

# عكس كمال



FIRST QUARTER  
ENDED MARCH 31, 2026  
UN-AUDITED FINANCIAL STATEMENTS

faysalbank



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# Corporate Information

## Board of Directors

Mian Muhammad Younis	Chairman
Mr. Ahmed Abdulrahim Mohamed Abdulla Bucheery	Vice Chairman
Mr. Abdulelah Ebrahim Mohamed AlQasimi	Non-Executive Director
Mr. Imtiaz Ahmad Pervez	Non-Executive Director
Mr. Juma Hasan Ali Abul	Non-Executive Director
Mr. Mohamed Ahmed Bucheerei	Non-Executive Director
Mr. Ali Munir	Independent Director
Ms. Fatima Asad Khan	Independent Director
Mr. Mohsin Tariq	Independent Director
Ms. Sadia Khan	Independent Director
Mr. Yousaf Hussain	President & CEO

## Board Audit & Corporate Governance Committee

Mr. Ali Munir	Chairman
Mr. Ahmed Abdulrahim Mohamed Abdulla Bucheery	Member
Mr. Juma Hasan Ali Abul	Member
Mr. Mohsin Tariq	Member

## Board Risk Management Committee

Mr. Imtiaz Ahmad Pervez	Chairman
Mr. Abdulelah Ebrahim Mohamed AlQasimi	Member
Mr. Ali Munir	Member
Mr. Mohamed Ahmed Bucheerei	Member
Mr. Yousaf Hussain	Member

## Recruitment Nomination and Remuneration Committee

Mr. Ahmed Abdulrahim Mohamed Abdulla Bucheery	Chairman
Mr. Juma Hasan Ali Abul	Member
Mr. Mohsin Tariq	Member
Ms. Fatima Asad Khan	Member
Ms. Sadia Khan	Member

## Board Strategy Committee

Mian Muhammad Younis	Chairman
Mr. Ahmed Abdulrahim Mohamed Abdulla Bucheery	Member
Ms. Fatima Asad Khan	Member
Mr. Imtiaz Ahmad Pervez	Member
Mr. Juma Hasan Ali Abul	Member
Mr. Yousaf Hussain	Member

## Board IT Committee

Ms. Sadia Khan	Chairperson
Mr. Abdulelah Ebrahim Mohamed AlQasimi	Member
Mr. Mohamed Ahmed Bucheerei	Member
Mr. Yousaf Hussain	Member

# Corporate Information

## Board Sustainability & Development Committee

Mian Muhammad Younis	Chairman
Mr. Abdulelah Ebrahim Mohamed AlQasimi	Member
Ms. Fatima Asad Khan	Member
Ms. Sadia Khan	Member
Mr. Yousaf Hussain	Member

## Shariah Board

Mufti Muhammad Mohib-ul-Haq Siddiqui	Chairman Shariah Board
Dr. Mufti Khalil Ahmad Aazami	Member Shariah Board
Mufti Muhammad Najeeb Khan	Member Shariah Board
Dr. Mufti Hassan Ashraf Usmani	Member Shariah Board
Mufti Muhammad Uzair Qasim	Member Shariah Board
Mufti Abdul Basit	Resident Shariah Board Member

## Mr. Tanveer Khatri

## Chief Financial Officer

## Mr. Aurangzeb Amin

## Company Secretary & Head of Legal

## M/s. KPMG Taseer Hadi & Co., Chartered Accountants

## Auditors

## M/s. Mohsin Tayebaly & Co, Advocate

## Legal Advisors

## Registered Office

Faysal Bank Limited  
Faysal House, St-02, Commercial Lane,  
Main Shahrah-e-Faisal,  
Karachi, Pakistan

UAN : (92-21) 111-747-747  
Tel : (92-21) 3279-5200  
Fax : (92-21) 3279-5226  
Website : [www.faysalbank.com](http://www.faysalbank.com)

## Share Registrar

CDC Share Registrar Services Limited  
CDC House, 99-B, Block-B,  
SMCHS, Main Shahrah-e-Faisal,  
Karachi-74400

Tel : (92-21) 111-111-500  
Fax : (92-21) 34326053  
Email : [info@cdcsrsl.com](mailto:info@cdcsrsl.com)

Note: The State Bank of Pakistan has accorded the Fit & Proper approval to the above-mentioned Members of the Board of Directors and accordingly, the said Directors have assumed their responsibilities as the directors.

# DIRECTORS' REVIEW

## Unconsolidated Financial Statements For the quarter ended March 31, 2026

On behalf of the Board of Directors, we are pleased to present the Directors' Review along with the unaudited condensed interim unconsolidated financial statements of Faysal Bank Limited ("FBL" hereafter called "the Bank") for the quarter ended March 31, 2026.

### Company Profile

FBL was incorporated in Pakistan on October 03, 1994, as a public limited company and its shares are listed on Pakistan Stock Exchange. FBL offers a wide range of Islamic banking services to all customer segments, i.e., Retail, Small & Medium Sized Enterprises, Commercial, Agri-based, and Corporate.

The Bank surrendered its conventional banking license on 31 December 2022 and effective 01 January 2023 began its fully shariah-compliant operations under an Islamic Banking License issued by the State Bank of Pakistan (SBP). Its footprint spreads over 360 cities across the country with 900 branches offering sharia-compliant banking services.

### Holding Company

Ithmaar Bank B.S.C (closed), a banking entity regulated by the Central Bank of Bahrain, is the parent company holding directly and indirectly 66.78% (2025: 66.78%) of the Bank's shares. Ithmaar Bank B.S.C. (closed) is a wholly owned subsidiary of Ithmaar Holdings B.S.C. Dar Al-Maal Al-Islami Trust (DMIT) is the holding entity of Ithmaar Holding B.S.C. and the ultimate parent Company of the Bank. DMIT was formed by an indenture under the laws of the Commonwealth of The Bahamas for the purpose of conducting business affairs in conformity with Islamic laws, principles, and traditions.

### Economic Update

Pakistan's economy continued to consolidate macroeconomic stability during Q1'26, building on gains from previous year. Inflation remained contained, supported by prudent monetary policy, ongoing fiscal consolidation, and resilient external buffers, although rising geopolitical developments in the Middle East introduced fresh risks.

Economic activity maintained a gradual recovery. After a firm start to the fiscal year, with real GDP growth accelerating to 3.9% year-on-year in Q2 FY26, activity during the Q1'26 reflected consolidation rather than acceleration. Growth was led by industrial sector, supported by easing financial conditions, improved energy availability, regulatory liquidity measures, and normalization of inventories. Large-scale manufacturing remained positive, led by automobiles, wearing apparel, petroleum products, and construction-related industries, although capacity utilization remained uneven across sectors.

Headline inflation, after reaching historically low levels during FY25, edged higher to 7.3% year-on-year in Q1'26, primarily due to base effects, higher transport costs, and some recovery in services inflation. To mitigate the impact of rising global fuel prices—amid disruptions in the Strait of Hormuz—the government implemented targeted fuel price adjustments and temporary relief measures, helping anchor inflation expectations while maintaining fiscal discipline. Geopolitical tensions, particularly involving Iran, emerged as a key downside risk, contributing to volatility in global oil prices and raising concerns around Pakistan's import bill, inflation trajectory, and external balance.

Monetary policy remained cautious and data dependent. Following a reduction in the policy rate to 10.5% in December 2025, the State Bank of Pakistan kept rates unchanged in January and March 2026. The central bank emphasized the need to balance support for economic recovery with preserving price stability and external resilience, considering rising global energy prices and heightened geopolitical risk.

The KSE100 index reached an all-time high of ~190k points, reflecting improved investor sentiment amid macroeconomic stabilization, though volatility persisted due to sensitivity to global developments, especially energy prices and regional risks.

The external sector presented a mixed picture after a current account surplus in FY25, external balances came under pressure during FY26. Structural weaknesses, including limited export diversification and reliance on imported energy, remained key constraints. Workers' remittances continued to play a critical stabilizing role in the external account. Inflows remained robust through March 2026, providing essential support to household consumption and helping offset the widening trade deficit. Foreign exchange reserves remained adequate, backed by remittances, official inflows, and prudent exchange rate management, though external debt repayment obligation and global uncertainty warrants continued vigilance.

Looking ahead, the outlook remains cautiously optimistic but exposed to external risks, particularly from global energy markets. Sustaining stability and translating recovery into durable growth will require continued policy discipline, careful calibration of relief measures, and accelerated structural reforms, particularly in energy, agriculture, and export-oriented industries.

