

SINDH BANK LIMITED

FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED
SEPTEMBER 30, 2026

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

SINDH BANK
سندھ بینک
POWER TO THE PEOPLE بااختیار عوام

DIRECTORS' REPORT

On behalf of the Board of Directors of Sindh Bank, I am presenting herewith the financial results for the nine months ended September 30, 2026 depicting strong performance: -

(Rupees in '000)

Balance Sheet	As on Sep 30, 2026	As on Dec 31, 2025	% age Change Increase/(decrease)
Paid up Capital	34,524,428	34,524,428	-
Reserves	3,696,134	3,119,393	18.49%
Accumulated losses	(4,036,330)	(6,050,851)	(33.29) %
Paid up Capital net of accumulated losses	**34,184,232**	**31,592,970**	8.20%
Surplus/(deficit) on Revaluation of Assets -net	1,183,578	1,955,254	(39.47) %
Equity	**35,367,810**	**33,548,224**	5.42%
Borrowings	**31,033,340**	**1,080,000**	2773.46%
Deposits	**346,818,613**	**342,091,252**	1.38%
Investment (carrying value)	**224,672,605**	**166,642,939**	34.82%
Gross Advances	**145,194,766**	**170,501,738**	(14.84) %

Profit & Loss Account	Nine months Ended Sep 30,2026	Nine months Ended Sep 30,2025	%age Change Increase/(decrease)
Markup/return/interest income	29,573,317	27,912,935	5.95%
Markup/return/interest expenses	17,827,439	19,634,926	(9.21)%
Net markup/return/interest income	**11,745,878**	**8,278,009**	**41.89%**
Fee, Commission & Other Income	577,764	528,685	9.28%
Foreign Exchange Income	423,102	210,828	100.69%
Dividend Income	121,584	47,469	156.13%
Gain/ (loss) on securities	(342,403)	786,365	(143.54)%
Non-mark-up/non-interest income	**780,047**	**1,573,347**	**(50.42)%**
Total Income	**12,525,925**	**9,851,356**	**27.15%**
Non-mark-up/interest expenses	**9,672,244**	**7,946,798**	**21.71%**
Profit / (Loss) before Tax & Provisions	**2,853,681**	**1,904,558**	**49.83%**
Credit loss allowance and write offs	875,007	1,360,280	(35.67)%
Reversal of credit loss allowance	(3,224,778)	(1,997,366)	61.45%
Reversal/Credit loss allowance and write offs - net	**(2,349,771)**	**(637,086)**	**268.83%**
Profit Before Tax	**5,203,452**	**2,541,644**	**104.73%**
Profit After Tax	**2,883,701**	**1,213,074**	**137.72%**
Earnings per share (Rupees)	**0.84**	**0.35**	**140.00%**

Other Information	As on Sep 30,2026	As on Dec 31, 2025	%age Change
No. of Accounts	1,882,745	1,637,468	**14.98%**
Number of Branches	330	330	-

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

Pre-tax profit for the nine months ended September 30,2026 amounted to a record high of Rs.5,203-mn compared to pre-tax profit of Rs.2,541-mn in the same period last year registering increase of 104.73%, attributable factors of such robust profitability are:-

- Increase in Net Interest Income by Rs.3,468-mn i.e 41.89%, due to growth in earning assets, concentrating on cost effective deposits with prime focus for mobilization of non-remunerative deposits through NTBs and earnings from rehabilitated non-performing loans.

- Bank continued its trend of posting recoveries higher than previous year from non-performing loans. As a result, the bank recorded reversal of provisions totaling Rs.3,225-mn, compared to Rs.1,997-mn in the same period last year.

- Non-markup income experienced decline amounting to Rs.793.30-mn due to adverse market conditions arising from geopolitical tensions and war during the period, driving diminution / deficit in value of Investments by Rs.342.40-mn, compared to a gain on sale of investments of Rs.786.36-mn in the same period last year.

- Non-markup expenses increased by Rs.1,725-mn i.e 21.71% which was mainly attributable due to increase in operational costs in line with priority placed on the Bank's ongoing business initiatives.

Post tax profit for the period ended September 30, 2026 touched a new peak of Rs.2,883-mn, reflecting a 137.7% after tax profit of Rs.1,213-mn in the same period last year.

Total Assets stood at Rs.430.37-bn as compared to Rs.397.57-bn as at December 31, 2025, thereby registering increase 8.25% of Rs.32.80-bn.

Carrying value of Investments as at September 30, 2026 amounted to Rs.224.67-bn i.e increase by 34.82% higher than Rs.58.02-bn as at December 31, 2025.

The Bank achieved growth in private sector lending where SME financing increased by 17.12% (Rs.1.63-bn), Agriculture Finance up by 122.67% (Rs.1.10-bn), Consumer Finance up by 27.93%(Rs.403-mn) and Corporate Commercial Finance increased by 7.87% (Rs.4.90-bn) during the period. Significant reduction however took place in Government-Backed Commodity Financing as a result of which the Gross Advances declined by 14.84%, decreasing from Rs.170.50-bn as at December 31, 2025 to Rs.145.194 –bn.

Total Deposits increased 1.38% to Rs.346.81-bn as of September 30,2026 compared to Rs.342.09-bn as on December 31,2025. Number of customer accounts stood at 1,882,745 after increase of 245,277accounts (i.e. 14.98%) during the period which depicts customer's preferences and brisk activities at branches to introduce new customers to Bank.

The Bank today is stronger, more focused and better positioned for growth than it was ever before. Our strategy is working and the opportunities ahead remain significant. None of this would be possible without the extraordinary commitment of our staff. We enter the last quarter of the year with momentum and confidence to achieve desired goals and objectives.

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 23.85% as against the minimum requirement of 11.50% and Leverage Ratio stood at 5.78 % against minimum requirement of 3.0% as on September 30, 2026. Bank remains strongly capitalised and highly liquid, the liquidity coverage ratio of 368% reflects disciplined balance sheet management.

ECONOMIC OUTLOOK

Pakistan entered FY27 on a stable macroeconomic footing, although the US-Iran conflict and elevated energy prices continued to keep inflation high. Provisional real GDP growth for FY26 is estimated at 3.7%, with large-scale manufacturing (LSM) expanding by about 5%, its strongest pace in roughly four years. Fiscal discipline was also evident, as the Federal Government posted a primary surplus of 2.9% of GDP in FY26, ahead of the IMF target.

Headline inflation stayed elevated through 1QFY27. NCPI eased to 10.3% YoY in Sep'26 from 11.2% in Aug'26, but the 1QFY27 average of 10.2% remains well above the 4.3% recorded in the same period last year. Fuel prices and electricity charges were the main drivers, and core inflation also remained elevated. Against this backdrop, the SBP held the policy rate at 11.50% at both the Jul'26 and Sep'26 Monetary Policy Committee (MPC) meetings.

The external account remained manageable. The 2MFY27 current account deficit narrowed 36% YoY to USD 543Mn. As per PBS data, 1QFY27 exports grew 11% YoY to USD 8.42Bn, but imports grew faster, at 13%, to USD 19.22Bn, widening the goods trade deficit by 15% YoY to USD 10.8Bn.

Remittances and services exports continued to cushion the gap: workers' remittances rose 14% YoY to USD 10.87Bn in 1QFY27, IT exports reached USD 811Mn in the first two months, and net FDI rose 24% YoY to USD 495Mn.

Foreign exchange reserves strengthened materially. A USD 1.3Bn Chinese commercial loan repayment in Jul'26 had pulled SBP reserves down to about USD 17Bn. In Sep'26, however, Pakistan issued a record USD 3Bn dual-tranche Eurobond: USD 1.75Bn at 7.50% (5½-year) and USD 1.25Bn at 7.90% (10-year), against global demand of nearly USD 6Bn. As a result, SBP reserves rose to USD 21.4Bn as at September 25, 2026, with total liquid reserves of USD 26.8Bn, equivalent to roughly 3 months of import cover.

The Rupee remained broadly stable, closing at Rs.277.11/USD on September 30, 2026, a marginal appreciation of 0.4% over the quarter. After quarter-end, the IMF reached a staff-level agreement with Pakistan on the fourth Extended Fund Facility (EFF) review and third Resilience and Sustainability Facility (RSF) review, which would unlock about USD 1.0Bn under the EFF and USD 210Mn under the RSF, subject to Executive Board approval. The Government continues to target a primary surplus of 2% of GDP under the FY27 Budget.

PSX REVIEW

The KSE-100 Index closed at 169,969 points on September 30, 2026, down 2% calendar year to date. During the Jul-Sep'26 quarter, the index fell 10,332 points, or 5.73%, from the June close of 180,302.
Sentiment was weighed down by uncertainty around the US-Iran conflict. Renewed hostilities around the Strait of Hormuz and the Red Sea, together with attacks by Yemen-based Houthis on Saudi energy and transport infrastructure, pushed Brent above USD 100/bbl, raising concerns over inflation, the external account and the interest rate outlook. Domestic political noise and a volatile security situation added to the pressure.

Foreign participation was mixed. Foreign investors were net buyers of USD 34.4Mn in July, the first monthly net inflow in 23 months, but turned net sellers of USD 20.1Mn in August and USD 17.7Mn in September, leaving net foreign selling for the quarter at USD 3.4Mn, which local investors absorbed. A silver lining was corporate profitability, with KSE-100 earnings up 16% YoY in FY26, supported by sales and margin growth as well as one-off factors such as tax reversals.

Going forward, geopolitical developments and oil prices will continue to drive market sentiment. The next MPC meeting (October 26, 2026) is the key event to watch, as any further tightening, or rates staying higher for longer, could weigh on growth and corporate earnings. On the positive side, improved FX reserves, renewed Eurobond market access, progress under the IMF program and ongoing mediation efforts could provide greater clarity on the geopolitical 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 PKR 1,000 million. As of September 30, 2026, the Bank's equity base has grown to Rs 2.00 billion (December 31, 2025: Rs 1.58 billion) through internally generated profits, making SMFB the only microfinance bank in Pakistan to have maintained uninterrupted profitability since inception. During the quarter, paid-up capital was increased to Rs 1,500 million (December 31, 2025: Rs 1,000 million) through the issue of 50% bonus shares.

For the nine months ended September 30, 2026, SMFB reported a profit after tax of Rs 420.2 million compared to Rs218.6 million during the corresponding period last year, reflecting a 92.3% growth year-on-year. Profit before tax of Rs561.8 million, representing an increase of 64.1% over Rs342.4 million recorded in the corresponding period ended September 30, 2025. This robust performance was driven by a 29.8% increase in net interest income, which rose to Rs1,231.8 million from Rs949.1 million during the corresponding period last year. For the quarter ended September 30, 2026, profit after tax was Rs186.7 million against Rs90.3 million in the corresponding quarter of 2025, showing a robust growth of over 120% over the corresponding quarter ended September 30, 2025.

SMFB's business model continues to be firmly anchored in grassroots 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 Rs57,600 and continues to sustain one of the lowest delinquency rates in the microfinance sector, with non-performing loans at 0.48% of gross advances (December 31, 2025: 0.35%). During the nine months, the Bank disbursed 79,465 loans amounting to Rs4,576 million (September 30, 2025: Rs3,376 million), while increasing agriculture lending in line with the SBP credit facility mandate. Since inception, SMFB has disbursed over 580,000 loans amounting to Rs23.8 billion, entirely to women, through a network of 135 business locations, comprising 25 branches and 110 service centers.

Following the grant of a National-Level License, enabling pan-Pakistan operations, the Bank has continued its phased organic expansion across Southern Punjab, establishing branches in Multan, Bahawalpur, and Rahim Yar Khan, complemented by service centers in surrounding towns. Similarly, in Balochistan, operations have been launched in Usta Muhammad District, Dera Allahyar in Jaffarabad District, and Hub District, steadily extending the Bank's outreach to underserved communities across Pakistan.

The Bank's Capital Adequacy Ratio (CAR) stood at a robust 46.38% as of September 30, 2026 (December 31, 2025: 44.74%). Total eligible capital stood at PKR 1,956 million (December 31, 2025: Rs1,541 million) against risk-weighted assets of Rs4,216 million (December 31, 2025: Rs3,445 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' and has revised the outlook from 'Stable' to 'Positive', making SMFB amongst the higher-rated microfinance banks in the country.

A summary of key financial highlights for the nine months ended September 30, 2026, is presented below:

Balance Sheet

	As on 30-Sep-26	As on 31-Dec-25
	(Rs in million)	(Rs in million)
Gross Loan Portfolio	3,379	2,723
Total Assets	5,650	4,832
Deposits	1,733	1,554
Borrowings	1,525	1,266
Total Liabilities	3,650	3,252
Net Equity	2,000	1,580

Profit and Loss Account

	Nine Months Ended 30-Sep-26	Nine Months Ended 30-Sep-25
	(Rs in million)	(Rs in million)
Net Interest Income	1,232	949
Profit Before Tax	562	342
Taxation	(142)	(124)
Profit After Tax	420	219
EPS (Rs)*	2.80	1.46

** 2025 EPS restated for the 50% bonus issue in September 2026.*

Other Information

	30-Sep-26	31-Dec-25
No. of Business Locations	135	113
Capital Adequacy Ratio (CAR)	46.38%	44.74%
Non-Performing Loans (% of gross advances)	0.48%	0.35%

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.

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 our customers for continued patronage, shareholders and regulator customers for their continued guidance, support and confidence reposed in the Bank and its Management.

On behalf of the Board of Directors

Muhammad Anwaar Sheikh
President & CEO

(Non-Executive Director)

Karachi, October 29, 2026

SINDH BANK LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2026

	Note	September 30, 2026 (Un-audited)	December 31, 2025 (Audited)
		--------- (Rupees in '000') ---------	
ASSETS			
Cash and balances with treasury banks	7	**21,122,106**	27,774,017
Balances with other banks	8	**542,284**	3,721,041
Lendings to financial institutions	9	**23,576,854**	21,413,319
Investments	10	**224,672,605**	166,642,939
Advances	11	**124,548,804**	147,521,458
Property and equipment	12	**3,124,518**	1,989,588
Right of use assets	13	**3,629,976**	3,656,418
Intangible assets	14	**125,502**	114,537
Deferred tax assets - net	15	**13,499,685**	13,954,990
Other assets	16	**15,531,120**	10,784,694
		430,373,454	397,573,001
LIABILITIES			
Bills payable	17	**1,428,058**	4,236,755
Borrowings	18	**31,033,340**	1,080,000
Deposits and other accounts	19	**346,818,613**	342,091,252
Lease liabilities	20	**5,018,456**	4,847,455
Deferred tax liabilities		**-**	-
Other liabilities	21	**10,707,177**	11,769,315
		395,005,644	364,024,777
NET ASSETS		**35,367,810**	33,548,224
REPRESENTED BY			
Share capital - net	22	**34,524,428**	34,524,428
Reserves		**3,696,134**	3,119,393
Surplus/(deficit) on revaluation of assets - net	23	**1,183,578**	1,955,254
Accumulated loss		**(4,036,330)**	(6,050,851)
		35,367,810	33,548,224
CONTINGENCIES AND COMMITMENTS	24		

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

SINDH BANK LIMITED

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS ACCOUNT - UNAUDITED

FOR THE QUARTER AND NINE MONTHS ENDED SEPTEMBER 30, 2026

	Note	Quarter Ended		Nine Months End	
		Sept 30, 2026	Sept 30, 2025	Sept 30, 2026	Sept 30, 2025
		(Rupees in '000')			
Mark-up / return / profit / interest earned	25	**10,472,484**	9,390,819	**29,573,317**	27,912,935
Mark-up / return / profit / interest expensed	26	**6,424,493**	6,118,154	**17,827,439**	19,634,926
Net mark-up / return / profit / interest income		**4,047,991**	3,272,665	**11,745,878**	8,278,009
NON MARK-UP / INTEREST INCOME					
Fee and commission income	27	**171,392**	160,263	**565,349**	526,873
Dividend income		**41,237**	20,221	**121,584**	47,469
Foreign exchange income / (loss)		**94,205**	162,294	**423,102**	210,828
(Loss) / Gain on securities	28	**(123,250)**	291,838	**(342,403)**	786,365
Other income	29	**675**	467	**12,415**	1,812
Total non-markup/interest income		**184,259**	635,083	**780,047**	1,573,347
Total income		**4,232,250**	3,907,748	**12,525,925**	9,851,356
NON MARK-UP / INTEREST EXPENSES					
Operating expenses	30	**3,311,183**	2,745,000	**9,666,705**	7,938,548
Other charges	31	**4,644**	8,250	**5,539**	8,250
Total non-markup/interest expenses		**3,315,827**	2,753,250	**9,672,244**	7,946,798
PROFIT BEFORE PROVISIONS		**916,423**	1,154,498	**2,853,681**	1,904,558
Credit loss allowance and write offs - net	32	**(235,387)**	(303,554)	**(2,349,771)**	(637,086)
PROFIT BEFORE TAXATION		**1,151,810**	1,458,052	**5,203,452**	2,541,644
Taxation	33	**676,475**	745,358	**2,319,751**	1,328,570
PROFIT AFTER TAXATION		**475,335**	712,694	**2,883,701**	1,213,074
		(Rupees)			
Basic and diluted earnings per share	34	**0.14**	0.21	**0.84**	0.35

