the year                          | (67,205)                   | (376,585)                | (11,060,546)          | (124,562)                   | (552,295)                | (28,684,992)          |
| Transfer in / (out) - net                          | -                          | 727                      | -                     | 9,322                       | (7,151)                  | 3,417                 |
| Closing balance                                    | 45,799                     | 138,506                  | 8,917,575             | 55,328                      | 102,010                  | 7,649,478             |
| <b>Other Liabilities</b>                           |                            |                          |                       |                             |                          |                       |
| Interest / mark-up payable                         | 917                        | 2,381                    | 198,787               | 812                         | 2,108                    | 63,543                |
| Others                                             | -                          | -                        | -                     | -                           | -                        | 2,500,000             |
|                                                    | 917                        | 2,381                    | 198,787               | 812                         | 2,108                    | 2,563,543             |

|                                             | June 30, 2026 (Audited) |                          |                       | June 30, 2025 (Audited) |                          |                       |
|---------------------------------------------|-------------------------|--------------------------|-----------------------|-------------------------|--------------------------|-----------------------|
|                                             | Director                | Key Management Personnel | Other Related Parties | Director                | Key Management Personnel | Other Related Parties |
|                                             | Rupees in '000          |                          |                       |                         |                          |                       |
| <b>Income</b>                               |                         |                          |                       |                         |                          |                       |
| 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                   |
| <b>Expense</b>                              |                         |                          |                       |                         |                          |                       |
| 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                |
| <b>Others</b>                               |                         |                          |                       |                         |                          |                       |
| 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**

**Minimum Capital Requirement (MCR):**  
 Paid-up capital (net of losses)

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

**30,886,321** 29,086,525

**Capital Adequacy Ratio (CAR):**

Eligible Common Equity Tier 1 (CET 1) Capital  
 Eligible Additional Tier 1 (ADT 1) Capital  
 Total Eligible Tier 1 Capital  
 Eligible Tier 2 Capital  
 Total Eligible Capital (Tier 1 + Tier 2)

**24,569,435** 21,774,499  
 - -  
**24,569,435** 21,774,499  
**1,326,873** 2,193,236  
**25,896,308** 23,967,735

**Risk Weighted Assets (RWAs):**

Credit Risk  
 Market Risk  
 Operational Risk  
**Total**

**71,748,976** 56,595,517  
**22,333,933** 16,884,380  
**21,889,121** 21,889,121  
**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  
 Tier 1 minimum ratio  
 Total capital minimum ratio  
 Total capital minimum ratio plus CCB

**6.00%** 6.00%  
**7.50%** 7.50%  
**10.00%** 10.00%  
**11.50%** 11.50%

**Approach followed for detmrining Risk Weighted Assets**

Credit Risk  
 Market Risk  
 Operational Risk

**Comprehensive Maturity method Basic Indicator** Comprehensive Maturity method Basic Indicator

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

**Leverage Ratio (LR):**

Eligible Tier-1 Capital  
 Total Exposures  
**Leverage Ratio (%)**

**24,569,435** 21,774,499  
**425,012,176** 404,766,211  
**5.78%** 5.38%

**Liquidity Coverage Ratio (LCR):**

Total High Quality Liquid Assets  
 Total Net Cash Outflow  
**Liquidity Coverage Ratio (%)**

**189,056,481** 183,159,874  
**51,539,593** 47,152,234  
**367%** 388%

**Net Stable Funding Ratio (NSFR):**

Total Available Stable Funding  
 Total Required Stable Funding  
**Net Stable Funding Ratio**

**269,032,269** 256,915,076  
**134,175,319** 128,858,448  
**201%** 199%

**40. GENERAL**

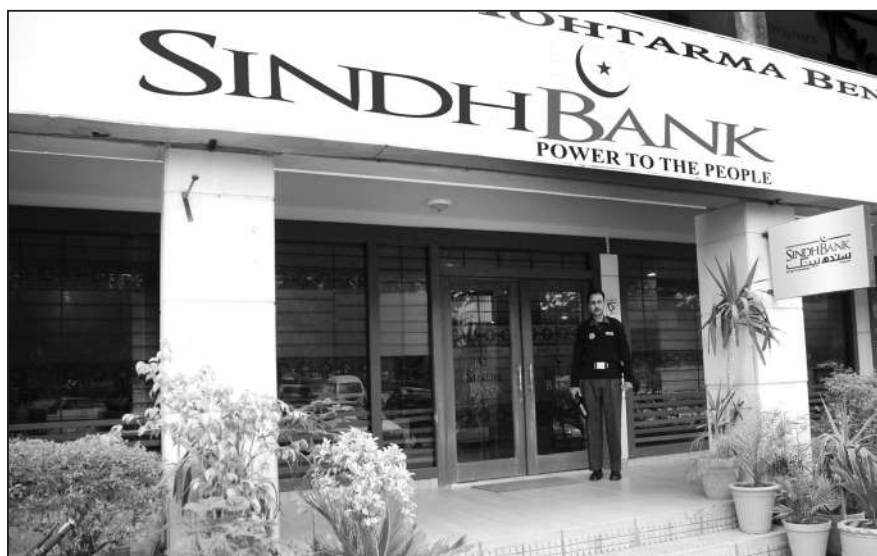
**40.1** Figures have been rounded off to the nearest thousand rupee.

**41. DATE OF AUTHORISATION FOR ISSUE**

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

|                                                                                   |                                                                                   |                                                                                   |                                                                                    |                                                                                     |
|-----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
|  |  |  |  |  |
| President and<br>Chief Executive Officer                                          | Chief Financial Officer                                                           | Director                                                                          | Director                                                                           | Chairman                                                                            |

## Branch Network



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### Number of Branches

| S.No. | Regions                | No. of Branches |
|-------|------------------------|-----------------|
| 1     | Karachi                | 94              |
| 2     | Balochistan            | 15              |
| 3     | Sindh Rural            | 97              |
| 4     | Islamabad / Rawalpindi | 17              |
| 5     | Punjab                 | 84              |
| 6     | KPK, AJK & Gilgit      | 23              |
|       | <b>TOTAL</b>           | <b>330</b>      |

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