## Bank's Performance

A detailed review of the Bank's performance is given in the following paragraphs:

### Financial Performance

#### Key Balance Sheet Numbers

	31 March '26	31 December '25	Growth
	----- PKR in million -----		%
Investment	666,173	634,940	+4.9
Financing	775,528	871,999	-11.1
Total Assets	1,722,498	1,774,730	-2.9
Deposits	1,328,837	1,427,356	-6.9

Profit & Loss Account	March '26	March '25	Growth
	----- PKR in million -----		%
Total Revenue	24,737	22,144	+11.7
Total Expenses	(14,329)	(13,342)	+7.4
Profit before tax and provisions	10,408	8,802	+18.2
Net reversal / (provision)	361	2,310	-84.4
Profit before tax	10,769	11,112	-3.1
Tax	(5,613)	(5,965)	-5.9
Profit after tax	5,156	5,147	+0.2
Earnings per share (Rupees)	3.40	3.39	+0.2
Gain on equity securities directly realized in equity (net of tax)	110	860	-87.0

Despite declining policy rates and prevailing macro-economic environment, the Bank delivered a resilient performance in Q1'26 and sustained strong returns. On an unconsolidated basis, Profit Before Tax (PBT) is at PKR 10.8 billion, while Profit After Tax (PAT) is at PKR 5.2 billion, marginally higher than same period last year. Earnings Per Share remained stable at PKR 3.40.

Total revenue increased by 11.7% over Q1'25 and stood at PKR 24.7 billion in Q1'26, reflecting Bank's ability to maintain strong topline momentum despite reduction in policy rates. Net spreads earned were PKR 15.6 billion, with the impact of margin compression partially offset by strong growth in current deposits, which increased by PKR 142 billion (30.1%) YoY.

Non-fund income remained a key contributor to overall revenue with strong growth of 85.0%, increasing to PKR 9.1 billion in Q1'26. Fee and commission income has a healthy growth of 21.2%, reaching PKR 3.8 billion, while foreign exchange income remained resilient, growing by 13.0%, to PKR 1.9 billion. During the period, the Bank capitalized on the declining policy rate cycle and realized a windfall gain on securities amounting to PKR 3.3 billion.

Total expenses increased by 7.4% are primarily due to inflationary pressures and variable costs associated with business growth. As a result, the cost-to-income ratio has improved to 57.9% in Q1'26 from 60.3% same period last year. The Bank also recorded a net reversal of provisions amounting to PKR 0.3 billion compared to PKR 2.3 billion in Q1'25. The infection ratio is at 2.4% and the total coverage ratio stands at 96.0% as of March 31, 2026.

FBL maintained a disciplined balance sheet, with total assets standing at PKR 1.7 trillion. The upward trajectory in Current Accounts continued, taking them to PKR 614 billion i.e. 15% growth over December 2025. Total deposits moderated by 6.9% over December 2025 and are at PKR 1.3 trillion, as the Bank consciously shed high-cost deposits to improve the spreads. The Bank remained focused on optimizing its deposit mix with Current Accounts (CA) mix improved to 46.2% from 37.5% in December 2025 and CASA ratio improved to 85.5% from 81.9%.

Net financing decreased by 11.1% to PKR 776 billion and ADR moderated to 58.4% in Q1'26 from 61.1% in December 2025. Investments increased by 4.9% and reached PKR 666 billion, reflecting prudent balance sheet reallocation. Capital Adequacy Ratio stood at 14%, comfortably exceeding regulatory requirement.

## Outlook

Looking ahead, we are cognizant of the intense competition and spreads compression due to decline in the policy rate. Despite the emerging challenges, we are confident that, through FBL's prudent financial management and strategic foresight, the Bank will, Insha'Allah, continue to navigate the evolving environment effectively and sustain its growth trajectory. The Bank remains steadfast in support of the national economy by advancing the Islamic banking industry.

As part of our strategic vision, we are committed to expanding our branch network to strengthen deposit mobilization and improve customer reach. Simultaneously, we are focusing on improving customer experience through streamlining processes and investing in digital solutions that will elevate our digital offerings and enrich overall customer experience.

In line with our focus on long-term sustainability, we will continue to invest in our workforce, fostering an environment that upholds our core values of Faith, Integrity, Teamwork, Innovation, and Care. Our sustainability agenda also includes minimizing our environmental impact and making meaningful contributions to the communities we serve. By prioritizing these principles, we aim to strengthen our position in the market and serve the evolving needs of our customers.

## Credit Rating

During 2026, Pakistan Credit Rating Agency Limited (PACRA) upgraded the Bank's long-term entity rating to AA+ from AA, reflecting continued strengthening in its credit profile. The latest ratings assigned by PACRA and VIS Credit Rating Company Limited (VIS) are as follows:

	<b>VIS</b>	<b>PACRA</b>
Long Term	AA+	AA+
Short Term	A1+	A1+

The outlook on the assigned ratings remains 'Stable'.

## Dividend

We are pleased to announce that the Board of Directors, in their meeting held on April 23, 2026, approved an interim cash dividend of Rs 1.5 per share (15%) for the quarter ended March 31, 2026 (March 31, 2025: Rs 1.5).

## Heartfelt Thanks: Acknowledging Our Pillars of Strength

On behalf of the Board and the Management, we extend gratitude to our esteemed shareholders for their unwavering support. We are indebted to our customers for their continuous confidence and trust. We also would like to place on record our appreciation for the Government of Pakistan, the State Bank of Pakistan and the Securities and Exchange Commission of Pakistan for their continued support and guidance, for developing and strengthening the banking and financial services sector through continuous improvement in the regulatory and governance framework.

As always, we would also like to express sincere appreciation for the Shariah Board. We wish to express our heartfelt appreciation to every member of our dedicated team for their tireless efforts and unwavering commitment to enhance the growth of FBL. Above all, we humbly express our profound gratitude to Allah Almighty for His continued blessings and guidance upon our Bank and all its members.

## Approval

In compliance with the requirement of the Companies Act, 2017, this Directors' Report with the recommendations of the Board Audit and Corporate Governance Committee has been approved by the Directors in their meeting held on April 23, 2026, and signed by the Chief Executive Officer and the Chairman.

**President & CEO**

Karachi

Dated: April 23, 2026

**Chairman**

## ڈیویڈنڈ

ہمیں یہ اعلان کرتے ہوئے خوشی ہو رہی ہے کہ بورڈ آف ڈائریکٹرز نے 23 اپریل 2026 کو منعقدہ اپنے اجلاس میں، 31 مارچ 2026 کو ختم ہونے والی سہ ماہی کے لیے فی شیئر 1.5 روپے (15%) عبوری نقدی منافع کی منظوری دی ہے (31 مارچ 2025: 1.5 روپے)۔

## ہماری طاقت کے ستونوں کے لیے دلی اظہارِ تشکر

بورڈ اور انتظامیہ کی جانب سے، ہم اس موقع پر شیئر ہولڈرز کا شکریہ ادا کرتے ہیں کہ انہوں نے ہم پر غیر متزلزل اعتماد کیا ہے۔ ہم اپنے صارفین کے تہہ دل سے مشکور ہیں، جنہوں نے اپنے کاروبار اور پختہ یقین کے ساتھ ہم پر اعتماد کو مسلسل جاری رکھا۔ ہم ریگولیٹری اور گورننس فریم ورک میں مسلسل بہتری کے ذریعے بینکنگ اور فنانشل سروسز سیکٹر کے فروغ کے لیے اُن کے مسلسل تعاون اور رہنمائی پر اپنے ریگولیٹرز اور حکومت پاکستان، بالخصوص اسٹیٹ بینک آف پاکستان اور سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے بھی شکر گزار ہیں۔

ہمیشہ کی طرح، ہم یہاں شریعہ بورڈ کے لیے بھی اپنی مخلصانہ تعریف کا اظہار کرنا چاہتے ہیں۔ ہم اپنی سرشار ٹیم کے ہر ممبر کا ان کی انتھک محنت اور FBL کی ترقی کو بڑھانے کے لیے غیر متزلزل عزم پر تہہ دل سے شکریہ ادا کرتے ہیں۔ سب سے بڑھ کر، ہم اپنے بینک اور اس کے تمام ملازمین پر اللہ تعالیٰ کے مسلسل فضل و کرم اور رہنمائی کے لیے بارگاہِ الہی میں دل سے شکر گزار ہیں۔

## منظوری

کمپنیز ایکٹ 2017 کے تقاضوں کے مطابق، بورڈ کی آڈٹ اور کارپوریٹ گورننس کمیٹی کی سفارش کے ساتھ ڈائریکٹرز کی اس رپورٹ کو ڈائریکٹرز نے 23 اپریل 2026 کو ہونیوالے اپنے اجلاس میں منظور کیا اور اس پر چیف ایگزیکٹو آفیسر اور چیئر مین نے دستخط ثبت کئے ہیں۔

چیئر مین

صدر اور سی ای او

کراچی

تاریخ: 23 اپریل 2026

1666 ارب روپے تک پہنچ گئی، جو بیلنس شیٹ کی دانشمند اندری لوکیشن کی عکاسی کرتی ہے۔ کیپٹل ایڈیکویسی ریشو (CAR) 14% رہا، جو کہ ریگولیٹری تقاضوں سے کافی زیادہ ہے۔