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

SINDH BANK LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME - UNAUDITED
FOR THE QUARTER AND NINE MONTHS ENDED SEPTEMBER 30, 2026

	Quarter Ended		Nine Months End	
	Sept 30, 2026	Sept 30, 2025	**Sept 30, 2026**	Sept 30, 2025
	---------- (Rupees in '000') ----------			
Profit after taxation for the period	**475,335**	712,694	**2,883,701**	1,213,074
Other comprehensive income				
Items that may be reclassified to profit and loss account in subsequent periods:				
Movement in (deficit) / surplus on revaluation of investments - net of tax	**68,847**	(96,495)	**(360,437)**	375,902
	544,182	616,199	**2,523,264**	1,588,976
Items that will not be reclassified to profit and loss account in subsequent periods:				
Remeasurement loss on defined benefit obligations - net of tax	-	-	-	-
Movement in surplus on revaluation of equity investments - net of tax	**55,918**	413,376	**(411,238)**	368,438
Movement in surplus on revaluation of non-banking assets - net of tax	-	-	-	-
Gain on sale of equity securities carried at FVOCI - net of tax	-	59,974	-	104,916
	55,918	473,350	**(411,238)**	473,354
Total comprehensive income	**600,100**	1,089,549	**2,112,026**	2,062,330

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

SINDH BANK LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY - UNAUDITED
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

	Share Capital	Shares Deposit Money	Capital Reserves		Statutory Reserve *	Surplus / (Deficit) on revaluation		Accumulated Loss **	Total
			Reserves on amalgamation	Share Premium		Investments	Fixed/Non-banking assets		
	(Rupees in '000')								
Balance as at December 31, 2024 after adoption of IFRS-09	34,524,428	-	9,433	51	2,438,947	798,042	86,400	(8,705,257)	29,152,044
Profit/Loss for the period ended Sept 30, 2025	-	-	-	-	-	-	-	1,213,074	1,213,074
Other comprehensive income - net of tax									
Movement in revaluation reserve of investments in debt instruments - net of tax	-	-	-	-	-	375,902	-	-	375,902
Movement in revaluation reserve of equity investments - net of tax	-	-	-	-	-	368,438	-	-	368,438
Gain on sale of equity securities carried at FVOCI - net of tax	-	-	-	-	-	-	-	104,874	104,874
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	-	-	-	-	-	744,340	-	104,874	849,214
Transfer to statutory reserve	-	-	-	-	242,615	-	-	(242,615)	-
Balance as at Sept 30, 2025	**34,524,428**	-	**9,433**	**51**	**2,681,562**	**1,542,382**	**86,400**	**(7,629,924)**	**31,214,332**
Profit/Loss for the three months ended December 31, 2025	-	-	-	-	-	-	-	2,141,735	2,141,735
Other comprehensive income - net of tax									
Movement in revaluation reserve of investments in debt instruments - net of tax	-	-	-	-	-	332,485	-	-	332,485
Movement in revaluation reserve of equity investments - net of tax	-	-	-	-	-	118,808	-	-	118,808
Gain on sale of equity securities carried at FVOCI - net of tax	-	-	-	-	-	(124,821)	-	19,947	(104,874)
Remeasurement loss on defined benefit obligations - net of tax	-	-	-	-	-	-	-	(154,262)	(154,262)
Movement in revaluation reserve of non-banking assets - net of tax	-	-	-	-	-	-	-	-	-
Total other comprehensive income - net of tax	-	-	-	-	-	326,472	-	(134,315)	192,157
Transfer to statutory reserve	-	-	-	-	428,347	-	-	(428,347)	-
Balance as at December 31, 2025	**34,524,428**	-	**9,433**	**51**	**3,109,909**	**1,868,854**	**86,400**	**(6,050,851)**	**33,548,224**
Effect of Transition to EIR Method - net of tax									
Investments - FVOCI	-	-	-	-	-	(29,818)	-	29,818	(0)
Investments - Amortised cost	-	-	-	-	-	-	-	**(1,928)**	**(1,928)**
Advances - Amortised cost	-	-	-	-	-	-	-	**(335,028)**	**(335,028)**
Deposits - Amortised cost	-	-	-	-	-	-	-	**15,124**	**15,124**
	-	-	-	-	-	(29,818)	-	(292,014)	(321,832)
Balance as at January 1, 2026 - as restated	**34,524,428**	-	**9,433**	**51**	**3,109,909**	**1,839,036**	**86,400**	**(6,342,865)**	**33,226,392**
Profit/Loss for the period ended Sept 30, 2026	-	-	-	-	-	-	-	**2,883,701**	**2,883,701**
Other comprehensive income - net of tax									
Movement in revaluation reserve of investments in debt instruments - net of tax	-	-	-	-	-	**(330,621)**	-	**(425)**	**(331,045)**
Movement in revaluation reserve of equity investments - net of tax	-	-	-	-	-	**(411,238)**	-	-	**(411,238)**
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	-	-	-	-	-	**(741,858)**	-	**(425)**	**(742,283)**
Transfer to statutory reserve	-	-	-	-	**576,741**	-	-	**(576,741)**	-
Balance as at Sept 30, 2026	**34,524,428**	-	**9,433**	**51**	**3,686,650**	**1,097,178**	**86,400**	**(4,036,330)**	**35,367,810**

* 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 1,740.14 million net of tax as at Sept 30, 2026 (December 31, 2025: Rs. 2,628.94 million) representing additional profit arising from availing forced sale value benefit for determining provisioning requirement which is not available for the purpose of distribution of dividend to shareholders.

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

SINDH BANK LIMITED
UNCONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT - UNAUDITED
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

	Note	Sept 30, 2026	Sept 30, 2025
		(Rupees in '000')	
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before taxation		5,203,452	2,541,644
Less: Dividend income		(121,584)	(47,469)
		5,081,868	2,494,175
Adjustments:			
Depreciation	30	458,397	253,189
Depreciation on right of use assets	30	603,431	579,342
Interest expense on lease liability	26	511,367	493,014
Amortisation	30	34,531	31,645
Credit loss allowance / provisions and write offs - net	32	(2,349,771)	(637,086)
Charge for defined benefit plan	30.2	186,525	157,509
Unrealised gain on securities measured at FVPL	28.2	441,688	(222,790)
Gain on sale of operating fixed assets	29	(9,251)	(573)
		(123,084)	654,250
		4,958,784	3,148,425
(Increase) / decrease in operating assets			
Lendings to financial institutions		(2,167,235)	2,969,086
Securities classified as FVPL		(2,193,825)	(1,123,650)
Advances		24,608,997	(37,052,009)
Other assets		(4,742,893)	(602,136)
		15,505,044	(35,808,709)
Increase / (decrease) in operating liabilities			
Bills payable		(2,808,697)	847,763
Borrowings		29,953,340	(457,900)
Deposits and other accounts		4,758,869	22,396,243
Other liabilities (excluding current taxation)		(274,377)	(1,189,280)
		31,629,135	21,596,826
		52,092,964	(11,063,458)
Contribution to gratuity fund		(373,942)	(177,202)
Income tax paid		(1,344,657)	(960,320)
Net cash generated from operating activities		50,374,365	(12,200,980)
CASH FLOW FROM INVESTING ACTIVITIES			
Net (divestment) in amortized cost securities		(5,767,689)	(12,299,825)
Net (divestment) / investment in securities classified as FVOCI		(52,008,866)	21,582,105
Dividend received		118,051	49,157
Investments in operating fixed assets		(1,640,051)	(337,143)
Sale proceeds of operating fixed assets disposed off		10,171	681
Net cash (used in) investing activities		(59,288,384)	8,994,975
CASH FLOW FROM FINANCING ACTIVITIES			
Shares deposit money		-	-
Payment of lease liability against right of use assets		(920,434)	(908,452)
Net cash (used in) financing activities		(920,434)	(908,452)
(Decrease) / increase in cash and cash equivalents		(9,834,453)	(4,114,457)
Cash and cash equivalents at the beginning of the year		31,495,058	26,399,081
Impact of expected credit loss allowance on cash and cash equivalents		3,785	(163)
Cash and cash equivalents at the end of the period	35	21,664,390	22,284,461

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

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 60 (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.

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

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

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

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

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

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

4. BASIS OF MEASUREMENT

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

5. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the preparation of these unconsolidated condensed interim financial statements are consistent with those applied in the preparation of the annual audited financial statements of the Bank for the year ended 31 December 2025 except for matters related to IFRS 9 which have been disclosed in note 5.1 to these unconsolidated condensed interim financial statements.

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

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

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

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

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

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

6. FINANCIAL RISK MANAGEMENT

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

		Note	September 30, 2026 (Un-audited)	December 31, 2025 (Audited)
7.	**CASH AND BALANCES WITH TREASURY BANKS**		--------- (Rupees in '000') ---------	
	In hand			
	Local currency		**4,926,349**	6,111,978
	Foreign currency		**134,182**	144,466
			5,060,531	6,256,444
	With State Bank of Pakistan (SBP) in			
	Local currency current accounts	7.1	**15,000,617**	20,083,563
	Foreign currency current accounts	7.2	**92,991**	57,767
	Foreign currency deposit accounts			
	- Non Remunerative	7.3	**161,510**	171,578
	- Remunerative	7.4	**305,521**	344,070
			15,560,639	20,656,978
	With National Bank of Pakistan in			
	Local currency current accounts		**488,320**	851,477
	Local currency deposit accounts	7.5	**9,562**	3,136
			497,882	854,613
	Prize bonds		**3,082**	5,996
	Less: Credit Loss allowance held against balances with treasury banks		**28**	14
			21,122,106	27,774,017

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

7.2 This represents US Dollar Settlement Account maintained with SBP.

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

7.4 This represents foreign currency special cash reserve maintained with SBP. The Bank is entitled to earn profit which is declared by SBP on a monthly basis. During the period, the SBP has declared 2.62% to 2.71% profits (2025 : 2.86% to 3.35%) per annum.

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

		Note		
8.	**BALANCES WITH OTHER BANKS**			
	In Pakistan			
	In current accounts		**30**	30
	In savings account	8.1	**1,763**	1,661
	In term deposits receipt		**-**	100,000
			1,793	101,691
	Outside Pakistan			
	In current accounts	8.2	**540,809**	3,623,467
	Less: Credit Loss allowance held against balances with other banks	8.3	**318**	4,117
			542,284	3,721,041

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 Rs. 454.249 million (2025: Rs. 2,382.043 million) held in Automated Investment Plans. This balance is current in nature and in case this goes above a specified amount, the bank is entitled to earn interest from the correspondent banks at the agreed rates.

	Note	September 30, 2026 (Un-audited)	December 31, 2025 (Audited)
		--------- (Rupees in '000') ---------	
8.3 Opening balance		**4,117**	1,223
Charge / reversals;			
Charge for the period		**318**	2,894
Reversals for the period		**(4,117)**	-
		(3,799)	2,894
Closing Balance		**318**	4,117

9. LENDINGS TO FINANCIAL INSTITUTIONS

Call / Clean money lendings	**6,500,000**	-
Repurchase agreement lendings (Reverse Repo)	**17,081,702**	20,864,467
Musharaka arrangements	**-**	550,000
	23,581,702	21,414,467
Less: Credit loss allowance held against lending to financial institutions	**(4,848)**	(1,148)
Lending to financial institutions - net of credit loss allowance	**23,576,854**	21,413,319

9.1 Particulars of lendings

In local currency	**23,576,854**	21,413,319
In foreign currencies	**-**	-
	23,576,854	21,413,319

9.2 Lendings to Financial Institutions - Category of classification

		Sept 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	**23,581,702**	**4,848**	21,414,467	1,148
Under performing	Stage 2	-	-	-	-
Non-performing	Stage 3				
Substandard		-	-	-	-
Doubtful		-	-	-	-
Loss		-	-	-	-
		-	-	-	-
Total		**23,581,702**	**4,848**	21,414,467	1,148

9.3 Lendings to Financial Institutions - Particulars of credit loss allowance

	Sept 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	**4,848**	-	-	**4,848**
Financial assets that have been derecognised	**(1,148)**	-	-	**(1,148)**
Write offs	-	-	-	-
Unwind of discount	-	-	-	-
Changes in risk parameters (PDs/LGDs/EADs)	-	-	-	-
Closing Balance	**4,848**	-	-	**4,848**

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

10. INVESTMENTS

Investments by type	September 30, 2026 (Un-audited)			
	Cost / Amortised cost	Credit loss allowance	Surplus / (Deficit)	Carrying Value
	---------- Rupees in '000' ----------			
Debt Instruments:				
Classified / Measured at FVPL				
Federal Government Securities				
Market Treasury Bills	552,979	-	861	553,840
	552,979	-	861	553,840
Classified / Measured at amortised cost				
Federal Government Securities				
Market Treasury Bills	12,343,496	-	-	12,343,496
Pakistan Investment Bonds	11,802,310	-	-	11,802,310
Non-government debt securities				
Term finance certificates - Listed	-	-	-	-
Term finance certificates - Unlisted	119,593	(334)	-	119,259
Preference Shares - Unlisted	77,708	(77,708)	-	-
	24,343,107	(78,042)	-	24,265,065
Classified / Measured at FVOCI				
Federal Government Securities				
Market Treasury Bills	42,558,179	-	(146,740)	42,411,439
Pakistan Investment Bonds	-	-	-	-
Pakistan Investment Bonds - Floater	143,159,139	-	1,389,093	144,548,232
Government of Pakistan - Ijarah Sukuk	5,319,603	-	(753)	5,318,850
Non-government debt securities				
Term finance certificates - Unlisted	1,000,000	-	-	1,000,000
Sukuk Bond	306,033	-	5,756	311,789
	192,342,954	-	1,247,356	193,590,310
Equity instruments:				
Classified / Measured at FVPL				
Shares				
Listed	2,813,924	-	(371,842)	2,442,082
Mutual funds	123,660	-	227,970	351,630
	2,937,584	-	(143,872)	2,793,712
Classified / Measured at FVOCI				
Shares				
Listed	1,622,044	-	1,050,218	2,672,262
Non-government debt securities				
Mutual funds	59,203	-	(11,787)	47,416
	1,681,247	-	1,038,431	2,719,678
Investment in Subsidiary				
Fully paid ordinary shares	750,000	-	-	750,000
Total Investments	222,607,871	(78,042)	2,142,776	224,672,605

INVESTMENTS

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

		September 30, 2026 (Un-audited)	December 31, 2025 (Audited)
10.1	**Credit loss allowance**	---------- (Rupees in '000') ----------	
10.1.1	**Opening balance**	**128,569**	98,289
	Charge / reversals		
	Charge for the year	-	30,281
	Reversals for the year	(4,239)	-
	Transfer during the period	-	-
	Reversal on disposals	(46,288)	-
	Transfers - net	**(50,527)**	30,281
	Closing Balance	**78,042**	128,569

10.2 Particulars of credit loss allowance

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

Domestic	Sept 30, 2026 (Un-audited)		December 31, 2025 (Audited)	
	Outstanding amount	**Credit loss allowance held**	**Outstanding amount**	**Credit loss allowance held**
	---------- (Rupees in '000') ----------			
Performing Stage 1	**217,161,332**	**334**	159,215,324	4,573
Underperforming Stage 2	-	-	224,235	46,288
Non-Performing Stage 3				
Substandard	-	-	-	-
Doubtful	-	-	-	-
Loss	77,708	77,708	77,708	77,708
	77,708	77,708	77,708	77,708
Total	**217,239,040**	**78,042**	159,517,267	128,569

11 ADVANCES	September 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.	**58,525,010**	**22,224,978**	**80,749,988**	47,418,985	26,939,778	74,358,763
Commodity finance	**31,955,988**	**-**	**31,955,988**	64,772,450	-	64,772,450
Net investment in finance lease	**1,533,976**	**186,128**	**1,720,104**	600,564	184,908	785,472
Islamic financing and related assets						
Diminishing musharakah financing	**83,024**	**121,353**	**204,377**	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	**-**	**-**	**-**	-	-	-
Murabaha Financing	**-**	**-**	**-**	-	-	-
Ijarah financing under IFAS 2	**10,108**	**-**	**10,108**	10,474	-	10,474
	122,108,106	**22,532,459**	**144,640,565**	142,841,439	27,246,039	170,087,478
Bills discounted and purchased						
Payable in Pakistan	**50,062**	**348,639**	**398,701**	61,436	352,824	414,260
Payable outside Pakistan	**155,500**	**-**	**155,500**	-	-	-
	205,562	**348,639**	**554,201**	61,436	352,824	414,260
Advances - gross	**122,313,668**	**22,881,098**	**145,194,766**	142,902,875	27,598,863	170,501,738
Credit loss allowance against advances	**-**	**-**	**-**	-	-	-
- Stage 1	**275,705**	**-**	**275,705**	458,048	-	458,048
- Stage 2	**741,548**	**-**	**741,548**	242,365	-	242,365
- Stage 3	**-**	**19,628,709**	**19,628,709**	-	22,279,867	22,279,867
	1,017,253	**19,628,709**	**20,645,962**	700,413	22,279,867	22,980,280
Total Advances - Net credit loss allowance	**121,296,415**	**3,252,389**	**124,548,804**	142,202,462	5,318,996	147,521,458