## مستقبل پر نظر

مستقبل کے حوالے سے، ہم سخت مقابلے اور پالیسی ریٹ میں کمی کی وجہ سے منافع کے مارجن میں ہونے والی کمی سے پوری طرح آگاہ ہیں۔ ان ابھرتے ہوئے چیلنجز کے باوجود، ہمیں یقین ہے کہ فیصل بینک لمیٹڈ (FBL) اپنی مدبرانہ مالیاتی حکمت عملی اور اسٹریٹجک بصیرت کے ذریعے، ان شاء اللہ، بدلتے ہوئے حالات کا موثر طریقے سے مقابلہ کرتا رہے گا اور اپنی ترقی کے تسلسل کو برقرار رکھے گا۔ بینک اسلامی بینکنگ انڈسٹری کو فروغ دے کر ملکی معیشت کی معاونت کے لیے اپنے عزم پر ثابت قدم ہے۔

ہمارے اسٹریٹجک وزن کے حصے کے طور پر، ہم ڈپازٹس میں اضافے اور صارفین تک اپنی رسائی کو بہتر بنانے کے لیے اپنے پراجیکٹ نیٹ ورک کو وسعت دینے کے لیے پر عزم ہیں۔ اس کے ساتھ ساتھ، ہم اپنے طریقہ کار کو آسان بنانے کے ساتھ ایسے ڈیجیٹل سلوشنز میں سرمایہ کاری کر کے صارفین کے تجربے کو بہتر بنانے پر توجہ مرکوز کر رہے ہیں جو ہماری ڈیجیٹل سروسز کے معیار کو بلند کریں گے اور مجموعی کسٹمر تجربے کو مزید بہتر بنائیں گے۔

طویل مدتی پائیدار ترقی پر اپنی توجہ کے عین مطابق، ہم اپنی افرادی قوت میں سرمایہ کاری جاری رکھیں گے اور ایک ایسا ماحول فراہم کریں گے جو ہماری بنیادی اصولوں یعنی یقین، دیانتداری، ٹیم ورک، جدت اور دیکھ بھال کو برقرار رکھے۔ ہمارے پائیداری کے ایجنڈے میں ماحولیاتی اثرات کو کم کرنا اور ان کمیونٹیز کے لیے با مقصد خدمات سرانجام دینا بھی شامل ہے جن کی ہم خدمت کرتے ہیں۔ ان اصولوں کو ترجیح دے کر، ہمارا مقصد مارکیٹ میں اپنی پوزیشن کو مستحکم کرنا اور اپنے صارفین کی بدلتی ہوئی ضروریات کو پورا کرنا ہے۔

## کریڈٹ ریٹنگ

سال 2026 کے دوران، پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے بینک کے کریڈٹ پروفائل میں مسلسل بہتری کی عکاسی کرتے ہوئے اس کی طویل مدتی ریٹنگ کو AA+ سے بڑھا کر AA+ کر دیا ہے۔ PACRA اور VIS کریڈٹ ریٹنگ کمپنی لمیٹڈ کی جانب سے تفویض کردہ تازہ ترین ریٹنگ درج ذیل ہیں:

VIS	PACRA	
AA+	AA+	طویل المدتی
A1+	A1+	قلیل المدتی

تفویض کردہ ریٹنگ کا منظر نامہ ”مستحکم“ ہے۔

پالیسی ریٹس میں کمی اور موجودہ میکرو اکنامک صورتحال کے باوجود، فیصل بینک لمیٹڈ نے 2026 کی پہلی سہ ماہی میں بھی کامیابی کا سلسلہ جاری رکھا اور بہترین کارکردگی کا مظاہرہ کیا۔ غیر منجمد بنیاد پر، بینک نے 10.8 ارب روپے قبل از ٹیکس منافع اور 15.2 ارب روپے بعد از ٹیکس منافع کمایا اور فی حصص آمدن 3.40 روپے رہی۔

کل آمدنی میں گزشتہ سال (Q1'25) کے مقابلے میں 11.7% اضافہ ہوا اور یہ 2026 کی پہلی سہ ماہی میں 24.7 ارب روپے رہی، جو پالیسی ریٹ میں کمی کے باوجود بینک کی مضبوط ٹاپ لائن ترقی برقرار رکھنے کی صلاحیت کو ظاہر کرتی ہے۔ نیٹ اسپریڈ سے حاصل ہونے والی آمدنی 15.6 ارب روپے رہی۔ مارجن میں کمی کے اثر کو کرنٹ ڈپازٹس میں ہونے والے نمایاں اضافے سے جزوی طور پر پورا کیا گیا، جو کہ سالانہ بنیادوں پر 142 ارب روپے اضافے کے ساتھ 30.1 فیصد بڑھے۔

نان فنڈ انکم مجموعی آمدنی میں ایک اہم حصہ رہی، جس میں 85.0% کی شاندار ترقی دیکھی گئی اور یہ 2026 کی پہلی سہ ماہی میں بڑھ کر 9.1 ارب روپے ہو گئی۔ فیس اور کمیشن کی آمدنی میں 21.2% کی صحت مند ترقی ہوئی جو 3.8 ارب روپے تک پہنچ گئی، جبکہ غیر ملکی زر مبادلہ سے حاصل ہونے والی آمدنی 13.0% اضافے کے ساتھ 1.9 ارب روپے پر مستحکم رہی۔ اس عرصے کے دوران، بینک نے پالیسی ریٹ میں کمی سے فائدہ اٹھایا اور سیکیورٹیز پر 3.3 ارب روپے کا بڑا منافع حاصل کیا۔

کل اخراجات میں 7.4% اضافہ ہوا، جس کی بنیادی وجہ مہنگائی کا دباؤ اور کاروباری ترقی سے منسلک متغیر اخراجات ہیں۔ نتیجے کے طور پر، کاسٹ ٹوائٹم ریٹو گزشتہ سال کے اسی عرصے کے 60.3% کے مقابلے میں بہتر ہو کر 57.9% پر آ گیا۔ بینک نے 0.3 ارب روپے کے پروویژنز کی خالص واپسی (Net Reversal) بھی حاصل کی، جبکہ Q1 2025 میں یہ 2.3 ارب روپے تھی۔ انفیکشن ریٹو 2.4% رہا۔ 2026 کی پہلی سہ ماہی کا ٹوٹل کورٹج ریٹو 96.0% پر برقرار ہے۔

بینک نے ایک منظم بیلنس شیٹ برقرار رکھی، جس میں کل اثاثے 1.7 کھرب روپے رہے۔ کرنٹ اکاؤنٹس میں اضافے کا رجحان جاری رہا، جو دسمبر 2025 کے مقابلے میں 15 فیصد اضافے کے ساتھ 614 بلین روپے تک پہنچ گئے۔ مجموعی ڈپازٹس میں دسمبر 2025 کے مقابلے میں 6.9% کی کمی آئی اور یہ 1.3 کھرب روپے پر رہے، کیونکہ بینک نے اسپریڈز (منافع کے فرق) کو بہتر بنانے کے لیے جان بوجھ کر زیادہ لاگت والے ڈپازٹس کو کم کیا۔ بینک کی توجہ ڈپازٹس کو بہتر بنانے پر رہی، جس کے نتیجے میں کرنٹ اکاؤنٹ (CA) کا تناسب دسمبر 2025 کے 37.5% سے بہتر ہو کر 46.2% ہو گیا، اور CASA ریٹو 81.9% سے بہتر ہو کر 85.5% تک پہنچ گیا۔

نیٹ فنانسنگ میں 11.1 فیصد تک کمی واقع ہوئی اور 776 ارب روپے تک آگئی، جبکہ ADR (ایڈوانس ٹوڈیپازٹ ریٹو) دسمبر 2025 کے 61.1% سے کم ہو کر 58.4% پر آگیا۔ سرمایہ کاری میں 4.9% کا اضافہ ہوا اور یہ

## بینک کی کارکردگی

بینک کی کارکردگی کا تفصیلی جائزہ درج ذیل پیراگرافس میں دیا جا رہا ہے:

## مالیاتی کارکردگی

بیلنس شیٹ کے نمایاں اعداد و شمار

نموہ%	۳۱ مارچ ۲۰۲۶ء		۳۱ دسمبر ۲۰۲۵ء	
	(ملین روپے)			
+4.9	634,940	666,173		
-11.1	871,999	775,528		
-2.9	1,774,730	1,722,498		
-6.9	1,427,356	1,328,837		

سرمایہ کاری

فنانسنگ

کل اثاثہ جات

ڈپازٹس

نموہ%	مارچ ۲۰۲۶ء		مارچ ۲۰۲۵ء	
	(ملین روپے)			
+11.7	22,144	24,737		
+7.4	(13,342)	(14,329)		
+18.2	8,802	10,408		
-84.4	2,310	361		
-3.1	11,112	10,769		
-5.9	(5,965)	(5,613)		
+0.2	5,147	5,156		
+0.2	3.39	3.40		

## نفع اور نقصان اکاؤنٹ

مجموعی آمدنی

مجموعی اخراجات

منافع قبل از ٹیکس اور پروویژن

نیٹ ریورسل / (پروویژن)

منافع قبل از ٹیکس

ٹیکسز

منافع بعد از ٹیکس

فی حصص آمدن (روپے)

ایکوئٹی سیوریٹیز سے حاصل کردہ منافع جو براہ راست ایکوئٹی میں تسلیم کیا گیا (بعد از ٹیکس)

سرگرمیاں تیزی کے بجائے استحکام کی عکاسی کرتی رہیں۔ اس ترقی میں صنعتی شعبے کا کردار رہا، جس سے مالیاتی حالات میں بہتری، توانائی کی بہتر دستیابی، ریگولٹری لیکویڈٹی اقدامات اور انویسٹریز کو معمول پر لانے سے تعاون حاصل ہوا۔ بڑے پیمانے کی مینوفیکچرنگ میں مثبت رجحان رہا، جس میں آٹوموبائل، ملبوسات، بیٹریولیم مصنوعات اور تعمیرات سے متعلقہ صنعتوں میں پیش پیش رہیں، تاہم مختلف شعبوں میں پیداواری صلاحیت کا استعمال غیر یکساں رہا۔

ہیڈلائن افراط زر جو مالی سال 2025 کے دوران تاریخی طور پر کم ترین سطح پر پہنچنے کے بعد، 2026 کی پہلی سہ ماہی میں سال بہ سال بڑھ کر 7.3 فیصد ہو گئی، جس کی بنیادی وجوہات میں بنیادی اثرات، ٹرانسپورٹ کے اخراجات میں اضافہ اور خدمات کے شعبے میں کچھ بحالی کا اثر شامل ہے۔ بشمول آبنائے ہر مز میں مکنہ رکاوٹوں کے باعث ایندھن کی بڑھتی ہوئی عالمی قیمتوں کے اثرات کو کم کرنے کے لیے حکومت نے ایندھن قیمتوں میں نارگٹائیڈ فیول پرائس اینڈ جسٹس اور عارضی ریلیف کے اقدامات نافذ کئے، جس سے مالیاتی نظم و ضبط برقرار رکھتے ہوئے مہنگائی کی توقعات کو کنٹرول کرنے میں مدد ملی۔ خاص طور پر ایران جنگ سے وابستہ انتشار ایک بڑے خطرے کے طور پر سامنے آیا، جس نے تیل کی عالمی قیمتوں میں اتار چڑھاؤ پیدا کیا اور پاکستان کے درآمدی بل، مہنگائی اور بیرونی توازن کے حوالے سے بڑھتے ہوئے خدشات کا باعث بنا۔

ماٹری پالیسی محتاط اور اعداد و شمار پر مبنی رہی۔ دسمبر 2025 میں پالیسی ریٹ کو 10.5 فیصد تک کم کرنے کے بعد، اسٹیٹ بینک آف پاکستان نے جنوری اور مارچ 2026 میں شرح سود کو برقرار رکھا۔ مرکزی بینک نے عالمی توانائی کی بڑھتی ہوئی قیمتوں اور جغرافیائی سیاسی خطرات کے پیش نظر معاشی بحالی اور قیمتوں کے استحکام کے درمیان توازن برقرار رکھنے پر زور دیا۔ پاکستان اسٹاک ایکسچینج کا KSE100 انڈیکس تقریباً 190,000 پوائنٹس کی تاریخی بلند ترین سطح پر پہنچ گیا، جو میکرو اکنامک استحکام کے درمیان سرمایہ کاروں کے بہتر اعتماد کی عکاسی کرتا ہے، تاہم عالمی حالات خصوصاً توانائی کی قیمتوں اور علاقائی خطرات کی حساسیت کی وجہ سے مارکیٹ میں اتار چڑھاؤ برقرار رہا۔

بیرونی شعبے نے مالی سال 2025 میں کرنٹ اکاؤنٹ سرپلس کے بعد، مالی سال 2026 میں بیرونی توازن دباؤ کا شکار رہا۔ انضمامی ڈھانچے کی کمزوری، محدود درآمدات کی کمی اور درآمدی توانائی پر انحصار بڑی رکاوٹیں رہیں۔ تاہم، بیرون ملک مقیم پاکستانیوں کی جانب سے بھیجی جانے والی ترسیلات زر نے ایکسٹرنل اکاؤنٹ کو سہارا دینے میں کلیدی کردار ادا کیا۔ مارچ 2026 تک رقوم کی آمد مضبوط رہی، جس نے گھریلو کھپت کو سہارا دیا اور بڑھتے ہوئے تجارتی خسارے کو پورا کرنے میں مدد کی۔ ریٹینشن کے باعث غیر ملکی زرمبادلہ کے ذخائر مناسب سطح پر رہے، لیکن غیر ملکی قرضوں کی ادائیگی، ایکسچینج ریٹ میں بے ثباتی اور عالمی غیر یقینی صورتحال مسلسل محتاط رہنے کا تقاضا کرتی ہے۔

مستقبل پر نظر ڈالتے ہوئے، آؤٹ لک محتاط حد تک پر امید ہے لیکن عالمی توانائی مارکیٹس سے وابستہ بیرونی خطرات کا شکار ہے۔ استحکام کو برقرار رکھنے اور اس بحالی کو پائیدار ترقی میں بدلنے کے لیے مسلسل پالیسی نظم و ضبط، ریلیف کے اقدامات کی درست پیمائش اور توانائی، زراعت اور برآمدی صنعتوں میں ڈھانچہ جاتی اصلاحات کی رفتار کو تیز کرنے کی ضرورت ہوگی۔

## ڈائریکٹرز کا جائزہ ان کنسولٹیڈ ایڈ مالیاتی نتائج

ہم بورڈ آف ڈائریکٹرز کی جانب سے، فیصل بینک لمیٹڈ ("FBL" جسے بعد ازاں "بینک" کہا جائے گا) کے 31 مارچ 2026 کو ختم شدہ سہ ماہی کے لیے ڈائریکٹرز کے جائزے کے ساتھ غیر آڈٹ شدہ منجمد عبوری مالیاتی نتائج پیش کرتے ہوئے اظہار مسرت کرتے ہیں۔

### کمپنی پر وفاق

FBL کا قیام پاکستان میں 3 اکتوبر 1994 کو ایک پبلک لمیٹڈ کمپنی کے طور پر عمل میں آیا اور اس کے حصص پاکستان اسٹاک ایکسچینج میں درج ہیں۔ FBL صارفین کے تمام طبقات جیسے ریٹیل، چھوٹے اور متوسط درجے کے کاروباری ادارے، تجارتی، زرعت پر مبنی اور کارپوریٹ کو اسلامی بینکنگ خدمات کی ایک وسیع رینج پیش کرتا ہے۔

بینک نے 31 دسمبر 2022 کو اپنا کنٹریبیوٹل بینکنگ لائسنس واپس کیا اور یکم جنوری 2023 کو اسٹیٹ بینک آف پاکستان کی جانب سے جاری کردہ مکمل اسلامی بینکاری لائسنس کے تحت آپریشنز کا آغاز کیا۔ بینک کی ملک بھر کے 360 شہروں میں 900 شاخیں شرعی اصولوں کے عین مطابق خدمات فراہم کر رہی ہیں۔

### ہولڈنگ کمپنی

الاشمار بینک B.S.C. (کلوزڈ)، ایک بینکنگ ادارہ ہے جو مرکزی بینک آف بحرین کے ذریعے ریگولیٹ کیا جاتا ہے، یہ مرکزی کمپنی ہے، جو فیصل بینک لمیٹڈ میں بالواسطہ بالواسطہ 66.78% (2025:66.78%) حصص کی حامل ہے۔ الا شمار بینک B.S.C. (کلوزڈ) الا شمار ہولڈنگز B.S.C. کا ملکیتی ذیلی ادارہ دارالامال الاسلامی ٹرسٹ (DMIT) الا شمار ہولڈنگ B.S.C. کی ہولڈنگ کمپنی اور گروپ کی سرپرست ہے۔ DMIT کو معاہدے کے ذریعے دولت مشترکہ بہماس کے قوانین کے تحت اسلامی قوانین، اصولوں اور روایات کے مطابق کاروباری امور کو سرانجام دینے کے مقصد سے تشکیل دیا گیا تھا۔

### اقتصادی جائزہ

پاکستان کی معیشت نے مالی سال 2026 کی پہلی سہ ماہی کے دوران میکرو اکنامک استحکام کو مستحکم رکھنے کا سلسلہ جاری رکھا، جو گزشتہ سال کے حاصل کردہ فوائد پر مبنی ہے۔ افراط زر پر قابو پایا گیا، جس کی مدد سمجھدار مالیاتی پالیسی، جاری مالیاتی استحکام اور چکداریہ روئی بفرز سے ہوئی، اگرچہ مشرق وسطیٰ میں ابھرتی ہوئی جغرافیائی سیاسی صورتحال نے نئے مالیاتی خطرات متعارف کرائے ہیں۔