11.1 Particulars of advances (gross)	Sept 30, 2026 (Un-audited)	December 31, 2025 (Audited)
	---------- (Rupees in '000') ----------	
In local currency	**144,696,842**	170,501,738
In foreign currencies	**497,924**	-
	145,194,766	170,501,738

11.2 Advances include Rs.22,881.10 (2025: Rs. 27,598.86) million, which have been placed under non performing status are as detailed below:

Category of Classification of stage 3	September 30,2026 (Un-audited)		December 31,2025 (Audited)	
	Non Performing Loans	Credit loss allowance	Non Performing Loans	Credit loss allowance
		------- Rupees in '000' ------		
Domestic				
Other Assets Especially Mentioned	-	-	-	-
Substandard	-	-	1,654	-
Doubtful	**1,654**	-	295,383	9,690
Loss	**22,879,444**	**19,628,709**	27,301,826	22,270,177
Total	**22,881,098**	**19,628,709**	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.3,625.30 (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**

	Sept 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	-	-	-	-
Other Adjustment	-	-	-	-
Charge for the period	**(182,343)**	**499,183**	**573,620**	**890,460**
Reversals	-	-	**(3,216,474)**	**(3,216,474)**
	(182,343)	**499,183**	**(2,642,854)**	**(2,326,014)**
Amounts charged off - Agriculture loans	-	-	**(8,304)**	**(8,304)**
Net charge / (reversal) during the period	**(182,343)**	**499,183**	**(2,651,158)**	**(2,334,318)**
Amounts written off	-	-	-	-
Closing balance	**275,705**	**741,548**	**19,628,709**	**20,645,962**

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

11.4 Advances - Exposure

	Sept 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	**15,874,228**	**15,433,583**	**-**	**31,307,811**
Due to credit deterioration	**-**	**-**	**-**	**-**
Advances derecognised or repaid	**(34,352,432)**	**(19,667,606)**	**(2,594,746)**	**(56,614,784)**
Transfer to stage 1	**1,590,510**	**(1,590,510)**	**-**	**-**
Transfer to stage 2	**(4,930,964)**	**7,053,983**	**(2,123,019)**	**-**
Transfer to stage 3	**-**	**-**	**-**	**-**
	(21,818,658)	**1,229,450**	**(4,717,765)**	**(25,306,973)**
Transfer from investments -TFC	**-**	**-**	**-**	**-**
Amounts charged off	**-**	**-**	**-**	**-**
Closing balance	**81,010,830**	**41,302,838**	**22,881,098**	**145,194,766**

	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

	Sept 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	**109,292**	**-**	**-**	**109,292**
Due to credit deterioration	**-**	**-**	**-**	**-**
Changes in risk parameters (PDs/LGDs/EADs)	**105,884**	**414,393**	**626,513**	**1,146,790**
Advances derecognised or repaid	**(347,972)**	**(131,589)**	**(3,110,839)**	**(3,590,400)**
Transfer to stage 1	**21,193**	**(21,193)**	**-**	**-**
Transfer to stage 2	**(70,740)**	**237,572**	**(166,832)**	**-**
Transfer to stage 3	**-**	**-**	**-**	**-**
Reversals	**-**	**-**	**-**	**-**
	(182,343)	**499,183**	**(2,651,158)**	**(2,334,318)**
Amounts charged off - Agriculture loans	**-**	**-**	**-**	**-**
	(182,343)	**499,183**	**(2,651,158)**	**(2,334,318)**
Transfer from investments -TFC	**-**	**-**	**-**	**-**
Amounts written off	**-**	**-**	**-**	**-**
Closing balance	**275,705**	**741,548**	**19,628,709**	**20,645,962**

	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

		Sept 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	**81,010,830**	**275,705**	102,829,488	458,048
Underperforming	Stage 2	**41,302,838**	**741,548**	40,073,388	242,365
Non-Performing	Stage 3	-	-	-	-
Substandard		-	-	1,654	-
Doubtful		**1,654**	-	295,383	9,690
Loss		**22,879,444**	**19,628,709**	27,301,826	22,270,177
		22,881,098	**19,628,709**	27,598,863	22,279,867
Total		**145,194,766**	**20,645,962**	170,501,739	22,980,280

		Note	September 30, 2026 (Un-audited)	December 31, 2025 (Audited)
12.	**PROPERTY AND EQUIPMENT**		-------- (Rupees in '000') -------	
	Capital work-in-progress	12.1	**803,664**	423,652
	Property and equipment		**2,320,854**	1,565,936
			3,124,518	1,989,588

12.1 Capital work-in-progress

Civil works	**7,399**	800
Advances to suppliers	**796,265**	422,852
	803,664	423,652

		Sept 30, 2026	Sept 30, 2025
12.2	**Addition to property and equipment**	-------- (Rupees in '000') -------	
	The following additions have been made to fixed assets during the period:		
	Property and equipment		
	Leasehold improvements	**45,242**	19,135
	Furniture and fixture	**14,222**	18,670
	Computer and office equipment	**337,392**	239,791
	Vehicles	**817,687**	18,545
	Total	**1,214,543**	296,141

12.3 Disposal of property and equipment

The net book value of fixed assets disposed off during the period is as follows:		
Leasehold improvements	**449**	107
Computer and office equipment	**67**	-
Vehicles	**713**	-
Total	**1,229**	107

		September 30, 2026 (Un-audited)	December 31, 2025 (Audited)
13.	**RIGHT OF USE ASSETS**	------ (Rupees in '000') -----	
	Year ended December 31		
	Opening net book value	**3,656,418**	3,385,962
	Reassessment / renewals	**576,990**	1,049,858
	Disposals	**-**	-
	Depreciation charge	**(603,432)**	(779,402)
	Closing net book value	**3,629,976**	3,656,418
	At December 31		
	Cost	**7,358,391**	6,781,401
	Accumulated depreciation	**(3,728,415)**	(3,124,983)
	Net book value	**3,629,976**	3,656,418
	Rate of depreciation (percentage)	**10% to 100%**	**10% to 100%**
14.	**INTANGIBLE ASSETS**		
	Computer Software	**125,502**	114,537
	Others	**-**	-
		125,502	114,537

		Sept 30, 2026	Sept 30, 2025
14.1	**Additions to intangible assets**	----- (Rupees in '000') -----	
	The additions intangible assets during the period:		
	Computer Software	**45,496**	41,002
	Disposal of intangible assets		
	The net book value of intangible assets disposed off during the period.	**-**	-

		September 30, 2026 (Un-audited)	December 31, 2025 (Audited)
15.	**DEFERRED TAX ASSETS-NET**	------ (Rupees in '000') -----	
	Deductible Temporary Differences on		
	Credit loss allowance against advances	**11,847,944**	12,703,389
	Post retirement employee benefits	**54,201**	54,201
	Tax losses carried forward	**684,746**	1,050,943
	Provision for diminution in the value of investments	**40,491**	66,861
	Impact of Adoption of EIR	**316,348**	-
	Others	**1,112,525**	1,779,416
	Right of use assets	**722,010**	619,339
		14,778,265	16,274,149
	Taxable Temporary Differences on		
	Deficit on revaluation of investments	**(1,188,609)**	(2,024,590)
	Accelerated tax depreciation - tangible fixed assets	**24,810**	(27,880)
	Surplus on revaluation of non-banking	**(93,600)**	(93,600)
	Unrealized gain/loss on equity investment FVTPL	**(448)**	(155,312)
	Accelerated tax amortization - intangible assets	**(20,733)**	(17,777)
		(1,278,580)	(2,319,159)
		13,499,685	13,954,990

15.1 The Bank has an aggregate amount of deferred tax assets of Rs. 13,499.68 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.

16. OTHER ASSETS	Note	September 30, 2026 (Un-audited)	December 31, 2025 (Audited)
		--------- (Rupees in '000') ----------	
Income / mark-up accrued in local currency		**11,551,232**	6,652,635
Accrued commission income		**39,992**	39,992
Advances, deposits, advance rent and other prepayments		**1,850,887**	1,504,441
Receivable against sale of shares		**-**	563,093
Insurance premium receivable against agriculture loans		**13,898**	7,750
Stationery and stamps on hand		**15,025**	17,362
Dividends receivable		**3,533**	-
Receivable against 1 Link ATM settlement account		**-**	419,518
Provision for taxation - net		**59,338**	-
Acceptances		**54,982**	-
Insurance claims receivable		**16,581**	10,320
Non-Banking Assets Acquired in Satisfaction of Claims		**1,770,000**	1,770,000
Other receivables		**850,658**	494,589
		16,226,126	11,479,700
Less: Provision held against other assets	16.2	**(875,006)**	(875,006)
Other assets (net of provision)		**15,351,120**	10,604,694
Surplus on revaluation of non-banking assets acquired in satisfaction of claims		**180,000**	180,000
		15,531,120	10,784,694

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

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

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

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

		Note	September 30, 2026 (Un-audited)	December 31, 2025 (Audited)
17.	**BILLS PAYABLE**		--------- (Rupees in '000') ---------	
	In Pakistan		**1,428,058**	4,236,755
	Outside Pakistan		**-**	-
			1,428,058	4,236,755
18.	**BORROWINGS**			
	Secured			
	Borrowings from State Bank of Pakistan			
	- Under export refinance scheme		**540,000**	1,080,000
	- Under long term finance facility		**-**	-
	Repurchase agreement borrowings - Secured			
	- State Bank of Pakistan (SBP)		**20,757,030**	-
	- Other commercial banks / DFI's		**9,736,310**	-
			30,493,340	-
			31,033,340	1,080,000
18.1	**Particulars of borrowings with respect to Currencies**			
	In local currency		**31,033,340**	1,080,000
	In foreign currencies		**-**	-
			31,033,340	1,080,000

19. DEPOSITS AND OTHER ACCOUNTS

	September 30,2026 (Un-audited)			December 31,2025 (Audited)		
	In Local Currency	**In Foreign currencies**	**Total**	In Local Currency	In Foreign currencies	Total
	---------- (Rupees in '000') ----------					
Customers						
Current deposits	**100,532,055**	**1,034,443**	**101,566,498**	111,548,127	948,477	112,496,604
Savings deposits	**187,922,588**	**1,397,736**	**189,320,324**	171,592,894	1,335,434	172,928,328
Term deposits	**43,722,758**	**185,551**	**43,908,309**	43,233,965	705,669	43,939,634
Margin and other deposits	**2,045,506**	**-**	**2,045,506**	2,721,682	-	2,721,682
	334,222,907	**2,617,730**	**336,840,637**	329,096,668	2,989,580	332,086,248
Financial Institutions						
Current deposits	**187,903**	**4,386**	**192,289**	1,880,221	1,465	1,881,686
Savings deposits	**7,755,625**	**-**	**7,755,625**	6,068,256	-	6,068,256
Term deposits	**1,910,000**	**-**	**1,910,000**	1,935,000	-	1,935,000
Margin and other deposits	**120,062**	**-**	**120,062**	120,062	-	120,062
	9,973,590	**4,386**	**9,977,976**	10,003,539	1,465	10,005,004
	344,196,497	**2,622,116**	**346,818,613**	339,100,207	2,991,045	342,091,252

	Note	September 30, 2026 (Un-audited)	December 31, 2025 (Audited)
		----- (Rupees in '000') -----	
20. Lease liabilities			
Opening balance		**4,847,455**	4,308,326
Reassessment / renewals		**576,990**	1,049,858
Interest expense		**511,367**	660,585
Lease payments including interest		**(920,434)**	(1,221,593)
Other adjustments / transfers		**3,078**	50,279
Closing balance		**5,018,456**	4,847,455
20.1 Contractual maturity of lease liabilities			
Short-term lease liabilities - within one year		**639,760**	499,275
Long-term lease liabilities			
- 1 to 5 years		**2,671,490**	2,231,032
- 5 to 10 years		**1,706,849**	2,113,528
- More than 10 years		**357**	3,620
		4,378,696	4,348,180
Total lease liabilities		**5,018,456**	**4,847,455**
21. OTHER LIABILITIES			
Mark-up / return / interest payable in local currency		**6,562,533**	5,848,439
Mark-up / return / interest payable in foreign currency		**5,037**	16,389
Accrued expenses		**636,285**	323,123
Net defined benefit liability		**186,525**	373,942
Provision for compensated absences		**524,322**	532,617
Payable against 1 Link ATM settlement account		**699,754**	-
Payable against purchase of shares		**-**	62,870
Mark to market gain on forward foreign exchange contracts		**361,009**	512,510
Retention money		**83,570**	77,089
Federal excise duty / sales tax on services payable		**11,809**	14,747
Withholding tax payable		**481,299**	290,502
Acceptances		**54,982**	-
Provision for taxation - net		**-**	573,202
Security deposit against leases		**366,808**	161,101
Others		**687,563**	2,971,273
		10,661,496	11,757,804
Credit loss allowance against off-balance sheet obligations	21.1	**45,681**	11,511
		10,707,177	11,769,315

		Note	September 30, 2026 (Un-audited)	December 31, 2025 (Audited)
			----- (Rupees in '000') -----	
21.1	**Opening balance**		**11,511**	**3,898**
	Charge / reversals;			
	Charge for the year		**34,170**	7,613
	Reversals for the year		**-**	-
			34,170	7,613
	Closing Balance		**45,681**	11,511

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

22. SHARE CAPITAL - NET

22.1 Authorised capital

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

22.2 Issued, subscribed and paid-up share capital

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

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

		Note	September 30, 2026 (Un-audited)	December 31, 2025 (Audited)
23.	**SURPLUS/(DEFICIT) ON REVALUATION OF ASSETS - NET**		----- (Rupees in '000') -----	
	Surplus / (deficit) on revaluation of			
	- Securities measured at FVOCI - Debt		**1,247,356**	1,998,268
	- Securities measured at FVOCI - Equity		**1,038,431**	1,895,176
	- Non-banking assets acquired in satisfaction of claims	23.1	**180,000**	180,000
			2,465,787	4,073,444
	Deferred tax on surplus / (deficit) on revaluation of:			
	- Securities measured at FVOCI - Debt		**(648,624)**	(1,039,099)
	- Securities measured at FVOCI - Equity		**(539,985)**	(985,492)
	- Non-banking assets acquired in satisfaction of claims	23.1	**(93,600)**	(93,600)
			(1,282,209)	(2,118,191)
			1,183,578	1,955,254

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

Surplus on revaluation as at January 01	**180,000**	180,000
Recognised during the year	**-**	-
Surplus on revaluation as at September 30	**180,000**	180,000
Less: related deferred tax liability on:		
- revaluation as at January 01	**(93,600)**	(93,600)
- revaluation recognised during the year	**-**	-
	(93,600)	(93,600)
	86,400	86,400

24 CONTINGENCIES AND COMMITMENTS

-Guarantees	24.1	**10,308,586**	8,908,919
-Commitments	24.2	**168,899,212**	99,700,088
-Other contingent liabilities		**-**	-
		179,207,798	108,609,007

24.1 Guarantees:

Financial guarantees	**1,184,765**	1,170,887
Performance guarantees	**6,918,769**	5,841,003
Other guarantees	**2,205,052**	1,897,029
	10,308,586	8,908,919

		Note	September 30, 2026 (Un-audited)	December 31, 2025 (Audited)
			----- (Rupees in '000') -----	
24.2	**Commitments:**			
	Documentary credits and short-term trade-related transactions			
	- letters of credit		**4,335,735**	5,208,618
	Commitments in respect of:			
	- forward foreign exchange contracts	24.2.1	**86,488,776**	58,059,485
	- forward lending, borrowings and credits	24.2.2	**77,894,481**	36,235,717
	Commitments for acquisition of:			
	- fixed assets		**180,220**	196,268
			168,899,212	99,700,088

24.2.1 Commitments in respect of forward foreign exchange contracts

Purchase	**43,628,179**	29,049,476
Sale	**42,860,597**	29,010,009
	86,488,776	58,059,485

24.2.2 Commitments in respect of forward lending, borrowings and credits

Forward repurchase agreement borrowing		**30,536,007**	-
Forward resale agreement lending		**17,087,470**	20,881,685
Undrawn formal standby facilities, credit lines and other commitments to lend	24.2.2.1	**30,271,004**	15,354,032
		77,894,481	36,235,717