اقتصادی سرگرمیوں میں بتدریج بحالی کا سلسلہ برقرار رہا۔ مالی سال 2026 کے مضبوط آغاز کے بعد جی ڈی پی (GDP) کی شرح نمو مالی سال 26 کی دوسری سہ ماہی میں سالانہ بنیادوں پر 3.9% تک پہنچنے کے بعد، 2026 کی پہلی سہ ماہی کی

# Condensed Interim Unconsolidated Statement of Financial Position

As at March 31, 2026

**(Un-audited)**  
**March 31,**  
**2026**

**(Audited)**  
**December 31,**  
**2025**

----- Rupees in '000 -----

## ASSETS

Cash and balances with treasury banks	9	103,136,926	103,857,836
Balances with other banks	10	5,825,684	6,732,657
Due from financial institutions		-	-
Investments	11	666,173,437	634,939,757
Islamic financing and related assets	12	775,528,441	871,998,703
Property and equipment	13	54,815,561	52,997,191
Right-of-use assets	14	14,961,943	15,351,285
Intangible assets	15	3,220,739	2,312,447
Deferred tax assets	21	1,962,851	-
Other assets	16	96,872,757	86,539,679
		1,722,498,339	1,774,729,555

## LIABILITIES

Bills payable	17	19,782,878	33,288,005
Due to financial institutions	18	186,661,668	121,636,950
Deposits and other accounts	19	1,328,837,355	1,427,355,925
Lease liabilities	20	18,412,339	18,481,082
Subordinated sukuk		-	-
Deferred tax liabilities	21	-	5,198,775
Other liabilities	22	57,446,498	53,319,204
		1,611,140,738	1,659,279,941
		111,357,601	115,449,614

## NET ASSETS

## REPRESENTED BY

Share capital		15,176,965	15,176,965
Reserves		20,509,621	20,003,104
Surplus on revaluation of assets - net of tax	23	10,823,704	17,164,358
Unappropriated profit		64,847,311	63,105,187
		111,357,601	115,449,614

## CONTINGENCIES AND COMMITMENTS

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

PRESIDENT & CEO

CHIEF FINANCIAL OFFICER

CHAIRMAN

DIRECTOR

DIRECTOR

# Condensed Interim Unconsolidated Statement of Profit and Loss Account (Un-audited)

For the quarter ended March 31, 2026

Note	Quarter ended		
	March 31, 2026	March 31, 2025	
	----- Rupees in '000 -----		
Profit / return earned	26	38,130,166	42,086,949
Profit / return expensed	27	22,534,628	24,892,083
Net profit / return		15,595,538	17,194,866
<b>OTHER INCOME</b>			
Fee and commission income	28	3,754,382	3,096,833
Dividend income		151,328	35,163
Foreign exchange income		1,934,609	1,717,039
Income from derivatives		54	15,486
Gain on securities - net	29	3,342,077	50,601
Net loss on derecognition of financial assets measured at amortised cost	16.1	(123,939)	(83,628)
Other income	30	82,538	117,477
Total other income		9,141,049	4,948,971
Total income		24,736,587	22,143,837
<b>OTHER EXPENSES</b>			
Operating expenses	31	14,094,732	13,114,464
Workers welfare fund		233,510	226,784
Other charges	32	561	586
Total other expenses		14,328,803	13,341,834
Profit before credit loss allowance		10,407,784	8,802,003
Reversal of credit loss allowance and write offs - net	33	(360,943)	(2,310,420)
<b>PROFIT BEFORE TAXATION</b>		10,768,727	11,112,423
Taxation	34	5,612,347	5,965,104
<b>PROFIT AFTER TAXATION</b>		5,156,380	5,147,319
		----- Rupees -----	
<b>Basic and diluted earnings per share</b>	35	3.40	3.39

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

PRESIDENT & CEO

CHIEF FINANCIAL OFFICER

CHAIRMAN

DIRECTOR

DIRECTOR

# Condensed Interim Unconsolidated Statement of Comprehensive Income (Un-audited)

For the quarter ended March 31, 2026

	Quarter ended	
	March 31, 2026	March 31, 2025
	Rupees in '000	
Profit after taxation for the period	5,156,380	5,147,319
<b>Other comprehensive income / (loss)</b>		
<b>Items that may be reclassified to the profit and loss account in subsequent periods:</b>		
Movement in deficit on revaluation of debt investments through FVOCI - net of tax	(5,148,881)	(4,286,873)
<b>Items that will not be reclassified to the profit and loss account in subsequent periods:</b>		
Movement in deficit on revaluation of equity investments - net of tax	(1,041,837)	(150,664)
Movement in surplus on revaluation of property and equipment - net of tax	-	39,537
Movement in surplus on revaluation of non-banking assets - net of tax	-	320
	(1,041,837)	(110,807)
<b>Total comprehensive (loss) / income for the period</b>	<b>(1,034,338)</b>	<b>749,639</b>

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

PRESIDENT & CEO

CHIEF FINANCIAL OFFICER

CHAIRMAN

DIRECTOR

DIRECTOR

# Condensed Interim Unconsolidated Statement Of Changes In Equity

For the quarter ended March 31, 2026

Share capital	Reserves					Surplus / (deficit) on revaluation of			Unappropriated profit	Total	
	Capital reserves				Statutory reserve	Investments	Property and equipment / non-banking assets	Total			
	Share premium	Non-distributable capital reserve (NCR) - gain on bargain purchase	Reserve arising on amalgamation	Total							
Rupees in '000											
Balance as at December 31, 2024 (Audited)	15,176,965	10,131	135,651	23,952	17,696,623	17,866,357	11,268,222	11,503,661	22,771,883	52,546,164	108,361,369
Impact of adopting IFRS 9 as at January 1, 2025 - net of tax	-	-	-	-	-	-	1,714,963	-	1,714,963	-	1,714,963
<b>Restated balance as at January 1, 2025 (Audited)</b>	15,176,965	10,131	135,651	23,952	17,696,623	17,866,357	12,983,185	11,503,661	24,486,846	52,546,164	110,076,332
Profit after taxation for the quarter ended March 31, 2025	-	-	-	-	-	-	-	-	-	5,147,319	5,147,319
<b>Other comprehensive (loss) / Income</b>											
Movement in deficit on revaluation of debt investments through FVOCI - net of tax	-	-	-	-	-	-	(4,286,873)	-	(4,286,873)	-	(4,286,873)
Movement in deficit on revaluation of equity investments through FVOCI - net of tax	-	-	-	-	-	-	(150,664)	-	(150,664)	-	(150,664)
Movement in surplus on revaluation of property and equipment - net of tax	-	-	-	-	-	-	-	39,537	39,537	-	39,537
Movement in surplus on revaluation of non-banking assets - net of tax	-	-	-	-	-	-	-	320	320	-	320
Total other comprehensive (loss) / income - net of tax	-	-	-	-	-	-	(4,437,537)	39,557	(4,397,680)	-	(4,397,680)
Gain on sale of equity instruments classified as FVOCI - net of tax	-	-	-	-	-	-	(860,314)	-	(860,314)	860,314	-
Transfer to statutory reserve	-	-	-	-	514,732	514,732	-	-	-	(514,732)	-
Transfer from surplus on revaluation of property and equipment to unappropriated profit - net of tax	-	-	-	-	-	-	-	(24,558)	(24,558)	24,558	-
Amortisation of intangible assets - customer relationship - net of tax	-	-	(6,235)	-	-	(6,235)	-	-	-	-	(6,235)
<b>Transaction with owners, recorded directly in equity</b>											
Final cash dividend for the year 2024 declared on February 20, 2025 at Rs 2.5 per share	-	-	-	-	-	-	-	-	-	(3,794,241)	(3,794,241)
<b>Restated balance as at March 31, 2025 (Un-audited)</b>	15,176,965	10,131	129,416	23,952	18,211,355	18,374,854	7,685,334	11,516,960	19,204,294	54,269,382	107,025,495
Profit after taxation for the nine months period ended December 31, 2025	-	-	-	-	-	-	-	-	-	16,556,095	16,556,095
<b>Other comprehensive income / (loss)</b>											
Movement in deficit on revaluation of debt investments through FVOCI - net of tax	-	-	-	-	-	-	(2,977,749)	-	(2,977,749)	-	(2,977,749)
Movement in surplus on revaluation of equity investments through FVOCI - net of tax	-	-	-	-	-	-	903,548	-	903,548	-	903,548
Remeasurement gain on defined benefit obligations - net of tax	-	-	-	-	-	-	-	-	-	92,630	92,630
Movement in surplus on revaluation of property and equipment - net of tax	-	-	-	-	-	-	-	1,279,973	1,279,973	-	1,279,973
Movement in deficit on revaluation of non-banking assets - net of tax	-	-	-	-	-	-	-	(322,534)	(322,534)	-	(322,534)
Total other comprehensive (loss) / income - net of tax	-	-	-	-	-	-	(2,074,203)	957,439	(1,116,764)	92,630	(1,023,934)
Gain on sale of equity instruments classified as FVOCI - net of tax	-	-	-	-	-	-	(373,805)	-	(373,805)	373,805	-
Transfer to statutory reserve	-	-	-	-	1,655,609	1,655,609	-	-	-	(1,655,609)	-
Transfer from surplus on revaluation of property and equipment to unappropriated profit - net of tax	-	-	-	-	-	-	-	(75,694)	(75,694)	75,694	-
Transfer from surplus on revaluation of non-banking assets on disposal - net of tax	-	-	-	-	-	-	-	(473,673)	(473,673)	222,625	(251,048)
Amortisation of intangible assets - customer relationship - net of tax	-	-	(27,359)	-	-	(27,359)	-	-	-	-	(27,359)
<b>Transaction with owners, recorded directly in equity</b>											
First interim cash dividend declared on April 24, 2025 at Rs 1.5 per share	-	-	-	-	-	-	-	-	-	(2,276,545)	(2,276,545)
Second interim cash dividend declared on August 28, 2025 at Rs 1.5 per share	-	-	-	-	-	-	-	-	-	(2,276,545)	(2,276,545)
Third interim cash dividend declared on October 23, 2025 at Rs 1.5 per share	-	-	-	-	-	-	-	-	-	(2,276,545)	(2,276,545)
<b>Restated balance as at December 31, 2025 (Audited)</b>	15,176,965	10,131	102,057	23,952	19,869,964	20,003,104	5,237,326	11,927,032	17,164,358	63,105,187	115,449,614
Impact of adopting IFRS 9 as at January 1, 2026 - net of tax	-	-	-	-	-	-	-	-	-	(13,161)	(13,161)
<b>Restated balance as at January 1, 2026</b>	15,176,965	10,131	102,057	23,952	19,869,964	20,003,104	5,237,326	11,927,032	17,164,358	63,092,026	115,436,453
Profit after taxation for quarter ended March 31, 2026	-	-	-	-	-	-	-	-	-	5,156,380	5,156,380
<b>Other comprehensive income / (loss)</b>											
Movement in deficit on revaluation of debt investments through FVOCI - net of tax	-	-	-	-	-	-	(5,148,881)	-	(5,148,881)	-	(5,148,881)
Movement in deficit on revaluation of equity investments through FVOCI - net of tax	-	-	-	-	-	-	(1,041,837)	-	(1,041,837)	-	(1,041,837)
Total other comprehensive loss - net of tax	-	-	-	-	-	-	(6,190,718)	-	(6,190,718)	-	(6,190,718)
Gain on sale of equity instruments classified as FVOCI - net of tax	-	-	-	-	-	-	(110,439)	-	(110,439)	110,439	-
Transfer to statutory reserve	-	-	-	-	515,638	515,638	-	-	-	(515,638)	-
Transfer from surplus on revaluation of property and equipment to unappropriated profit - net of tax	-	-	-	-	-	-	-	(39,497)	(39,497)	39,497	-
Amortisation of intangible assets - customer relationship - net of tax	-	-	(9,121)	-	-	(9,121)	-	-	-	-	(9,121)
<b>Transaction with owners, recorded directly in equity</b>											
Final cash dividend for the year 2025 declared on February 19, 2026 at Rs 2 per share	-	-	-	-	-	-	-	-	-	(3,035,393)	(3,035,393)
<b>Balance as at March 31, 2026 (Un-audited)</b>	15,176,965	10,131	92,936	23,952	20,382,602	20,509,621	11,083,831	11,887,535	10,823,704	64,847,311	111,337,601

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

PRESIDENT & CEO

CHIEF FINANCIAL OFFICER

CHAIRMAN

DIRECTOR

DIRECTOR

# Condensed Interim Unconsolidated Cash Flow Statement (Un-audited)

For the quarter ended March 31, 2026

	Note	March 31, 2026	March 31, 2025
----- Rupees in '000 -----			
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit before taxation		10,768,727	11,112,423
Less: dividend income		(151,328)	(35,163)
		<u>10,617,399</u>	<u>11,077,260</u>
<b>Adjustments:</b>			
Net profit / return income		(15,595,538)	(17,194,866)
Depreciation on owned property and equipment	31	1,369,447	1,099,823
Depreciation on right-of-use assets	31	675,567	588,403
Depreciation on non-banking assets	31	-	592
Amortisation of intangible assets	31	173,747	144,169
Workers welfare fund		233,510	226,784
Reversal of credit loss allowance and write offs - net	33	(360,943)	(2,310,420)
Unrealised gain - FVTPL	29	(2,634)	-
Net loss on derecognition of financial assets measured at amortised cost	16.1	123,939	83,628
Gain on sale of Property and equipment - net	30	(21,313)	(4,183)
Gain on termination of leases (IFRS 16)	30	(19,537)	(13,045)
Charge for defined benefit plan		139,516	145,692
Gain on derivative contracts		(54)	(15,486)
		<u>(13,284,293)</u>	<u>(17,248,909)</u>
		(2,666,894)	(6,171,649)
<b>Decrease / (Increase) in operating assets</b>			
Securities classified as FVTPL		(264,274)	1,365,407
Islamic financing and related assets		96,672,333	(8,295,128)
Others assets (excluding advance taxation)		<u>(2,252,624)</u>	<u>5,140,178</u>
		94,155,435	(1,789,543)
<b>(Decrease) / Increase in operating liabilities</b>			
Bills Payable		(13,505,127)	(19,125,675)
Due to financial institutions		65,024,718	9,975,262
Deposits		(98,518,570)	68,834,520
Other liabilities (excluding current taxation)		<u>297,108</u>	<u>(23,583,513)</u>
		(46,701,871)	36,100,594
Income tax paid		(6,791,658)	(4,973,131)
Profit / return received		30,540,258	34,598,757
Profit / return paid		(20,923,474)	(25,117,063)
Contribution to gratuity fund		<u>(90,138)</u>	<u>(145,692)</u>
<b>Net cash generated from operating activities</b>		<u>47,521,658</u>	<u>32,502,273</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Net (investments) / divestments in amortized cost securities		(32,813,416)	1,396,156
Net investments in securities classified as FVOCI		(11,430,772)	(26,608,448)
Net divestments in associates		150,000	-
Dividends received		143,815	30,951
Investment in property and equipment		(3,311,025)	(4,851,845)
Investment in intangible assets		(1,101,085)	(107,226)
Disposal proceeds of property and equipment		<u>144,387</u>	<u>42,265</u>
<b>Net cash used in investing activities</b>		<u>(48,218,096)</u>	<u>(30,098,147)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Payment of lease liabilities against right-of-use assets		(930,388)	(863,795)
Dividend paid		<u>(1,057)</u>	<u>(8,223)</u>
<b>Net cash used in financing activities</b>		<u>(931,445)</u>	<u>(872,018)</u>
<b>(Decrease) / Increase in cash and cash equivalents during the period</b>			
Cash and cash equivalents at the beginning of the period		(1,627,883)	1,532,108
Effect of exchange rate changes on cash and cash equivalents		<u>110,615,705</u>	<u>107,926,656</u>
		(25,212)	150,385
<b>Cash and cash equivalents at the beginning of the period</b>		<u>110,590,493</u>	<u>108,077,041</u>
<b>Cash and cash equivalents at the end of the period</b>		<u><u>108,962,610</u></u>	<u><u>109,609,149</u></u>

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

PRESIDENT & CEO

CHIEF FINANCIAL OFFICER

CHAIRMAN

DIRECTOR

DIRECTOR

# Notes to and forming part of the Condensed Interim Unconsolidated Financial Statements (un-audited)

## For the quarter ended March 31, 2026

### 1 STATUS AND NATURE OF BUSINESS

- 1.1** Faysal Bank Limited (the Bank) was incorporated in Pakistan on October 3, 1994 as a public limited company under the provisions of the repealed Companies Ordinance, 1984 (now the Companies Act, 2017). Its shares are listed on the Pakistan Stock Exchange Limited. The Bank is engaged in Shariah compliant modern Corporate, Commercial and Consumer banking activities. The Bank is operating through 900 branches (December 31, 2025: 900 branches) including 2 sub-branches (December 31, 2025: 2 sub-branches).

The Registered Office of the Bank is located at Faysal House, ST-02, Shahrah-e-Faisal, Karachi.