24.2.2. Commitments to extend credit

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

		Note	Nine Months Ended	
			Sept 30, 2026	Sept 30, 2025
			Un-audited	
25.	**MARK-UP/RETURN/INTEREST EARNED**		---- (Rupees in '000') ----	
	On loans and advances		**11,669,051**	7,370,613
	On investments		**16,972,270**	19,971,140
	On lendings to financial institutions		**829,534**	472,911
	On balances with banks		**102,462**	98,271
			29,573,317	27,912,935
26.	**MARK-UP/RETURN/INTEREST EXPENSED**			
	Deposits		**16,577,383**	17,731,600
	Borrowings		**738,689**	1,410,312
	Finance charge on lease liability against right of use assets		**511,367**	493,014
			17,827,439	19,634,926
27.	**FEE AND COMMISSION INCOME**			
	Branch banking customer fees		**75,554**	88,814
	Consumer finance related fees		**4,009**	4,339
	Card related fees (debit cards)		**280,536**	262,909
	Commission on trade		**112,119**	96,610
	Commission on guarantees		**66,663**	59,999
	Credit related fees		**22,340**	6,982
	Commission on remittances including home remittances		**2,965**	5,926
	Others		**1,163**	1,294
			565,349	526,873
28.	**(LOSS)/GAIN ON SECURITIES**			
	Realised	28.1	**99,285**	563,575
	Unrealised - Measured at FVPL	28.2	**(441,688)**	222,790
			(342,403)	786,365
28.1	**Realised gain on:**			
	Federal Government Securities		**367**	428,002
	Shares of listed companies		**98,918**	135,573
	Mutual Funds		**-**	-
			99,285	563,575

		Nine Months Ended	
		Sept 30, 2026	Sept 30, 2025
		Un-audited	
28.2 **Net (loss) / gain on financial assets measured at FVPL:**	**Note**	---- (Rupees	in '000') ----
Designated upon initial recognition		-	-
Mandatorily measured at FVPL		**(441,688)**	222,790
		(441,688)	222,790

29. OTHER INCOME

Gain on sale of operating fixed assets		**9,251**	573
Rent on premises shared		**854**	675
Godown charges		**80**	150
Others		**2,230**	414
		12,415	1,812

30. OPERATING EXPENSES

Total compensation expense	30.2	**5,217,036**	4,373,063
Property expense			
Rent & taxes		**110,854**	47,413
Insurance		**51,263**	50,162
Utilities cost		**513,747**	408,028
Security		**597,132**	602,417
Repairs & maintenance		**46,558**	39,191
Depreciation		**58,091**	54,528
Depreciation - right of use assets		**603,431**	579,342
		1,981,076	1,781,081
Information technology expenses			
Software maintenance		**263,991**	188,661
Hardware maintenance		**103,112**	88,731
Depreciation		**106,987**	64,695
Amortisation		**34,531**	31,645
Network charges		**17,925**	16,758
Others		**152,123**	75,385
		678,669	465,875

		Nine Months Ended	
		Sept 30, 2026	Sept 30, 2025
		Un-audited	
OPERATING EXPENSES	Note	---- (Rupees in '000') ----	
Other operating expenses			
Directors' fees and allowances		**19,500**	24,250
Fees and allowances to Shariah Board		**5,769**	3,633
Legal and professional charges		**36,490**	31,534
Travelling & conveyance		**54,419**	50,680
NIFT clearing charges		**38,039**	37,197
Training & development		**7,012**	4,859
Postage & courier charges		**22,802**	14,627
Communication		**348,372**	190,881
Stationery & printing		**154,980**	143,237
Marketing, advertisement & publicity		**82,217**	81,225
Auditor's Remuneration	30.3	**13,481**	12,061
Repairs & maintenance		**170,681**	147,621
Brokerage and commission		**8,891**	9,499
Entertainment Expenses		**77,236**	65,486
Fees and subscription		**116,146**	73,003
Insurance expenses		**15,210**	8,113
Premium of deposit protection fund		**93,572**	81,962
Depreciation		**293,319**	133,966
Outsourced service costs	30.1	**186,651**	161,999
Others		**45,137**	42,696
		1,789,924	1,318,529
		9,666,705	7,938,548

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	**3,153,146**	2,643,151
- Variable Cash Bonus / Awards	**84,955**	31,244
Charge for defined benefit plan	**186,525**	157,509
Contribution to defined contribution plan	**154,629**	129,436
Rent & house maintenance	**784,707**	674,227
Utilities	**163,423**	140,416
Medical	**163,418**	140,416
Conveyance	**134,571**	167,292
Dearness Allowance	**49,305**	42,352
Employee old age benefits contribution	**40,451**	36,158
Leave Fare Assistance Allowances	**92,687**	63,009
Leave Encashment	**12,500**	4,500
Staff Insurances	**100,083**	88,358
Others	**96,636**	54,995
	5,217,036	4,373,063

			Nine Months Ended	
			Sept 30, 2026	Sept 30, 2025
30.3	**Auditors' remuneration**	**Note**	---------- (Rupees in '000') ----------	
	Audit fee		**11,332**	10,302
	Fee for other statutory certifications		**953**	1,284
	Special certifications and sundry advisory services		**459**	-
	Out-of-pocket expenses		**737**	475
			13,481	12,061
31.	**OTHER CHARGES**			
	Penalties imposed by the State Bank of Pakistan		**5,539**	8,250
	Others		**-**	-
			5,539	8,250
32.	**CREDIT LOSS ALLOWANCE & WRITE OFFS - NET**			
	Credit loss allowance for diminution in value of investments	10.1.1	**(50,527)**	26,664
	Reversal of credit loss allowance / provision against loans and advances	11.3	**(3,224,778)**	(1,997,366)
	Credit loss allowance / provision against loans and advances	11.3	**890,460**	1,335,177
	Credit loss allowance against lendings to financial institutions	9.3	**3,700**	376
	Reversal of credit loss allowance against other assets	16.2	**-**	-
	Credit loss allowance against off-balance sheet obligations	21.1	**34,170**	(877)
	Credit loss allowance against balance with other banks	8.3	**(3,799)**	(1,060)
	Credit loss allowance against balance with treasury banks		**14**	-
	Fixed Assets Written-off		**309**	-
	Bad debts directly charged to profit and loss account		**680**	-
			(2,349,771)	(637,086)
33.	**TAXATION**			
	Current		**712,117**	670,161
	Deferred		**1,607,634**	658,409
			2,319,751	1,328,570
34.	**BASIC AND DILUTED EARNINGS PER SHARE**			
	Profit for the period (Rupees in '000)		**2,883,701**	1,213,074
	Weighted average number of ordinary shares		**3,452,442,817**	3,452,442,817
	Basic and diluted earnings per share (Rupee)		**0.84**	0.35
35.	**CASH AND CASH EQUIVALENTS**			
	Cash and balance with treasury banks	7	**21,122,106**	21,628,229
	Balance with other banks	8	**542,284**	656,232
			21,664,390	22,284,461

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 aspart of this disclosure.

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

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

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

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

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

36.1 Fair value of financial and non-financial assets

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

	Sept 30,2026			
	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	-	144,548,232	-	144,548,232
Market Treasury Bills	-	42,411,439	-	42,411,439
Term finance certificates - Unlisted	-	1,000,000	-	1,000,000
Shares of listed companies	5,114,344	-	-	5,114,344
Units of mutual funds	399,046	-	-	399,046
Ijarah Sukuk - GoP	-	5,318,850	-	5,318,850
Sukuk bonds	-	311,789	-	311,789
	5,513,390	193,590,310	-	199,103,700
Financial assets disclosed but not measured at fair value				
Investments				
Market Treasury Bills	-	12,343,496	-	12,343,496
Pakistan Investment Bonds	-	11,802,310	-	11,802,310
Term finance certificates - Listed	-	-	-	-
Term finance certificates - Unlisted	-	119,259	-	119,259
	-	24,265,065	-	24,265,065
Off balance sheet financial instruments				
Foreign exchange contracts (purchase)	-	43,628,179	-	43,628,179
Foreign exchange contracts (sale)	-	42,860,597	-	42,860,597
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	-	3,472,967	-	3,472,967
Pakistan Investment Bonds	-	14,684,883	-	14,684,883
Term finance certificates - Listed	-	177,947	-	177,947
Term finance certificates - Unlisted	-	119,632	-	119,632
	-	18,455,429	-	18,455,429
Off balance sheet financial instruments				
Foreign exchange contracts (purchase)	-	29,049,476	-	29,049,476
Foreign exchange contracts (sale)	-	29,010,009	-	29,010,009
Non-Financial Assets				
Land and building (Non-banking assets)	-	1,950,000	-	1,950,000

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

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

37. SEGMENT INFORMATION

37.1 Segment Details with respect to Business Activities

	Sept 30,2026			
	Trading and sales	Retail banking	Commercial banking and others	Total
	(Rupees in '000')			
Profit & Loss				
Net mark-up/return/interest income	17,099,188	1,197,543	(6,550,853)	11,745,878
Inter segment revenue - net	(22,838,353)	-	22,838,353	-
Non mark-up / interest income	177,534	498	602,015	780,047
Total Income	(5,561,631)	1,198,041	16,889,515	12,525,925
Segment direct expenses	(130,907)	(118,165)	(7,415,744)	(7,664,816)
Inter segment expense allocation	(200,743)	(898,157)	(908,528)	(2,007,428)
Total expenses	(331,650)	(1,016,322)	(8,324,272)	(9,672,244)
Provisions	16,442	-	2,333,329	2,349,771
(Loss) / Profit before tax	(5,876,839)	181,719	10,898,572	5,203,452
Balance Sheet				
Cash & Bank balances	14,224,904	-	7,439,486	21,664,390
Investments	219,046,989	-	5,625,616	224,672,605
Net inter segment lending	-	-	242,340,686	242,340,686
Lendings to financial institutions	23,576,854	-	-	23,576,854
Advances - performing	44,408	12,909,292	108,342,715	121,296,415
Advances - non-performing	-	-	3,252,389	3,252,389
Others	8,107,245	69,903	27,733,653	35,910,801
Total Assets	265,000,400	12,979,195	394,734,545	672,714,140
Borrowings	30,493,340	-	540,000	31,033,340
Subordinated debt	-	-	-	-
Deposits & other accounts	-	-	346,818,613	346,818,613
Net inter segment borrowing	229,388,981	12,951,705	-	242,340,686
Others	602,479	27,490	16,523,722	17,153,691
Total liabilities	260,484,800	12,979,195	363,882,335	637,346,330
Equity	4,515,600	-	30,852,210	35,367,810
Total Equity & liabilities	265,000,400	12,979,195	394,734,545	672,714,140
Contingencies & Commitments	134,112,253	-	45,095,545	179,207,798

Segment Details with respect to Business Activities

	Sept 30, 2025			
	Trading and sales	Retail banking	Commercial banking and others	Total
	(Rupees in '000')			
Profit & Loss				
Net mark-up/return/interest income	19,108,344	396,320	(11,226,655)	8,278,009
Inter segment revenue - net	(24,161,737)	-	24,161,737	-
Non mark-up / interest income	1,036,100	1,289	535,958	1,573,347
Total Income	(4,017,293)	397,609	13,471,040	9,851,356
Segment direct expenses	(112,792)	(87,500)	(6,177,674)	(6,377,966)
Inter segment expense allocation	(156,883)	(297,240)	(1,114,709)	(1,568,832)
Total expenses	(269,675)	(384,740)	(7,292,383)	(7,946,798)
Provisions	(25,103)	-	662,189	637,086
(Loss) / Profit before tax	(4,312,071)	12,869	6,840,846	2,541,644

	December 31,2025 (Audited)			
	Trading and sales	Retail banking	Commercial banking and others	Total
	(Rupees in '000')			
Balance Sheet				
Cash & Bank balances	20,758,123	-	10,736,935	31,495,058
Investments	166,642,939	-	-	166,642,939
Net inter segment lending	-	-	217,741,251	217,741,251
Lendings to financial institutions	21,413,319	-	-	21,413,319
Advances - performing	(26,830)	10,999,029	131,230,263	142,202,462
Advances - non-performing	-	-	5,318,996	5,318,996
Others	3,923,760	35,878	26,540,589	30,500,227
Total Assets	212,711,311	11,034,907	391,568,034	615,314,252
Borrowings	-	-	1,080,000	1,080,000
Subordinated debt	-	-	-	-
Deposits & other accounts	-	-	342,091,252	342,091,252
Net inter segment borrowing	206,735,351	11,005,900	-	217,741,251
Others	948,359	29,007	19,876,159	20,853,525
Total liabilities	207,683,710	11,034,907	363,047,411	581,766,028
Equity	5,027,601	-	28,520,623	33,548,224
Total Equity & liabilities	212,711,311	11,034,907	391,568,034	615,314,252
Contingencies & Commitments	78,941,170	-	29,667,837	108,609,007

38. RELATED PARTY TRANSACTIONS

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

The Bank enters into transactions with related parties in the ordinary course of business and on substantially the same terms as for comparable transactions with person of similar standing. Transaction with executives and key management persons are undertaken at terms in accordance with employment agreements and service rules. Contributions to and accruals in respect of staff retirement benefit plans are made in accordance with the terms of the benefit plan. Remuneration of the President & Chief Executive Officer and directors are determined in accordance with the terms of their appointment.

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

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

	Sept 30,2026				December 31, 2025 (Audited)			
	Directors	**Key management personnel**	**Subsidiaries**	**Other related parties**	Directors	Key management personnel	Subsidiaries	Other related parties
	(Rupees in '000')							
Lendings to financial institutions								
Opening balance	-	-	-	-	-	-	-	-
Addition during the period	-	-	**1,000,000**	-	-	-	-	-
Repaid during the period	-	-	**(500,000)**	-	-	-	-	-
Transfer in / (out) - net	-	-	-	-	-	-	-	-
Closing balance	-	-	**500,000**	-	-	-	-	-
Investments								
Opening balance	-	-	**750,000**	-	-	-	750,000	-
Investment made during the period	-	-	-	-	-	-	-	-
Investment redeemed / disposed off during the period	-	-	-	-	-	-	-	-
Closing balance	-	-	**750,000**	-	-	-	750,000	-
Advances								
Opening balance	-	**231,968**	**148,980**	**64,378**	-	148,040	360,000	64,377
Addition during the period	-	**49,590**	**1,330,000**	-	-	84,677	360,000	1
Repaid during the period	-	**(59,099)**	**(1,438,980)**	-	-	(42,953)	(571,020)	-
Transfer in / (out) - net	-	**923**	-	**(64,378)**	-	42,204	-	-
Closing balance	-	**223,382**	**40,000**	-	-	231,968	148,980	64,378
Other Assets								
Interest / mark-up accrued	-	**130**	**32,733**	-	-	278	4,475	2,283
Deposits and other accounts								
Opening balance	**55,328**	**102,005**	**335,138**	**7,649,478**	20,863	74,467	220,877	2,824,555
Received during the period	**77,519**	**698,595**	**11,711,203**	**17,872,348**	149,704	586,989	14,384,080	33,506,499
Withdrawn during the period	**(83,659)**	**(535,955)**	**(11,699,261)**	**(16,309,919)**	(124,562)	(552,295)	(14,269,819)	(28,684,992)
Transfer in / (out) - net	**(2)**	**1,012**	-	**(387,629)**	9,322	(7,156)	-	3,417
Closing balance	**49,186**	**265,657**	**347,080**	**8,824,278**	55,328	102,005	335,138	7,649,478
Other Liabilities								
Interest / mark-up payable	**781**	**5,104**	**7,135**	**208,377**	812	2,108	3,652	63,543
Others	-	-	-	-	-	-	-	2,500,000
	781	**5,104**	**7,135**	**208,377**	812	2,108	3,652	2,563,543

	Sept 30,2026				Sept 30, 2025			
	Directors	**Key management personnel**	**Subsidiaries**	**Other related parties**	Directors	Key management personnel	Subsidiaries	Other related parties
	(Rupees in '000')							
Income								
Mark-up / return / interest earned	-	**1,805**	**45,141**	**2,140**	-	5,120	16,172	7,161
Fee and commission income	**1**	**28**	**339**	**32**	-	18	335	1,256
Net gain on sale of securities	-	-	**41**	**60**	-	-	-	-
Other income	-	-	-	**854**	-	-	-	675
Expense								
Mark-up / return / interest paid	**2,852**	**9,613**	**16,536**	**289,010**	1,484	6,570	7,827	227,605
Remuneration paid	-	**329,567**	-	-	-	286,701	-	-
Contribution to provident fund	-	**16,001**	-	-	-	14,167	-	-
Provision for gratuity	-	**38,832**	-	-	-	39,460	-	-
Other staff benefits	-	**88,226**	-	-	-	57,230	-	-
Directors' meeting fee	**19,500**	-	-	-	24,250	-	-	-
Other expenses	**263**	-	-	-	388	-	-	-
Insurance premium paid	-	-	-	**84,105**	-	-	-	42,788
Others								
Sale of Government Securities	-	-	**423,000**	**3,100,000**	-	-	280,000	1,550,000
Purchase of Government Securities	-	-	-	**100,000**	-	-	-	120,000
Gratuity paid	-	**11,662**	-	-	-	6,103	-	-
Leave encashment paid	-	**3,832**	-	-	-	3,940	-	-
Insurance claims settled	-	-	-	**1,333**	-	-	-	1,794
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. 28,300.71 million (2025: Rs. 34,912.45 million) note 11.1 and Rs. 200,264.09 million (2025: Rs. 193,330.66 million) note 19. The above includes deposits amounting to Rs. 46,423.01 million (2025: Rs.40,349.48 million) received through the Finance Department, Government of Sindh.