Ithmaar Bank B.S.C (closed), a fully owned subsidiary of Ithmaar Holdings B.S.C is the parent company of the Bank, holding directly and indirectly 66.78% (December 31, 2025: 66.78%) of the shareholding of the Bank. Dar Al-Maal Al-Islami Trust (DMIT), (ultimate parent of the Bank) is the holding company of Ithmaar Holdings B.S.C.

- 1.2** Based on the financial statements of the Bank for the year ended December 31, 2025, the Pakistan Credit Rating Agency Limited (PACRA) have upgraded the Bank's long-term rating as 'AA+' and reaffirmed the short term rating as 'A1+' on March 31, 2026. The VIS Credit Rating Company Limited has assigned the Bank's medium to long-term as 'AA+' and the short-term rating as 'A1+' on June 30, 2025.

### 2 BASIS OF PRESENTATION

- 2.1** The Bank provides financing mainly through Murabaha, Musawammah, Istisna and other Islamic modes as briefly explained in note 6.7 to the annual audited unconsolidated financial statements for the year ended December 31, 2025.

The purchases and sales arising under these arrangements are not reflected in these condensed interim unconsolidated financial statements as such but are restricted to the amount of facility actually utilized and the appropriate portion of profit thereon. The income on such financing is recognised in accordance with the principles of Islamic Shariah. However, income, if any, received which does not comply with the principles of Islamic Shariah is recognised as charity payable if so directed by the Shariah Board of the Bank.

- 2.2** The Bank has controlling interest in Faysal Asset Management Limited (FAML) and Faysal Islami Currency Exchange Company (Private) Limited and is required to prepare consolidated financial statements under the provisions of the Companies Act, 2017. These condensed interim financial statements represent the unconsolidated results of the Bank and a separate set of condensed interim consolidated financial statements are also being presented by the Bank.

### 3 STATEMENT OF COMPLIANCE

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017;
- Islamic Financial Accounting standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as are notified under the Companies Act, 2017;
- Provisions of, and directives issued under the Banking Companies Ordinance, 1962 and the Companies Act, 2017; and
- Directives issued by the State Bank of Pakistan (SBP) and the Securities and Exchange Commission of Pakistan (SECP).

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

The State Bank of Pakistan (SBP) has adopted requirements of IFRS 9 along with the application instructions through BPRD Circular No. 07 of 2023, dated April 13, 2023, but deferred certain requirements. Islamic banking institutions have been allowed to follow Islamic Financial Accounting Standards (IFAS) 1 & 2 where applicable and continue existing accounting practices for other Islamic products until further instructions. The impact of profit of financing in advance stage is Rs. 2,935 million.

# Notes to and forming part of the Condensed Interim Unconsolidated Financial Statements (un-audited)

## For the quarter ended March 31, 2026

- 3.2** As per the directive of the SBP through its letter BPRD (R&P-02)/625-99/2011/3744 dated March 28, 2011, gain arising on bargain purchase of Pakistan operations of Royal Bank of Scotland (ex-RBS Pakistan) was credited directly into equity as Non-distributable Capital Reserve (NCR). The SBP allowed the Bank to adjust the amortisation of intangible assets against the portion of reserve which arose on account of such assets identified as a result of such acquisition. Accordingly, during the period ended March 31, 2026, the Bank has adjusted amortisation of intangible assets net of tax amounting to Rs. 9.121 million (period ended March 31, 2025: Rs. 6.235 million) from the NCR.
- 3.3** These condensed interim unconsolidated financial statements do not include all the information and disclosures required in the annual audited unconsolidated financial statements, and are limited based on the format prescribed by the State Bank of Pakistan through BPRD Circular Letter No. 2 of 2023 dated February 9, 2023 and IAS 34 and should be read in conjunction with the annual unconsolidated financial statements for the financial year ended December 31, 2025.
- 3.4 Standards, interpretations of and amendments to the published accounting and reporting standards that are effective in the current period**
- 3.4.1** There are certain new and amended standards, interpretations and amendments that are mandatory for the Bank's accounting periods beginning on January 1, 2026 but are considered not to be relevant or do not have any significant effect on the Bank's operations are therefore not detailed in these condensed interim unconsolidated financial statements.
- 3.5 Standards, interpretations of and amendments to the published accounting and reporting standards that are not yet effective**
- 3.5.1** The following revised standards, amendments and interpretations with respect to the accounting and reporting standards would be effective from the dates mentioned below against the respective standards, amendments or interpretations:

<b>Standards, interpretations or amendments</b>	<b>Effective date (annual periods beginning on or after)</b>
- IFRS 18 Presentation and Disclosure in Financial Statements	January 1, 2027

The management of the Bank is assessing the impact of the above mentioned standards on the condensed interim unconsolidated financial statements of the Bank.

- 3.5.2** As required under SBP Letter No. BPRD/LD-01/850/28853/2022-13054, the details of the net conventional funded portfolio as at March 31, 2026 are as follows:

<b>Assets</b>	<b>Note</b>	<b>Rupees in '000</b>
Investments		4,187,056
Financing - net		440,231
<b>Liabilities</b>		
Deposits and other accounts		1,845,005
Other Liabilities	22	146,974

All efforts are being put in to convert or dispose-off the residual portfolio and appropriate monitoring mechanisms are in place. Quarterly progress report on the status of the residual portfolio is shared with the Bank's Board of Directors, the Shariah Board and the State Bank of Pakistan.

#### **4 MATERIAL ACCOUNTING POLICY INFORMATION**

The material accounting policies applied in preparation of these condensed interim unconsolidated financial statements are the same as applied in the preparation of annual unconsolidated financial statements of the Bank for the year ended December 31, 2025 except for applicability of Effective Profit Rate (EIR) as explained in note 3.7.1 of the annual audited unconsolidated financial statements for the year ended December 31, 2025. The cumulative impact of application in current period amounting to PKR 13.161 million net of tax has been recorded as an adjustment to equity at the beginning of the current period.

# Notes to and forming part of the Condensed Interim Unconsolidated Financial Statements (un-audited)

## For the quarter ended March 31, 2026

### 5 BASIS OF MEASUREMENT

These condensed interim unconsolidated financial statements have been prepared under the historical cost convention except for certain property and equipment and non-banking assets acquired in satisfaction of claims which have been carried at revalued amounts, certain investments and derivative contracts which have been marked to market and are carried at fair value, obligations in respect of staff retirement benefits and lease liabilities which have been carried at present value and right-of-use assets which are initially measured at an amount equal to the corresponding lease liabilities (adjusted for any lease payments and costs) and depreciated over the respective lease terms.

### 6 FUNCTIONAL AND PRESENTATION CURRENCY

6.1 Items included in these condensed interim unconsolidated financial statements are measured using the currency of the primary economic environment in which the Bank operates. These condensed interim unconsolidated financial statements are presented in Pakistani Rupees, which is the Bank's functional and presentation currency.

6.2 Figures have been rounded off to the nearest thousand of rupees unless otherwise stated.

### 7 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The basis for accounting estimates adopted in the preparation of these condensed interim unconsolidated financial statements is the same as that applied in the preparation of the unconsolidated financial statements of the Bank for the year ended December 31, 2025.

### 8 FINANCIAL RISK MANAGEMENT

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

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

### 9 CASH AND BALANCES WITH TREASURY BANKS

In hand		
local currency	42,038,898	28,334,706
foreign currencies	5,291,997	3,060,148
	47,330,895	31,394,854
With State Bank of Pakistan in		
local currency current accounts	41,903,487	56,191,193
foreign currency current accounts	6,091,609	5,423,183
foreign currency deposit accounts	941,593	1,826,938
	9.1 48,936,689	63,441,314
With National Bank of Pakistan in		
local currency current accounts	6,870,944	9,023,320
Less: Credit loss allowance held against cash and balances with treasury banks	(1,602)	(1,652)
Cash and balances with treasury banks - net of credit loss allowance	103,136,926	103,857,836

9.1 These include local and foreign currency amounts required to be maintained by the Bank with SBP under the Banking Companies Ordinance, 1962 and / or stipulated by the SBP. These accounts are non-remunerative in nature.