		September 30, 2026 (Un-audited)	December 31, 2025 (Audited)
39	**CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS**	-------- (Rupees in '000') -------	
	Minimum Capital Requirement (MCR):		
	Paid-up capital (net of losses)	**30,488,098**	28,473,577
	Capital Adequacy Ratio (CAR):		
	Eligible Common Equity Tier 1 (CET 1) Capital	**24,385,523**	20,950,961
	Eligible Additional Tier 1 (ADT 1) Capital	**-**	-
	Total Eligible Tier 1 Capital	**24,385,523**	20,950,961
	Eligible Tier 2 Capital	**1,353,609**	2,164,107
	Total Eligible Capital (Tier 1 + Tier 2)	**25,739,132**	23,115,068
	Risk Weighted Assets (RWAs):		
	Credit Risk	**72,668,982**	55,301,312
	Market Risk	**15,121,639**	16,884,380
	Operational Risk	**20,134,137**	20,134,137
	Total	**107,924,758**	92,319,829
	Common Equity Tier 1 Capital Adequacy ratio	**22.59%**	22.69%
	Tier 1 Capital Adequacy Ratio	**22.59%**	22.69%
	Total Capital Adequacy Ratio	**23.85%**	25.04%
	Notional minimum capital requirements prescribed by SBP		
	CET1 minimum ratio	6.00%	6.00%
	Tier 1 minimum ratio	7.50%	7.50%
	Total capital minimum ratio	10.00%	10.00%
	Total capital minimum ratio plus CCB	11.50%	11.50%
	Approach followed for determining Risk Weighted Assets		
	Credit Risk	**Comprehensive**	Comprehensive
	Market Risk	**Maturity method**	Maturity method
	Operational Risk	**Basic Indicator**	Basic Indicator
		September 30, 2026 (Un-audited)	December 31, 2025 (Audited)
		-------- (Rupees in '000') -------	
	Leverage Ratio (LR):		
	Eligible Tier-1 Capital	**24,385,523**	20,950,961
	Total Exposures	**421,901,194**	397,121,739
	Leverage Ratio (%)	**5.78%**	5.28%
	Liquidity Coverage Ratio (LCR):		
	Total High Quality Liquid Assets	**192,743,799**	183,159,874
	Total Net Cash Outflow	**52,347,621**	47,152,234
	Liquidity Coverage Ratio (%)	**368%**	388%
	Net Stable Funding Ratio (NSFR):		
	Total Available Stable Funding	**264,559,884**	256,915,076
	Total Required Stable Funding	**141,212,997**	128,858,448
	Net Stable Funding Ratio	**187%**	199%

40 ISLAMIC BANKING BUSINESS

The Bank is operating with 60 Islamic Banking branches and 14 Islamic Banking Windows in Conventional branches (2025: 58 Branches and 14 Islamic Banking Windows).

STATEMENT OF FINANCIAL POSITION
AS AT Sept 30, 2026

	Note	September 30, 2026 (Un-audited)	December 31, 2025 (Audited)
Assets		--------- (Rupees in '000') ---------	
Cash and balances with treasury banks		**1,926,356**	1,756,489
Balances with other banks		**207,536**	10,220
Due from financial institutions	40.1	**-**	549,991
Investments	40.2	**5,670,480**	3,867,200
Islamic financing and related assets	40.3	**30,115,242**	30,136,968
Fixed assets		**286,531**	211,128
Right of use assets		**203,317**	202,674
Intangible assets		**-**	333
Deferred tax assets		**3,314**	-
Due from head office		**132,679**	-
Other assets		**1,252,788**	876,627
		39,798,243	37,611,630
Liabilities			
Bills payable		**53,357**	62,130
Due to financial institutions		**13,050,000**	13,200,000
Deposits and other accounts	40.4	**25,342,382**	19,159,042
Lease liabilities		**266,853**	251,159
Deferred tax liability		**-**	7,396
Due to head office		**-**	786,961
Other liabilities		**419,403**	2,916,783
		39,131,995	36,383,471
Net Assets		**666,248**	1,228,159
Represented By			
Islamic banking fund		**1,100,000**	1,100,000
Reserves		**-**	-
(Deficit)/surplus on revaluation of investments		**(1,362)**	5,702
Accumulated (loss)/profit	40.8	**(432,390)**	122,457
		666,248	1,228,159
CONTINGENCIES AND COMMITMENTS	40.5		

ISLAMIC BANKING BUSINESS

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

	Note	Nine Months Ended	
		Sept 30, 2026	Sept 30, 2025
		(Un-audited)	
		--------- (Rupees in '000') ---------	
Profit / return on financing, investments and placements earned	40.6	**2,903,021**	761,387
Return on deposits and other dues expensed	40.7	**2,515,819**	512,500
Net income earned		**387,202**	248,887
Other income			
Fee, commission and brokerage income		**36,285**	13,771
Income from dealing in foreign currencies		**242**	163
Dividend income		**17,550**	15,570
Gain on sale / redemption of securities		**5,580**	91,890
Other income		**41**	294
		59,698	121,688
Total income		**446,900**	370,575
Other expenses			
Administrative expenses		**914,210**	237,248
Other charges		**-**	-
		914,210	237,248
(Loss)/Profit before provision		**(467,310)**	133,327
Credit allowance and write offs - net		**87,537**	(8,171)
(Loss)/Profit before taxation		**(554,847)**	141,498

ISLAMIC BANKING BUSINESS

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

40.2 INVESTMENTS

	Sept 30, 2026 (Un-audited)				December 31, 2025 (Audited)			
	Cost/ Amortised cost	**Credit loss allowance**	**Surplus / (Deficit)**	**Carrying Value**	Cost /Amortised cost	Credit loss allowance	Surplus / (Deficit)	Carrying Value
	---------- **(Rupees in '000')** ----------							
Measured at FVOCI								
Federal Government Securities:								
- Ijarah Sukuks	**5,323,526**	-	**(4,676)**	**5,318,850**	3,508,052	-	13,098	3,521,150
Measured at FVTPL								
-Mutual Funds	**123,660**	-	**227,970**	**351,630**	123,660	-	222,390	346,050
Total Investments	**5,447,186**	-	**223,294**	**5,670,480**	3,631,712	-	235,488	3,867,200

		September 30, 2026 (Un-audited)	December 31, 2025 (Audited)
40.3	**ISLAMIC FINANCING AND RELATED ASSETS**	--------- **(Rupees in '000')** ---------	
	Ijarah financing under IFAS 2	**10,108**	10,474
	Murabaha	**-**	-
	Running Musharika Financing - COF	**30,000,000**	30,000,000
	Advance against Istisna	**-**	-
	Diminishing musharakah financing	**204,378**	160,320
		30,214,486	30,170,794
	Less: Credit Loss Allowance against islamic financings		
	- Stage 1	**141**	76
	- Stage 2	**105**	172
	- Stage 3	**98,998**	33,578
		99,244	33,826
	Islamic financing and related assets - net of provision	**30,115,242**	30,136,968

ISLAMIC BANKING BUSINESS

		September 30, 2026 (Un-audited)	December 31, 2025 (Audited)
40.4	**DEPOSITS**	--------- (Rupees in '000') ----------	
	Customers		
	Current deposits	2,769,771	2,543,173
	Savings deposits	14,602,482	9,998,422
	Term deposits	804,860	6,555,457
	Margin and other deposits	106,142	33,115
		18,283,255	19,130,167
	Financial Institutions		
	Current deposits	4,982	1,226
	Savings deposits	6,904,095	27,649
	Term deposits	150,000	-
	Margin and other deposits	50	-
		7,059,127	28,875
		25,342,382	19,159,042

40.5	**CONTINGENCIES AND COMMITMENTS**		
	-Guarantees	262,142	262,003
	-Letter of Credit	576,674	53,964
	-Commitments	-	-
		838,816	315,967

		Nine Months Ended	
		Sept 30, 2026	Sept 30, 2025
		(Un-audited)	
40.6	**PROFIT / RETURN ON FINANCING, INVESTMENTS AND PLACEMENTS EARNED**	--------- (Rupees in '000') ----------	
	Profit earned on:		
	Financing	2,580,855	270,945
	Investments	319,708	359,389
	Placements	2,458	131,053
	On deposits with financial institutions	-	-
		2,903,021	761,387

40.7	**RETURN ON DEPOSITS AND OTHER DUES EXPENSED**		
	Deposits and other accounts	1,263,962	450,851
	Due to Financial Institutions	1,223,653	35,932
	Amortisation of lease liability against right-of-use assets	28,204	25,717
		2,515,819	512,500

		September 30, 2026 (Un-audited)	December 31, 2025 (Audited)
40.8	**ACCUMULATED (LOSS)/PROFIT**	--------- (Rupees in '000') ----------	
	Opening Balance	122,457	(34,225)
	Add: Islamic Banking profit/(loss) for the period	(554,847)	156,682
	Closing Balance	(432,390)	122,457

ISLAMIC BANKING BUSINESS

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 October 29, 2026.

President and Chief Executive Officer	Chief Financial Officer	Director	Director	Chairman



SINDH BANK LIMITED
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2026

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

	Note	Sep 30, 2026 (Un-audited)	December 31, 2025 (Audited)
		--------- (Rupees in '000') ---------	
ASSETS			
Cash and balances with treasury banks	7	**21,205,388**	27,845,704
Balances with other banks	8	**1,206,240**	4,285,124
Lendings to financial institutions	9	**23,076,854**	21,413,319
Investments	10	**224,971,739**	166,963,504
Advances	11	**127,642,847**	149,883,765
Property and equipment	12	**3,167,045**	2,020,023
Right of use assets	13	**3,677,959**	3,733,191
Intangible assets	14	**135,454**	117,692
Deferred tax assets - net	15	**13,586,632**	14,033,707
Other assets	16	**15,697,276**	10,870,440
		434,367,435	401,166,469
LIABILITIES			
Bills payable	17	**1,428,058**	4,236,755
Borrowings	18	**32,018,128**	2,197,000
Deposits and other accounts	19	**348,185,768**	343,309,977
Lease liabilities	20	**5,106,365**	4,962,934
Deferred tax liabilities		**-**	-
Other liabilities	21	**11,011,376**	12,081,755
		397,749,695	366,788,421
NET ASSETS		**36,617,740**	34,378,048
REPRESENTED BY			
Share capital - net	22	**34,524,428**	34,524,428
Reserves		**4,018,060**	3,336,269
Surplus/(deficit) on revaluation of assets - net	23	**1,183,578**	1,955,254
Accumulated loss		**(3,108,326)**	(5,437,903)
		36,617,740	34,378,048
CONTINGENCIES AND COMMITMENTS	24		

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

President and Chief Executive Officer	Chief Financial Officer	Director	Director	Chairman

SINDH BANK LIMITED
CONSOLIDATED INTERIM STATEMENT OF PROFIT AND LOSS ACCOUNT (Un-audited)
FOR THE QUARTER AND NINE MONTHS ENDED SEPTEMBER 30, 2026

	Note	Quarter Ended		Nine Months Ended	
		Sept 30, 2026	Sept 30, 2025	Sept 30, 2026	Sept 30, 2025
		---------- (Rupees in '000') ----------			
Mark-up / return / profit / interest earned	25	11,001,457	9,822,463	31,032,627	29,157,275
Mark-up / return / profit / interest expensed	26	6,500,780	6,203,785	18,054,961	19,930,200
Net mark-up / return / profit / interest income		4,500,677	3,618,678	12,977,666	9,227,075
NON MARK-UP / INTEREST INCOME					
Fee and commission income	27	171,392	160,263	565,349	526,873
Dividend income		41,237	20,221	121,584	47,469
Foreign exchange income		94,205	162,294	423,102	210,828
Gain on securities	28	(123,250)	291,839	(342,403)	786,366
Other income	29	675	467	12,415	1,812
Total non-markup/interest income		184,259	635,084	780,047	1,573,348
Total income		4,684,936	4,253,762	13,757,713	10,800,423
NON MARK-UP / INTEREST EXPENSES					
Operating expenses	30	3,537,293	2,890,869	10,290,291	8,395,772
Other charges	31	4,644	8,250	5,557	8,250
Total non-markup/interest expenses		3,541,937	2,899,119	10,295,848	8,404,022
PROFIT BEFORE PROVISIONS		1,142,999	1,354,643	3,461,865	2,396,401
Credit loss allowance and write offs - net	32	(227,197)	(241,840)	(2,303,389)	(487,618)
PROFIT BEFORE TAXATION		1,370,197	1,596,483	5,765,254	2,884,019
Taxation	33	695,510	793,550	2,461,352	1,452,388
PROFIT AFTER TAXATION		674,687	802,933	3,303,902	1,431,631
				---------- Rupees ----------	
Basic and diluted earnings per share	34	0.20	0.23	0.96	0.41

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

President and Chief Executive Officer	Chief Financial Officer	Director	Director	Chairman

SINDH BANK LIMITED
CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME (Un-audited)
FOR THE QUARTER AND NINE MONTHS ENDED SEPTEMBER 30, 2026

	Quarter ended		Nine months ended	
	Sept 30, 2026	Sept 30, 2025	**Sept 30, 2026**	Sept 30, 2025
	--------- (Rupees in '000') ---------		--------- (Rupees in '000') ---------	
Profit after taxation for the year	**674,687**	802,933	**3,303,902**	1,431,631
Other comprehensive income				
Items that may be reclassified to profit and loss account in subsequent periods:				
Movement in surplus on revaluation of investments - net of tax	**68,847**	(96,495)	**(360,437)**	375,902
	743,534	706,438	**2,943,465**	1,807,533
Items that will not be reclassified to profit and loss account in subsequent periods:				
Remeasurement loss on defined benefit obligations - net of tax	-	-	-	-
Movement in surplus on revaluation of equity investments - net of tax	**55,918**	413,376	**(411,238)**	368,438
Movement in surplus on revaluation of non-banking assets - net of tax	-	-	-	-
Gain on sale of equity securities carried at FVOCI - net of tax		59,974		104,916
	55,918	473,350	**(411,238)**	473,354
Total comprehensive income	**799,452**	1,179,788	**2,532,227**	2,280,887

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

President and Chief Executive Officer	Chief Financial Officer	Director	Director	Chairman

SINDH BANK LIMITED
CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY (Un-audited)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

	Share Capital	Shares Deposit Money	Capital Reserves		Statutory Reserve *	Depositers' proection fund reserve **	Surplus / (Deficit) on revaluation		Accumulated Loss **	Total
			Reserves on amalgamation	Share Premium			Investments	Fixed/Non-banking assets		
	(Rupees in '000')									
Balance as at December 31, 2024 after adoption of IFRS-09	34,524,428	-	9,433	51	2,540,258	31,973	798,042	86,400	(8,334,151)	29,656,434
Profit/Loss for the nine months ended September 30, 2025	-	-	-	-	-		-	-	1,431,631	1,431,631
Other comprehensive income - net of tax										
Movement in revaluation reserve of investments in debt instruments - net of tax	-	-	-	-	-	-	375,902	-	-	375,902
Movement in revaluation reserve of equity investments - net of tax	-	-	-	-	-	-	368,438	-		368,438
Gain on sale of equity securities carried at FVOCI - net of tax									-	-
Remeasurement loss on defined benefit obligations - net of tax	-	-	-	-	-		-	-	105,128	105,128
Movement in revaluation reserve of non-banking assets - net of tax	-	-	-	-	-	-	-	-	-	-
Total other comprehensive income - net of tax	-	-	-	-	-	-	744,340	-	105,128	849,468
Transfer to depositor's protection fund-										
5% of the profit after tax for the year						10,928			(10,928)	
Return on Investment						2,221			(2,221)	
Transfer to statutory reserve	-	-	-	-	286,378	-	-	-	(286,378)	-
Balance as at September 30, 2025	**34,524,428**	**-**	**9,433**	**51**	**2,826,636**	**45,122**	**1,542,382**	**86,400**	**(7,096,919)**	**31,937,533**
Profit/Loss for the three month ended December 31, 2025	-	-	-	-	-		-	-	2,252,598	2,252,598
Other comprehensive income - net of tax										
Movement in revaluation reserve of investments in debt instruments - net of tax	-	-	-	-	-		332,484	-	-	332,484
Movement in revaluation reserve of equity investments - net of tax	-	-	-	-	-		118,809	-	-	118,809
Gain on sale of equity securities carried at FVOCI - net of tax	-	-	-	-	-		(124,821)	-	124,821	0
Remeasurement loss on defined benefit obligations - net of tax	-	-	-	-	-		-	-	(264,563)	(264,563)
Movement in revaluation reserve of non-banking assets - net of tax	-	-	-	-	-	-	-	-	-	-
Total other comprehensive income - net of tax	-	-	-	-	-	-	326,472	-	(139,741)	186,731
Transfer to depositor's protection fund-										
5% of the profit after tax for the year						5,543			(5,543)	-
Return on Investment						1,237			2,171	3,408.00
Transfer to statutory reserve	-	-	-	-	450,468	(2,221)	-	-	(450,468)	- 2,221
Transactions with owners, recorded directly in equity						-				
Shares deposit money	-	-	-	-	-	-	-	-	-	-
Balance as at December 31, 2025	**34,524,428**	**-**	**9,433**	**51**	**3,277,104**	**49,681**	**1,868,854**	**86,400**	**(5,437,903)**	**34,378,048**
Effect of Transition to EIR Method - net of tax										
Investments - FVOCI							(29,818)		29,818	0
Investments - Amortised cost									(1,928)	(1,928)
Advances - Amortised cost									(335,893)	(335,893)
Deposits - Amortised cost									15,469	15,469
						-	(29,818)	-	(292,534)	(322,352)
Balance as at January 01, 2026-Restated	**34,524,428**	**-**	**9,433**	**51**	**3,277,104**	**49,681**	**1,839,036**	**86,400**	**(5,730,437)**	**34,055,697**
Profit/Loss for the nine months ended September 30, 2026	-	-	-	-	-	-	-	-	3,303,902	3,303,902
Other comprehensive income - net of tax										
Movement in revaluation reserve of investments in debt instruments - net of tax	-	-	-	-	-	-	(330,620)	-	-	(330,620)
Movement in revaluation reserve of equity investments - net of tax	-	-	-	-	-	-	(411,238)	-	-	(411,238)
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	-	-	-	-	-	-	(741,858)	-	-	(741,858)
Transfer to depositor's protection fund-										
5% of the profit after tax for the year						21,010			(21,010)	-
Return on Investment										-
Tran: Transfer to statutory reserve	-	-	-	-	660,781		-	-	(660,781)	-
Balance as at September 30, 2026	34,524,428	-	9,433	51	3,937,885	70,691	1,097,178	86,400	(3,108,326)	36,617,740

* 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 consolidated condensed financial statements, accumulated loss includes an amount of Rupees 1,740.14 million net of tax as at September 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 are integral part of these consolidated financial statements.

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

SINDH BANK LIMITED
CONSOLIDATED INTERIM CASH FLOW STATEMENT (Un-audited)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

	Note	Sept 30, 2026	Sept 30, 2025
		(Rupees in '000')	
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before taxation		**5,765,254**	2,884,019
Less: Dividend income		**(121,584)**	(47,469)
		5,643,670	2,836,550
Adjustments:			
Depreciation	30	**469,256**	262,307
Depreciation on right of use assets	30	**632,222**	608,024
Interest expense on lease liability	26	**525,618**	508,927
Amortisation	30	**35,779**	33,689
Credit loss allowance / provisions and write offs - net	32	**(2,303,530)**	(491,893)
Charge for defined benefit plan	30.2	**206,728**	157,509
Unrealised gain on securities measured at FVPL	28.2	**441,688**	(220,390)
Gain on sale of operating fixed assets	29	**(9,251)**	(573)
		(1,491)	857,600
		5,642,179	3,694,150
(Increase) / decrease in operating assets			
Lendings to financial institutions		**(2,167,235)**	2,969,086
Securities classified as FVPL		**(2,193,825)**	(1,123,650)
Advances - net		**23,899,408**	(37,244,543)
Other assets - net		**(4,818,848)**	(541,035)
		14,719,501	(35,940,142)
Increase / (decrease) in operating liabilities			
Bills payable		**(2,808,697)**	847,763
Borrowings		**30,172,148**	(214,650)
Deposits and other accounts		**4,572,163**	21,935,095
Other liabilities (excluding current taxation)		**(253,016)**	(1,285,203)
		31,682,598	21,283,005
		52,044,278	(10,962,987)
Contribution to gratuity fund		**(401,859)**	(177,202)
Income tax paid		**(1,520,184)**	(996,845)
Net cash generated from / (used in) operating activities		**50,122,235**	(12,137,033)
CASH FLOW FROM INVESTING ACTIVITIES			
Net (divestment) in amortized cost securities		**(5,746,408)**	(12,450,757)
Net (divestment) / investment in securities classified as FVOCI		**(52,008,866)**	21,444,605
Dividend received		**118,051**	49,157
Investments in operating fixed assets		**(1,671,048)**	(339,712)
Sale proceeds of operating fixed assets disposed off		**10,171**	681
Net cash (used in) / generated from investing activities		**(59,298,100)**	8,703,974
CASH FLOW FROM FINANCING ACTIVITIES			
Shares deposit money		**-**	-
Payment of lease liability against right of use assets		**(962,255)**	(925,498)
Net cash (used in) / generated from financing activities		**(962,255)**	(925,498)
(Decrease) / increase in cash and cash equivalents		**(9,722,986)**	(4,350,555)
Cash and cash equivalents at the beginning of the year		**32,130,828**	27,194,696
Impact of expected credit loss allowance on cash and cash equivalents		**3,785**	(2,417)
Cash and cash equivalents at the end of the period	35	**22,411,628**	22,841,724

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

President and Chief Executive Officer	Chief Financial Officer	Director	Director	Chairman

1. STATUS AND NATURE OF BUSINESS

The "Group" consists of:

1.1 Holding Company

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

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

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

1.2 Subsidiary company

1.2.1 Sindh Microfinance Bank Limited

Sindh Microfinance Bank Limited (the Microfinance Bank) was incorporated on March 27, 2015 as a public company limited by shares under the provision of the company's Act, 2017 (previously Companies Ordinance, 1984). The Microfinance Bank obtained Microfinance banking license from State Bank of Pakistan (SBP) on October 16th, 2015, to operate in Sindh Province. Subsequently the Microfinance Bank has received the certificate of commencement of business from Securities & Exchange Commission of Pakistan (SECP) on November 30, 2015. The Microfinance Bank's registered office is situated at 39/F, 2nd Floor, Muhammad Ali Cooperative Housing Society, Karachi. The Microfinance Bank's principal business will be to provide microfinance services to the poor and underserved segment of the society as envisaged under the Microfinance Institutions Ordinance, 2001. The Microfinance Bank operates through branches and service centers spread within the province of Sindh, the network of branches and service centers comprise of 25 (31 December 2025: 22) branches and 110 (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 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 inforamtion regarding the Bank's implementation of the effective interest mehtold is presented in Note 5.1

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.

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.

7. CASH AND BALANCES WITH TREASURY BANKS	Note	Sep 30, 2026 (Un-audited)	December 31, 2025 (Audited)
		--------- (Rupees in '000') ---------	
In hand			
Local currency		**4,928,068**	6,113,302
Foreign currency		**134,182**	144,466
		5,062,250	6,257,768
With State Bank of Pakistan (SBP) in			
Local currency current accounts	7.1	**15,079,830**	20,144,022
Foreign currency current accounts	7.2	**92,991**	57,767
Foreign currency deposit accounts		**-**	
- Non Remunerative	7.3	**161,510**	171,578
- Remunerative	7.4	**305,521**	344,070
		15,639,852	20,717,437
With National Bank of Pakistan in			
Local currency current accounts		**490,669**	851,477
Local currency deposit accounts	7.5	**9,562**	13,040
		500,231	864,517
Prize bonds		**3,082**	5,996
Less: Credit Loss allowance held against balances with treasury banks		**28**	14
		21,205,388	27,845,704

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

7.2 This represents US Dollar Settlement Account maintained with SBP.

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

7.4 This represents foreign currency special cash reserve maintained with SBP. The Bank is entitled to earn profit which is declared by SBP on a monthly basis. During the period, the SBP has declared 2.62% to 2.71% 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.

8. BALANCES WITH OTHER BANKS	Note	Sep 30, 2026 (Un-audited)	December 31, 2025 (Audited)
		--------- (Rupees in '000') ---------	
In Pakistan			
In current accounts		**1,437**	30
In savings account	8.1	**664,613**	565,904
In term deposits receipt	8.2	**-**	100,000
		666,049	665,934
Outside Pakistan			
In current accounts	8.3	**540,809**	3,623,467
Less: Credit Loss allowance held against balances with other banks	8.4	**618**	4,277
		1,206,240	4,285,124

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

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

8.3 This includes Rs. 454.249 million (2025: Rs. 2,382.043 million) held in Automated Investment Plans. This balance is current in nature and in case this goes above a specified amount, the bank is entitled to earn interest from the correspondent banks at the agreed rates.

	Note	Sep 30, 2026 (Un-audited)	December 31, 2025 (Audited)
		--------- (Rupees in '000') ---------	
8.4	**Opening balance**	**4,277**	1,403
	Impact of adoption of IFRS-09	-	-
	Charge / reversals;		
	Charge for the year	**458**	2,894
	Reversals for the year	**(4,117)**	(20)
		(3,659)	2,874
	Closing Balance	**618**	4,277

9. LENDINGS TO FINANCIAL INSTITUTIONS

Call / Clean money lendings	**6,000,000**	-
Repurchase agreement lendings (Reverse Repo)	**17,081,702**	20,864,467
Musharaka arrangements	**-**	550,000
	23,081,702	21,414,467
Less: Credit loss allowance held against lending to financial institutions	**(4,848)**	(1,148)
Lending to financial institutions - net of credit loss allowance	**23,076,854**	21,413,319

9.1 Particulars of lendings

In local currency	**23,576,854**	21,413,319
In foreign currencies	**-**	-
	23,576,854	21,413,319

9.2 Lendings to Financial Institutions - Category of classification

		September 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	**23,081,702**	**4,848**	21,414,467	1,148
Under performing	Stage 2	-	-	-	-
Non-performing	Stage 3				
Substandard		-	-	-	-
Doubtful		-	-	-	-
Loss		-	-	-	-
		-	-	-	-
Total		**23,081,702**	**4,848**	21,414,467	1,148

9.3 Lendings to Financial Institutions - Particulars of credit loss allowance

	September 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	**4,848**	-	-	**4,848**
Financial assets that have been derecognised	**(1,148)**	-	-	**(1,148)**
Write offs	-	-	-	-
Unwind of discount	-	-	-	-
Changes in risk parameters (PDs/LGDs/EADs)	-	-	-	-
Closing Balance	**4,848**	-	-	**4,848**

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

10. INVESTMENTS

Investments by type	Sep 30,2026 (Un-audited)			
	Cost / Amortised cost	Credit loss allowance	Surplus / (Deficit)	Carrying Value
	---------- Rupees in '000' ----------			
Debt Instruments:				
Classified / Measured at FVOCI				
Federal Government Securities				
Market Treasury Bills	-	-	-	-
	552,979	-	861	553,840
	552,979	-	861	553,840
Classified / Measured at amortised cost				
Federal Government Securities				
Market Treasury Bills	12,742,945	-	-	12,742,945
Pakistan Investment Bonds	11,802,310	-	-	11,802,310
Non-government debt securities	-	-	-	-
Term finance certificates - Unlisted	119,593	(334)	-	119,259
Term Deposit Certificate	650,000	(315)	-	649,685
Preference Shares - Unlisted	77,708	(77,708)	-	-
	25,392,556	(78,357)	-	25,314,199
Classified / Measured at FVOCI				
Federal Government Securities				
Market Treasury Bills	42,558,179	-	(146,740)	42,411,439
Pakistan Investment Bonds - Floater	143,159,139	-	1,389,093	144,548,232
Government of Pakistan - Ijarah Sukuk	5,319,603	-	(753)	5,318,850
Non-government debt securities	-	-	-	-
Term finance certificates - Unlisted	1,000,000	-	-	1,000,000
Sukuk Bond	306,033	-	5,756	311,789
	192,342,954	-	1,247,356	193,590,310
Equity instruments:				
Classified / Measured at FVPL				
Shares				
Listed	2,813,924	-	(371,842)	2,442,082
Mutual funds	123,660	-	227,970	351,630
	2,937,584	-	(143,872)	2,793,712
Classified / Measured at FVOCI				
Shares				
Listed	1,622,044	-	1,050,218	2,672,262
Non-government debt securities				
Mutual funds	59,203	-	(11,787)	47,416
	1,681,247	-	1,038,431	2,719,678
Fully paid ordinary shares	-	-	-	-
Total Investments	222,907,320	(78,357)	2,142,776	224,971,739

INVESTMENTS

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

		Sep 30, 2026 (Un-audited)	December 31, 2025 (Audited)
		---------- (Rupees in '000') ----------	
10.1	**Investments given as collateral Federal government securities**		
	Pakistan Investment Bonds	-	-
	Market Treasury Bills	-	-
	Term Deposit Receipt	-	
		-	-
10.2	**Provision for diminution in value of investments**		
10.2.1	**Opening balance**	**128,735**	98,480
	Impact of adoption of IFRS-09	-	-
	Charge / reversals		
	Charge for the year	-	30,256
	Reversals for the year	(4,090)	-
	Transfer during the period	-	-
	Reversal on disposals	(46,288)	-
	Transfers - net	**(50,378)**	30,256
	Closing Balance	**78,357**	128,735

10.3 Particulars of credit loss allowance

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

Domestic	September 30, 2026 (Un-audited)		December 31, 2025 (Audited)	
	Outstanding amount	**Credit loss allowance held**	**Outstanding amount**	**Credit loss allowance held**
	Rupees in '000			
Performing Stage 1	**218,210,781**	**649**	160,286,054	4,739
Underperforming Stage 2	-	-	224,236	46,288
Non-Performing Stage 3				
Substandard	-	-	-	-
Doubtful	-	-	-	-
Loss	77,708	77,708	77,708	77,708
	77,708	77,708	77,708	77,708
Total	**218,288,489**	**78,357**	160,587,998	128,735

11 ADVANCES	Sep 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.	61,847,915	22,241,322	84,089,237	49,983,184	26,949,270	76,932,454
Commodity finance	31,955,988	-	31,955,988	64,772,450	-	64,772,450
Net investment in finance lease	1,533,976	186,128	1,720,104	600,564	184,908	785,472
Islamic financing and related assets	-	-		-	-	
Diminishing musharakah financing	83,024	121,353	204,377	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	-	-	-	-	-	
Murabaha Financing	-	-	-	-	-	-
Ijarah financing under IFAS 2	10,108	-	10,108	10,474	-	10,474
	125,431,011	22,548,803	147,979,814	145,405,638	27,255,531	172,661,169
Bills discounted and purchased						
Payable in Pakistan	50,062	348,639	398,701	61,436	352,824	414,260
Payable outside Pakistan	155,500	-	155,500	-	-	-
	205,562	348,639	554,201	61,436	352,824	414,260
Advances - gross	125,636,573	22,897,442	148,534,015	145,467,074	27,608,355	173,075,429
Credit loss allowance against advances	-	-	-	-	-	-
- Stage 1	501,773	-	501,773	656,403	-	656,403
- Stage 2	744,400	-	744,400	245,970	-	245,970
- Stage 3	-	19,644,995	19,644,995	-	22,289,291	22,289,291
	1,246,173	19,644,995	20,891,168	902,373	22,289,291	23,191,664
Total Advances - Net credit loss allowance	124,390,400	3,252,447	127,642,847	144,564,701	5,319,064	149,883,765

11.1 Particulars of advances (gross)	Sep 30, 2026 (Un-audited)	December 31, 2025 (Audited)
	---------- (Rupees in '000') ----------	
In local currency	148,036,091	173,075,429
In foreign currencies	497,924	-
	148,534,015	173,075,429

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

Category of Classification of stage 3	Sep 30,2026 (Un-audited)		December 31,2025 (Audited)	
	Non Performing Loans	Credit loss allowance	Non Performing Loans	Credit loss allowance
	------- Rupees in '000' ------			
Domestic				
Other Assets Especially Mentioned	-	-	-	-
Substandard	6,065	6,065	12,248	10,518
Doubtful	2,188	534	296,860	11,156
Loss	22,889,188	19,638,395	27,299,247	22,267,617
Total	22,897,442	19,644,995	27,608,355	22,289,291

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

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

11.3 **Particulars of credit loss allowance / provision against advances**

	Sep 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	-	-	-	-
Charge for the period	**(154,631)**	**498,430**	**580,482**	**924,281**
Reversals	-	-	**(3,216,474)**	**(3,216,474)**
	(154,631)	**498,430**	**(2,635,992)**	**(2,292,193)**
Amounts charged off - Agriculture loans	-	-	**(8,304)**	**(8,304)**
Net charge / (reversal) during the period	**(154,631)**	**498,430**	**(2,644,296)**	**(2,300,497)**
Amounts written off	-	-	-	-
Closing balance	**501,773**	**744,400**	**19,644,995**	**20,891,168**

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

11.4 **Advances - Exposure**

	Sep 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	**20,432,570**	**15,433,583**	**-**	**35,866,153**
Due to credit deterioration	**-**	**-**	**-**	**-**
Advances derecognised or repaid	**(38,134,712)**	**(19,657,761)**	**(2,602,392)**	**(60,394,865)**
Transfer to stage 1	**1,590,510**	**(1,590,510)**	**-**	**-**
Transfer to stage 2	**(4,933,826)**	**7,056,845**	**(2,123,019)**	**-**
Transfer to stage 3	**(20,204)**	**(100)**	**20,304**	**-**
	(21,065,662)	**1,242,058**	**(4,705,107)**	**(24,528,712)**
Transfer from investments -TFC	**-**	**-**	**-**	**-**
Amounts charged off	**(6,703)**	**(193)**	**(5,807)**	**(12,703)**
Closing balance	**84,316,672**	**41,319,901**	**22,897,442**	**148,534,015**

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

11.5 **Particulars of credit loss allowance**

	Sep 30,2026 (Un-audited)			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
	---------- Rupees in '000' ----------			
Opening balance	**656,404**	**245,969**	**22,289,291**	**23,191,664**
Exchange adjustments	**-**	**-**	**-**	**-**
New Advances	**345,337**	**58**	**1,779**	**347,175**
Due to credit deterioration	**-**	**-**	**-**	**-**
Changes in risk parameters (PDs/LGDs/EADs)	**105,884**	**417,227**	**646,516**	**1,169,626**
Advances derecognised or repaid	**(549,373)**	**(134,969)**	**(3,120,252)**	**(3,804,595)**
Transfer to stage 1	**21,193**	**(21,193)**	**-**	**-**
Transfer to stage 2	**(70,769)**	**237,601**	**(166,832)**	**-**
Transfer to stage 3	**(202)**	**(99)**	**301**	**-**
Reversals	**-**	**-**	**-**	**-**
	(147,929)	**498,624**	**(2,638,488)**	**(2,287,794)**
Amounts charged off - Agriculture loans	**-**	**-**	**-**	**-**
	(147,929)	**498,624**	**(2,638,488)**	**(2,287,794)**
Transfer from investments -TFC	**-**	**-**	**-**	**-**
Amounts written off	**(6,703)**	**(193)**	**(5,807)**	**(12,703)**
Closing balance	**501,773**	**744,400**	**19,644,995**	**20,891,168**

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

11.6 **Advances-Category of Classification**

		Sep 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	**84,316,672**	**501,773**	105,389,036	656,404
Underperforming	Stage 2	**41,319,901**	**744,400**	40,078,036	245,969
Non-Performing	Stage 3			-	-
Substandard		**6,065**	**6,065**	12,248	10,518
Doubtful		**2,188**	**534**	296,860	11,156
Loss		**22,889,188**	**19,638,395**	27,299,248	22,267,617
		22,897,442	**19,644,995**	27,608,356	22,289,291
Total		**148,534,015**	**20,891,168**	173,075,429	23,191,664

12. PROPERTY AND EQUIPMENT	Note	Sep 30, 2026 (Un-audited)	December 31, 2025 (Audited)
		-------- (Rupees in '000') -------	
Capital work-in-progress	12.1	**803,664**	423,652
Property and equipment		**2,363,381**	1,596,371
		3,167,045	2,020,023

12.1 Capital work-in-progress

Civil works	**7,399**	800
Advances to suppliers	**796,265**	422,852
	803,664	423,652

	September 30, 2026	September 30, 2025
	(Un-audited)	
	-------- (Rupees in '000') -------	

12.2 Addition to property and equipment

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

Property and equipment		
Leasehold improvements	**46,037**	6,388
Furniture and fixture	**14,222**	10,643
Computer and office equipment	**350,775**	66,550
Vehicles	**826,462**	39,134
Total	**1,237,495**	122,715

12.3 Disposal of property and equipment

The net book value of fixed assets disposed off during the period is as follows:

Leasehold improvements	**449**	107
Computer and office equipment	**67**	-
Vehicles	**713**	-
Total	**1,229**	107

		Sep 30, 2026 (Un-audited)	December 31, 2025 (Audited)
13.	**RIGHT OF USE ASSETS**	------ (Rupees in '000') -----	
	Year ended December 31		
	Opening net book value	**3,733,191**	3,498,477
	Reassessment / renewals	**576,990**	1,052,503
	Disposals	**-**	-
	Depreciation charge	**(632,222)**	(817,789)
	Closing net book value	**3,677,959**	3,733,191
	At December 31		
	Cost	**7,552,037**	6,975,047
	Accumulated depreciation	**(3,874,078)**	(3,241,856)
	Net book value	**3,677,959**	3,733,191
	Rate of depreciation (percentage)	**10% to 100%**	**10% to 100%**

14.	**INTANGIBLE ASSETS**		
	Computer Software	**135,454**	117,692
	Others	**-**	-
		135,454	117,692

		September 30, 2026	Sept 30, 2025
		(Un-audited)	
14.1	**Additions to intabgible assets**	----- (Rupees in '000') -----	
	The additions intangible asssets during the period:		
	Computer Software	**53,541**	35,820
	Disposal of Intangible assets		
	The net book value of intangible assets disposed off during the period.	**-**	-

		Sep 30, 2026 (Un-audited)	December 31, 2025 (Audited)
15.	**DEFERRED TAX ASSETS-NET**	------ (Rupees in '000') -----	
	Deductible Temporary Differences on		
	Credit loss allowance against advances	**11,916,011**	12,766,468
	Post retirement employee benefits	**57,122**	54,201
	Tax losses carried forward	**684,746**	1,050,942
	Provision for diminution in the value of investments	**40,491**	66,861
	Impact of Adoption of EIR	**319,589**	
	Others	**1,112,525**	1,780,815
	Right of use assets	**733,235**	632,084
		14,863,718	16,351,371
	Taxable Temporary Differences on		
	Deficit on revaluation of investments	**(1,188,609)**	(2,024,234)
	Accelerated tax depreciation - tangible fixed assets	**25,582**	(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	**(448)**	(155,312)
	Accelerated tax amortization - intangible assets	**(20,012)**	(17,316)
		(1,277,086)	(2,317,664)
		13,586,632	14,033,707

15.1 The Bank has an aggregate amount of deferred tax assets of Rs.13,586.632 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.

16. OTHER ASSETS	Note	Sep 30, 2026 (Un-audited)	December 31, 2025 (Audited)
		-------- (Rupees in '000') --------	
Income / mark-up accrued in local currency		**11,670,479**	6,724,377
Accrued commission income		**39,992**	39,992
Advances, deposits, advance rent and other prepayments		**1,903,010**	1,523,669
Receivable against sale of shares		**-**	563,093
Insurance premium receivable against agriculture loans		**13,898**	7,750
Stationery and stamps on hand		**15,025**	17,362
Dividends receivable		**3,533**	-
Receivable against 1 Link ATM settlement account		**-**	419,518
Provision for taxation - net		**59,338**	-
Acceptances		**54,982**	-
Insurance claims receivable		**16,581**	10,320
Non-Banking Assets Acquired in Satisfaction of Claims		**1,770,000**	1,770,000
Other receivables		**851,235**	495,166
		16,398,073	11,571,247
Less: Provision held against other assets	16.2	**(880,798)**	(880,807)
Other assets (net of provision)		**15,517,276**	10,690,440
Surplus on revaluation of non-banking assets acquired in satisfaction of claims	16.3	**180,000**	180,000
		15,697,276	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.

		Sep 30, 2026 (Un-audited)	December 31, 2025 (Audited)
16.2	**Movement in credit loss allowance / provision held against other assets**		
	Opening balance	**(880,807)**	(872,219)
	Charge for the period / year	**9**	(10,392)
	Reversals	**-**	1,804
	Amount written off	**-**	-
	Closing balance	**(880,798)**	(880,807)
17.	**BILLS PAYABLE**		
	In Pakistan	**1,428,058**	4,236,755
	Outside Pakistan	**-**	-
		1,428,058	4,236,755
18.	**BORROWINGS**		
	Secured		
	Borrowings from State Bank of Pakistan		
	- Under export refinance scheme	**540,000**	1,080,000
	- Under long term finance facility	**-**	-
	Repurchase agreement borrowings - Secured		
	- State Bank of Pakistan (SBP)	**21,641,818**	-
	- Other commercial banks / DFI's	**9,836,310**	-
		31,478,128	-
	Un-Secured		
	- State Bank of Pakistan (SBP)	**-**	917,000
	- Other micro finance	**-**	200,000
		-	1,117,000
		32,018,128	**2,197,000**
18.1	**Particulars of borrowings with respect to Currencies**		
	In local currency	**32,018,128**	2,197,000
	In foreign currencies	**-**	-
		32,018,128	2,197,000

19. **DEPOSITS AND OTHER ACCOUNTS**

	Sep 30,2026 (Un-audited)			December 31,2025 (Audited)		
	In Local Currency	In Foreign currencies	Total	In Local Currency	In Foreign currencies	Total
	(Rupees in '000')					
Customers						
Current deposits	**100,547,465**	**1,034,443**	**101,581,908**	111,558,325	948,477	112,506,802
Savings deposits	**187,966,186**	**1,397,736**	**189,363,922**	171,601,069	1,335,434	172,936,503
Term deposits	**44,791,570**	**185,551**	**44,977,121**	44,469,235	705,669	45,174,904
Margin and other deposits	**2,045,506**	**-**	**2,045,506**	2,721,682	-	2,721,682
	335,350,728	**2,617,730**	**337,968,458**	330,350,311	2,989,580	333,339,891
Financial Institutions						
Current deposits	**176,323**	**4,386**	**180,709**	1,859,030	1,465	1,860,495
Savings deposits	**8,006,539**	**-**	**8,006,539**	6,054,528	-	6,054,528
Term deposits	**1,910,000**	**-**	**1,910,000**	1,935,000	-	1,935,000
Margin and other deposits	**120,062**	**-**	**120,062**	120,062	-	120,062
	10,212,925	**4,386**	**10,217,311**	9,968,620	1,465	9,970,085
	345,563,652	**2,622,116**	**348,185,768**	340,318,932	2,991,045	343,309,977

		Note	Sep 30, 2026 (Un-audited)	December 31, 2025 (Audited)
			----- (Rupees in '000') -----	
20.	**Lease liabilities**			
	Opening balance		**4,962,934**	4,441,555
	Reassessment / renewals		**576,990**	1,052,503
	Interest expense		**525,618**	681,348
	Lease payments including interest		**(962,255)**	(1,262,751)
	Other adjustments / transfers		**3,078**	50,279
	Closing balance		**5,106,365**	4,962,934
20.1	**Contractual maturity of lease laibilities**			
	Short-term lease liabilities - within one year		**718,507**	567,449
	Long-term lease liabilities			
	- 1 to 5 years		**2,680,652**	2,278,337
	- 5 to 10 years		**1,706,849**	2,113,528
	- More than 10 years		**357**	3,620
			4,387,858	4,395,485
	Total lease liabilities		**5,106,365**	4,962,934
21.	**OTHER LIABILITIES**			
	Mark-up / return / interest payable in local currency		**6,678,613**	5,955,384
	Mark-up / return / interest payable in foreign currency		**5,037**	16,389
	Accrued expenses		**648,978**	336,434
	Net defined benefit liability		**198,954**	394,085
	Provision for compensated absences		**524,322**	532,617
	Payable against 1 Link ATM settlement account		**699,754**	-
	Payable to defined contribution plan		**- 4,961**	1,482
	Payable against purchase of shares		**-**	62,870
	Mark to market gain on forward foreign exchange contracts		**361,009**	512,510
	Retention money		**83,570**	77,089
	Federal excise duty / sales tax on services payable		**11,809**	14,747
	Withholding tax payable		**511,703**	298,423
	Acceptances		**54,982**	-
	Provision for taxation - net		**136,730**	735,840
	Security deposit against leases		**366,808**	161,101
	Others		**688,387**	2,971,273
			10,965,695	12,070,244
	Credit loss allowance against off-balance sheet obligations	21.1	**45,681**	11,511
			11,011,376	12,081,755
21.1	**Opening balance**		**11,511**	3,898
	Impact of adoption of IFRS-09		**-**	-
	Charge / reversals;			
	Charge for the year		**34,170**	7,613
	Reversals for the year		**-**	-
			34,170	7,613
	Closing Balance		**45,681**	11,511

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

22. SHARE CAPITAL - NET

22.1 Authorised capital

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

22.2 Issued, subscribed and paid-up share capital

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

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

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

	Note		
Surplus / (deficit) on revaluation of			
- Securities measured at FVOCI - Debt		1,247,356	1,998,269
- Securities measured at FVOCI - Equity		1,038,431	1,895,176
- Non-banking assets acquired in satisfaction of claims	23.1	180,000	180,000
		2,465,787	4,073,445
Deferred tax on surplus / (deficit) on revaluation of:			
- Securities measured at FVOCI - Debt		(648,624)	(1,039,099)
- Securities measured at FVOCI - Equity		(539,985)	(985,492)
- Non-banking assets acquired in satisfaction of claims	14	(93,600)	(93,600)
		(1,282,209)	(2,118,191)
		1,183,578	1,955,254

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

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

24 CONTINGENCIES AND COMMITMENTS

-Guarantees	24.1	10,308,585	8,908,919
-Commitments	24.2	168,899,212	99,700,088
-Other contingent liabilities		-	-
		179,207,797	108,609,007

		Note	Sep 30, 2026 (Un-audited)	December 31, 2025 (Audited)
			--- (Rupees in '000') ---	
24.1	**Guarantees:**			
	Financial guarantees		**1,184,765**	1,170,887
	Performance guarantees		**6,918,769**	5,841,003
	Other guarantees		**2,205,051**	1,897,029
			10,308,585	8,908,919
24.2	**Commitments:**			
	Documentary credits and short-term trade-related transactions			
	- letters of credit		**4,335,735**	5,208,618
	Commitments in respect of:			
	- forward foreign exchange contracts	24.2.1	**86,488,776**	58,059,485
	- forward lending, borrowings and credits	24.2.2	**77,894,481**	36,235,717
	Commitments for acquisition of:			
	- fixed assets		**180,220**	196,268
			168,899,212	99,700,088
24.2.1	**Commitments in respect of forward foreign exchange contracts**			
	Purchase		**43,628,179**	29,049,476
	Sale		**42,860,597**	29,010,009
			86,488,776	58,059,485
24.2.2	**Commitments in respect of forward lending, borrowings and credits**			
	Forward repurchase agreement borrowing		**30,536,007**	-
	Forward resale agreement lending		**17,087,470**	20,881,685
	Undrawn formal standby facilities, credit lines and other commitments to lend	24.2.2.1	**30,271,004**	15,354,032
			77,894,481	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.

		Nine Months Ended	
		September 30, 2026	September 30, 2025
		Un-audited	
	Note	---- (Rupees in '000') ----	
25. MARK-UP/RETURN/INTEREST EARNED			
On loans and advances		**12,908,927**	8,396,792
On investments		**17,079,921**	20,136,688
On lendings to financial institutions		**829,534**	525,524
On balances with banks		**214,244**	98,271
		31,032,627	29,157,275
26. MARK-UP/RETURN/INTEREST EXPENSED			
Deposits		**16,648,713**	17,927,809
Borrowings		**880,630**	1,382,131
Finance charge on lease liability against right of use assets		**525,618**	508,927
Cost of swaps against foreign currency deposits/borrowings		**-**	111,333
		18,054,961	19,930,200
27. FEE AND COMMISSION INCOME			
Branch banking customer fees		**75,554**	88,814
Consumer finance related fees		**4,009**	4,339
Card related fees (debit cards)		**280,536**	262,909
Commission on trade		**112,119**	96,610
Commission on guarantees		**66,663**	59,999
Credit related fees		**22,340**	6,982
Commission on remittances including home remittances		**2,965**	5,926
Others		**1,163**	1,294
		565,349	526,873
28. GAIN ON SECURITIES			
Realised	28.1	**99,285**	563,576
Unrealised - Measured at FVPL	28.2	**(441,688)**	222,790
		(342,403)	786,366
28.1 Realised gain on:			
Federal Government Securities		**367**	428,003
Shares of listed companies		**98,918**	135,573
Mutual Funds			-
		99,285	563,576

		Nine Months Ended	
		September 30, 2026	September 30, 2025
		Un-audited	
28.2 Net gain on financial assets measured at FVPL:	**Note**	**---- (Rupees in '000') ----**	
Designated upon initial recognition		-	-
Mandatorily measured at FVPL		(441,688)	222,790
		(441,688)	222,790
29. OTHER INCOME			
Gain on sale of operating fixed assets		9,251	573
Rent on premises shared		854	675
Godown charges		80	150
Others		2,230	414
		12,415	1,812
30. OPERATING EXPENSES			
Total compensation expense	30.2	5,677,786	4,716,706
Property expense			
Rent & taxes		110,854	47,413
Insurance		55,322	52,251
Utilities cost		527,815	418,838
Security		597,132	602,417
Repairs & maintenance		64,142	39,191
Depreciation		58,091	63,646
Depreciation - right of use assets		632,222	608,024
		2,045,578	1,831,780
Information technology expenses			
Software maintenance		274,087	196,779
Hardware maintenance		103,112	88,731
Depreciation		106,987	64,695
Amortisation		35,779	33,690
Network charges		17,925	16,758
Others		152,123	75,385
		690,013	476,038

OPERATING EXPENSES	Note	Nine Months Ended September 30, 2026 (Un-audited)	Nine Months Ended September 30, 2025 (Un-audited)
		---- (Rupees in '000') ----	
Other operating expenses			
Directors' fees and allowances		**25,502**	25,571
Fees and allowances to Shariah Board		**5,769**	3,633
Legal and professional charges		**36,693**	31,642
Travelling & conveyance		**76,972**	65,415
NIFT clearing charges		**38,039**	37,197
Training & development		**8,123**	5,709
Postage & courier charges		**22,802**	19,305
Communication		**360,262**	198,216
Stationery & printing		**163,229**	148,313
Marketing, advertisement & publicity		**82,979**	81,940
Auditor's Remuneration	30.3	**13,899**	12,607
Repairs & maintenance		**170,681**	154,684
Brokerage and commission		**8,891**	9,499
Entertainment Expenses		**77,236**	65,486
Fees and subscription		**133,920**	82,605
Insurance expenses		**15,210**	8,113
Premium of deposit protection fund		**93,572**	81,962
Depreciation		**304,178**	133,966
Outsourced service costs	30.1	**186,651**	161,999
Others		**52,308**	43,386
		1,876,915	1,371,248
		10,290,291	**8,395,772**

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	**3,584,114**	2,977,160
- Variable Cash Bonus / Awards	**84,955**	31,244
Charge for defined benefit plan	**206,728**	157,509
Contribution to defined contribution plan	**154,629**	133,036
Rent & house maintenance	**784,707**	674,227
Utilities	**163,423**	140,416
Medical	**163,418**	140,416
Conveyance	**134,571**	167,292
Dearness Allowance	**49,305**	42,352
Employee old age benefits contribution	**40,451**	36,158
Leave Fare Assistance Allowances	**92,687**	63,009
Leave Encashment	**12,500**	4,500
Staff Insurances	**100,083**	88,358
Others	**106,215**	61,029
	5,677,786	4,716,706

		Nine Months Ended	
		September 30, 2026	September 30, 2025
		Un-audited	
30.3 Auditors' remuneration	**Note**	---------- (Rupees in '000') ----------	
Audit fee		**11,750**	10,848
Fee for other statutory certifications		**953**	1,284
Special certifications and sundry advisory services		**459**	-
Out-of-pocket expenses		**737**	475
		13,899	12,607
31. OTHER CHARGES			
Penalties imposed by the State Bank of Pakistan		**5,557**	8,250
Others		**-**	-
		5,557	8,250
32. CREDIT LOSS ALLOWANCE & WRITE OFFS - NET			
Credit loss allowance for diminution in value of investments	10.3.1	**(50,527)**	29,021
Reversal of credit loss allowance / provision against loans and advances	11.3	**(3,224,629)**	(1,997,366)
Credit loss allowance / provision against loans and advances	11.3	**929,735**	1,482,288
Credit loss allowance against lendings to financial institutions	9.2	**3,700**	376
Reversal of credit loss allowance against other assets	16.2	**(78)**	-
Credit loss allowance against off-balance sheet obligations	21.1	**34,170**	(877)
Credit loss allowance against balance with other banks	8.4	**(3,659)**	(1,060)
Credit loss allowance against balance with treasury banks		**14**	-
Fixed Assets Written-off		**7,205**	-
Bad debts directly charged to profit and loss account		**680**	-
		(2,303,389)	(487,618)
33. TAXATION			
Current		**861,736**	833,817
Prior years		**-**	-
Deferred		**1,599,616**	618,571
		2,461,352	1,452,388
34. BASIC AND DILUTED EARNINGS PER SHARE			
Profit for the period (Rupees in '000)		**3,303,902**	1,431,631
Weighted average number of ordinary shares		**3,452,442,817**	3,452,442,817
Basic and diluted earnings per share (Rupee)		**0.96**	0.41
35. CASH AND CASH EQUIVALENTS			
Cash and balance with treasury banks	6	**21,205,388**	21,151,453
Balance with other banks	7	**1,206,240**	1,637,914
		22,411,628	22,789,367

36. FAIR VALUE MEASUREMENTS

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

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

The fair value of unquoted debt securities, fixed term advances, fixed term deposits and borrowings, other assets and other liabilities, cannot be calculated with sufficient reliability due to the absence of a current and active market for such assets and liabilities and reliable data regarding market rates for similar instruments and therefore, are not reported aspart of this disclosure.

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

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

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

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

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

36.1 Fair value of financial and non-financial assets

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

	September 30,2026			
	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	-	144,548,232	-	144,548,232
Market Treasury Bills	-	42,411,439	-	42,411,439
Term finance certificates-Unlisted	-	1,000,000	-	1,000,000
Shares of listed companies	5,114,344	-	-	5,114,344
Units of mutual funds	399,046	-	-	399,046
Ijarah Sukuk - GoP	-	5,318,850	-	5,318,850
Sukuk bonds	-	311,789	-	311,789
	5,513,390	193,590,310	-	199,103,700
Financial assets disclosed but not measured at fair value				
Investments				
Market Treasury Bills	-	12,742,945	-	12,742,945
Pakistan Investment Bonds	-	11,802,310	-	11,802,310
Term finance certificates - Listed	-	-	-	-
Term finance certificates - Unlisted	-	119,259	-	119,259
Term Deposit Receipt	-	649,685		649,685
	-	25,314,199	-	25,314,199
Off balance sheet financial instruments				
Foreign exchange contracts (purchase)	-	43,628,179	-	43,628,179
Foreign exchange contracts (sale)	-	42,860,597	-	42,860,597
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)				
Foreign exchange contracts (sale)	-	29,049,476	-	29,049,476
	-	29,010,009	-	29,010,009
Non-Financial Assets				
Land and building (Non-banking assets)	-	1,950,000	-	1,950,000

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

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

37. SEGMENT INFORMATION

37.1 Segment Details with respect to Business Activities

	September 30, 2026			
	Trading and sales	Retail banking	Commercial banking and others	Total
	(Rupees in '000')			
Profit & Loss				
Net mark-up/return/interest income	17,099,188	2,429,331	(6,550,853)	12,977,666
Inter segment revenue - net	(22,838,353)	-	22,838,353	-
Non mark-up / interest income	177,534	498	602,015	780,047
Total Income	(5,561,631)	2,429,829	16,889,515	13,757,713
Segment direct expenses	(130,907)	(741,769)	(7,415,744)	(8,288,420)
Inter segment expense allocation	(200,743)	(898,157)	(908,528)	(2,007,428)
Total expenses	(331,650)	(1,639,926)	(8,324,272)	(10,295,848)
Provisions	16,442	(46,382)	2,333,329	2,303,389
(Loss) / Profit before tax	(5,876,839)	743,521	10,898,572	5,765,254
Balance Sheet				
Cash & Bank balances	14,224,904	747,238	7,439,486	22,411,628
Investments	219,046,989	299,134	5,625,616	224,971,739
Net inter segment lending	-	-	242,340,686	242,340,686
Lendings to financial institutions	23,576,854	-	-	23,576,854
Advances - performing	44,408	15,503,277	108,342,715	123,890,400
Advances - non-performing	-	59	3,252,389	3,252,448
Others	8,107,245	423,468	27,733,653	36,264,366
Total Assets	265,000,400	16,973,176	394,734,545	676,708,121
Borrowings	30,493,340	984,788	540,000	32,018,128
Subordinated debt	-	-	-	-
Deposits & other accounts	-	1,367,155	346,818,613	348,185,768
Net inter segment borrowing	229,388,981	12,951,705	-	242,340,686
Others	602,479	419,598	16,523,722	17,545,799
Total liabilities	260,484,800	15,723,246	363,882,335	640,090,381
Equity	4,515,600	1,249,930	30,852,210	36,617,740
Total Equity & liabilities	265,000,400	16,973,176	394,734,545	676,708,121
Contingencies & Commitments	134,112,253	-	45,095,545	179,207,798

Segment Details with respect to Business Activities

	September 30, 2025			
	Trading and sales	Retail banking	Commercial banking and others	Total
	(Rupees in '000')			
Profit & Loss				
Net mark-up/return/interest income	19,108,344	1,345,387	(11,226,655)	9,227,076
Inter segment revenue - net	(24,161,737)	-	24,161,737	-
Non mark-up / interest income	1,036,100	1,290	535,958	1,573,348
Total Income	(4,017,293)	1,346,677	13,471,040	10,800,424
Segment direct expenses	(112,792)	(87,500)	(6,177,674)	(6,377,966)
Inter segment expense allocation	(156,883)	(754,464)	(1,114,709)	(2,026,057)
Total expenses	(269,675)	(841,964)	(7,292,383)	(8,404,023)
Provisions	(25,103)	(149,468)	662,189	487,618
(Loss) / Profit before tax	(4,312,071)	355,245	6,840,846	2,884,019
Balance Sheet				
Cash & Bank balances	15,881,029	557,263	6,403,432	22,841,724
Investments	194,971,363	533,920	-	195,505,283
Net inter segment lending	-	-	241,372,798	241,372,798
Lendings to financial institutions	21,545,358	-	-	21,545,358
Advances - performing	46,049	8,090,008	98,417,264	106,553,321
Advances - non-performing	-	92	5,847,757	5,847,849
Others	7,952,896	368,607	26,871,321	35,192,824
Total Assets	240,396,695	9,549,890	378,912,572	628,859,157
Borrowings	-	1,117,000	1,000,000	2,117,000
Subordinated debt	-	-	-	-
Deposits & other accounts	-	1,309,142	335,114,540	336,423,682
Lease liabilities	-	-	4,781,462	
Net inter segment borrowing	235,409,805	5,962,993	-	241,372,798
Others	485,953	5,219,018	11,303,175	17,008,145
Total liabilities	235,895,758	13,608,153	352,199,177	596,921,625
Equity	4,500,937	723,199	26,713,395	31,937,532
Total Equity & liabilities	240,396,695	14,331,352	378,912,572	628,859,157
Contingencies & Commitments	102,308,845	-	28,516,707	130,825,552

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 year are as follows:

	September 30,2026			December 31, 2025 (Audited)		
	Directors	**Key management personnel**	**Other related parties**	Directors	Key management personnel	Other related parties
	(Rupees in '000')					
Investments						
Opening balance	-	-	-	-	-	233,229
Investment made during the period	-	-	-	-	-	743,721
Investment redeemed / disposed off during the period	-	-	-	-	-	(691,220)
Closing balance	-	-	-	-	-	285,730
Advances						
Opening balance	-	**245,864**	**64,377**	-	171,457	64,377
Addition during the period	-	**49,590**	**1**	-	84,677	-
Repaid during the period	-	**(71,060)**	**-**	-	(52,474)	-
Transfer in / (out) - net	-	**923**	**- 64,378**	-	42,204	-
Closing balance	-	**225,317**	**(0)**	-	245,864	64,377
Other Assets						
Interest / mark-up accrued	-	**130**	**-**	-	278	2,283
Deposits and other accounts						
Opening balance	**55,328**	**102,010**	**7,649,478**	20,863	74,467	2,824,555
Received during the period	**77,519**	**698,595**	**17,872,348**	149,704	586,989	33,506,499
Withdrawn during the period	**(83,659)**	**(535,955)**	**(16,309,919)**	(124,562)	(552,295)	(28,684,992)
Transfer in / (out) - net	**(2)**	**1,012**	**(387,629)**	9,322	(7,151)	3,417
Closing balance	**49,186**	**265,662**	**8,824,278**	55,328	102,010	7,649,478
Other Liabilities						
Interest / mark-up payable	**781**	**14,936**	**208,377**	812	2,108	63,543
Others	**-**	**-**	**-**	-	-	2,500,000
	781	**14,936**	**208,377**	812	2,108	2,563,543

	September 30,2026			September 30, 2025		
	Directors	**Key management personnel**	**Other related parties**	Directors	Key management personnel	Other related parties
	(Rupees in '000')					
Income						
Mark-up / return / interest earned	-	**1,805**	**2,140**	-	3,431	4,840
Fee and commission income	**1**	**28**	**32**	-	2	1,196
Net gain on sale of securities	-	-	60	-	-	-
Other income	-	-	**854**	-	-	675
Expense						
Mark-up / return / interest paid	**2,852**	**9,613**	**289,010**	1,016	4,584	133,099
Remuneration paid	-	**329,567**	-	-	186,802	-
Contribution to provident fund	-	**16,001**	-	-	9,095	-
Provision for gratuity	-	**38,832**	-	-	31,946	-
Other staff benefits	-	**88,226**	-	-	31,736	-
Directors' meeting fee	**19,500**	-	-	14,375	-	-
Other expenses	**263**	-	-	213	-	-
Insurance premium paid	-	-	**84,105**	-	-	33,139
Others						
Sale of Government Securities	-	-	**3,100,000**	-	-	1,200,000
Purchase of Government Securities	-	-	**100,000**	-	-	120,000
Gratuity paid	-	**11,662**	-	-	2,786	-
Leave encashment paid	-	**3,832**	-	-	2,298	-
Insurance claims settled	-	-	**1,333**	-	-	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. 28,300.71 million (2025: Rs. 34,912.45 million) note 11.1 and Rs.200,264/.09 million (2025: Rs. 193,330.66 million) note 19. The above includes deposits amounting to Rs. 46,423.01 million (2025: Rs.40,349.48 million) received through the Finance Department, Government of Sindh.

39 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS	Note	Sep 30, 2026 (Un-audited)	December 31, 2025 (Audited)
		-------- (Rupees in '000') -------	
Minimum Capital Requirement (MCR):			
Paid-up capital (net of losses)		**31,416,102**	29,086,525
Capital Adequacy Ratio (CAR):			
Eligible Common Equity Tier 1 (CET 1) Capital		**25,385,241**	21,774,499
Eligible Additional Tier 1 (ADT 1) Capital		**-**	-
Total Eligible Tier 1 Capital		**25,385,241**	21,774,499
Eligible Tier 2 Capital		**1,311,609**	2,193,236
Total Eligible Capital (Tier 1 + Tier 2)		**26,696,850**	23,967,735
Risk Weighted Assets (RWAs):			
Credit Risk		**85,998,712**	56,595,517
Market Risk		**19,649,975**	16,884,380
Operational Risk		**4,458,730**	21,889,121
Total		**110,107,417**	95,369,018
Common Equity Tier 1 Capital Adequacy ratio		**23.05%**	22.83%
Tier 1 Capital Adequacy Ratio		**23.05%**	22.83%
Total Capital Adequacy Ratio		**24.25%**	25.13%
Notional minimum capital requirements prescribed by SBP			
CET1 minimum ratio		6.00%	6.00%
Tier 1 minimum ratio		7.50%	7.50%
Total capital minimum ratio		10.00%	10.00%
Total capital minimum ratio plus CCB		11.50%	11.50%
Approach followed for detrmining Risk Weighted Assets			
Credit Risk		**Comprehensive**	Comprehensive
Market Risk		**Maturity method**	Maturity method
Operational Risk		**Basic Indicator**	Basic Indicator

	Sep 30, 2026 (Un-audited)	December 31, 2025 (Audited)
	-------- (Rupees in '000') -------	
Leverage Ratio (LR):		
Eligiblle Tier-1 Capital	**25,385,241**	21,774,499
Total Exposures	**433,990,157**	404,766,211
Leverage Ratio (%)	**5.85%**	5.38%
Liquidity Coverage Ratio (LCR):		
Total High Quality Liquid Assets	**192,743,799**	183,159,874
Total Net Cash Outflow	**52,347,621**	47,152,234
Liquidity Coverage Ratio (%)	**368%**	388%
Net Stable Funding Ratio (NSFR):		
Total Available Stable Funding	**264,559,884**	256,915,076
Total Required Stable Funding	**141,212,997**	128,858,448
Net Stable Funding Ratio	**187%**	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 October 29, 2026.

President and Chief Executive Officer	Chief Financial Officer	Director	Director	Chairman