# Notes to and forming part of the Condensed Interim Unconsolidated Financial Statements (un-audited)

For the quarter ended March 31, 2026

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
	----- Rupees in '000 -----	
<b>10 BALANCES WITH OTHER BANKS</b>		
In Pakistan in current accounts	438,605	170,195
Outside Pakistan in current accounts	5,387,098	6,562,504
Less: Credit loss allowance held against balances with other banks	(19)	(42)
Balances with other banks - net of credit loss allowance	5,825,684	6,732,657

## 11 INVESTMENTS

### 11.1 Investments by type:

Note	(Un-audited)				(Audited)			
	March 31, 2026				December 31, 2025			
	Amortised cost	Credit loss allowance	Surplus / (deficit)	Carrying value	Amortised cost	Credit loss allowance	Surplus / (deficit)	Carrying value
	----- Rupees in '000 -----							
<b>FVTPL</b>								
Federal Government securities	989,256	-	-	989,256	874,982	-	-	874,982
Units of open-ended mutual funds	150,000	-	2,634	152,634	-	-	-	-
	1,139,256	-	2,634	1,141,890	874,982	-	-	874,982
<b>FVOCI</b>								
Federal Government securities	612,329,904	-	(4,120,430)	608,209,474	604,610,921	-	6,619,069	611,229,990
Shares	12,863,841	-	1,903,254	14,767,095	9,152,052	-	4,303,829	13,455,881
Non Government debt securities	2,559,951	(1,303,627)	862	1,257,186	2,559,951	(1,303,626)	(11,803)	1,244,522
	627,753,696	(1,303,627)	(2,216,314)	624,233,755	616,322,924	(1,303,626)	10,911,095	625,930,393
<b>Amortised Cost</b>								
Federal Government securities	32,813,416	-	-	32,813,416	-	-	-	-
Non Government debt securities	5,439,341	(9)	-	5,439,332	5,439,341	(3)	-	5,439,338
	38,252,757	(9)	-	38,252,748	5,439,341	(3)	-	5,439,338
<b>Subsidiaries *</b>	11.6							
Faysal Asset Management Limited	1,139,893	-	-	1,139,893	1,139,893	-	-	1,139,893
Faysal Islami Currency Exchange Company (Private) Limited	1,200,000	-	-	1,200,000	1,200,000	-	-	1,200,000
	2,339,893	-	-	2,339,893	2,339,893	-	-	2,339,893
<b>Associates *</b>	11.6							
Faysal Islamic Savings Growth Fund	205,151	-	-	205,151	205,151	-	-	205,151
Faysal Halal Amdani Fund	-	-	-	-	150,000	-	-	150,000
	205,151	-	-	205,151	355,151	-	-	355,151
<b>Total Investments</b>	669,690,753	(1,303,636)	(2,213,680)	666,173,437	625,332,291	(1,303,629)	10,911,095	634,939,757

\* related parties

Notes to and forming part of the Condensed Interim Unconsolidated Financial Statements (un-audited)  
For the quarter ended March 31, 2026

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
----- Rupees in '000 -----		
<b>11.2 Investments given as collateral - at market value</b>		
<b>Federal Government Securities</b>		
Ijarah Sukuk	115,586,460	63,725,560
<b>11.3 Credit loss allowance for diminution in value of investments</b>		
Opening balance	1,303,629	2,726,265
Charge / reversals		
Charge for the period / year	7	-
Reversals for the period / year	-	(6,583)
Reversal on disposals	-	(1,058,478)
	7	(1,065,061)
Transfers - net	-	(357,575)
Amounts written off	-	-
Closing Balance	1,303,636	1,303,629

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

	(Un-audited)		(Audited)	
	March 31, 2026		December 31, 2025	
	Outstanding amount	Credit loss allowance	Outstanding amount	Credit loss allowance
----- Rupees in '000 -----				
<b>Domestic</b>				
Performing	651,420,166	38	610,887,767	31
Underperforming	-	-	-	-
Non-performing				
Stage 1	-	-	-	-
Stage 2	-	-	-	-
Stage 3	-	-	-	-
Substandard	-	-	-	-
Doubtful	-	-	-	-
Loss	1,722,446	1,303,598	1,722,446	1,303,598
	1,722,446	1,303,598	1,722,446	1,303,598
Total	653,142,612	1,303,636	612,610,213	1,303,629

**11.5** As allowed by the SBP, the Bank has availed benefit of forced sale value (FSV) of collaterals held as security of Rs 418.848 million (December 31, 2025: Rs 418.848 million) related to investment while determining the provisioning requirement against non-performing investment as at March 31, 2026. The additional profit arising from availing the FSV benefit (net of tax) as at March 31, 2026 which is not available for distribution as either cash or stock dividend to shareholders approximately amounted to Rs 201.047 million (December 31, 2025: Rs 196.859 million).

# Notes to and forming part of the Condensed Interim Unconsolidated Financial Statements (un-audited)

## For the quarter ended March 31, 2026

### 11.6 Investment in subsidiaries and associates

Note	As at March 31, 2026 (Un-audited)					
	Country of incorporation	% Holding	Assets	Liabilities	Revenue	Profit after tax

Rupees in '000

#### Subsidiaries

Faysal Asset Management Limited	11.6.1	Pakistan	99.99	4,124,529	425,937	708,289	196,996	196,996
Faysal Islami Currency Exchange Company (Private) Limited	11.6.2	Pakistan	100.00	1,190,683	112,779	39,376	(30,388)	(30,388)

#### Associates

Faysal Islamic Savings Growth Fund		Pakistan	4.27	5,134,012	19,469	127,108	101,350	101,350
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	As at March 31, 2025 (Un-audited)					
	Country of incorporation	% Holding	Assets	Liabilities	Revenue	Profit after tax

Rupees in '000

#### Subsidiaries

Faysal Asset Management Limited		Pakistan	99.99	3,386,447	485,639	912,067	281,603	281,603
Faysal Islami Currency Exchange Company (Private) Limited		Pakistan	100.00	1,044,461	27,775	21,408	(8,669)	(8,669)

#### Associates

Faysal Islamic Savings Growth Fund		Pakistan	7.99	2,582,652	16,106	42,254	30,635	30,635
Faysal Halal Amdani Fund		Pakistan	0.32	47,129,269	124,397	1,618,941	1,335,025	1,335,025

**11.6.1** Faysal Asset Management Limited (the Company) was incorporated in Pakistan on August 6, 2003 as an unlisted public limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). It is licensed by the Securities and Exchange Commission of Pakistan (SECP) to operate as a Non-Banking Finance Company (NBFC) and to carry out asset management and investment advisory services under the NBFC (Establishment and Regulation) Rules, 2003 and the NBFC and Notified Entities Regulations, 2008.

**11.6.2** Faysal Islami Currency Exchange Company (Private) Limited was incorporated in Pakistan on January 2024 under the Companies Act, 2017 ('the Act'). The Company is a Non-Banking Finance Company (NBFC), licensed to operate as an exchange company, and is engaged in the business of dealing in foreign exchange and facilitating remittances.

# Notes to and forming part of the Condensed Interim Unconsolidated Financial Statements (un-audited)

For the quarter ended March 31, 2026

## 12 ISLAMIC FINANCING AND RELATED ASSETS

Note	Performing / Under performing		Non-performing		Total	
	(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)
	March 31, 2026	December 31, 2025	March 31, 2026	December 31, 2025	March 31, 2026	December 31, 2025
----- Rupees in '000 -----						
<b>Murabaha financing and related assets</b>						
Murabaha financing	66,894,323	116,167,475	217,265	190,287	67,111,588	116,357,762
Advance against Murabaha financing	9,828,983	11,857,832	5,000	5,000	9,833,983	11,862,832
Inventory related to Murabaha	1,906,209	2,518,392	-	-	1,906,209	2,518,392
	78,629,515	130,543,699	222,265	195,287	78,851,780	130,738,986
<b>Running Musharaka</b>						
	151,359,993	196,818,764	-	-	151,359,993	196,818,764
<b>Istisna financing and related assets</b>						
Istisna	35,532,345	31,370,984	1,267,583	1,297,882	36,799,928	32,668,866
Advance against Istisna	58,469,594	23,482,370	184,623	475,128	58,654,217	23,957,498
Inventory related to Istisna	23,117,248	66,164,399	8,100	399,600	23,125,348	66,563,999
	117,119,187	121,017,753	1,460,306	2,172,610	118,579,493	123,190,363
<b>Tijarah financing and related assets</b>						
Tijarah	13,220,833	7,651,493	451,222	451,222	13,672,055	8,102,715
Advance against Tijarah	6,762,968	9,398,391	-	-	6,762,968	9,398,391
Inventory related to Tijarah	22,978,013	33,854,904	-	-	22,978,013	33,854,904
	42,961,814	50,904,788	451,222	451,222	43,413,036	51,356,010
<b>Musawamah financing and related assets</b>						
Musawamah	7,747,774	7,220,734	168,935	284,914	7,916,709	7,505,648
Advance against Musawamah	1,255	910	-	-	1,255	910
Inventory related to Musawamah	-	1,080	-	-	-	1,080
	7,749,029	7,222,724	168,935	284,914	7,917,964	7,507,638
<b>Salam financing and related assets</b>						
Salam	-	-	3,182	1,200	3,182	1,200
Advance against Salam	1,424,884	10,206,680	-	-	1,424,884	10,206,680
Inventory related to Salam	8,717,487	-	-	-	8,717,487	-
	10,142,371	10,206,680	3,182	1,200	10,145,553	10,207,880
<b>Diminishing Musharaka financing and related assets</b>						
Diminishing Musharaka	315,528,851	305,093,102	7,007,917	7,167,434	322,536,788	312,260,536
Advance against Diminishing Musharaka	16,700,518	14,165,707	-	4,465	16,700,518	14,170,172
	332,229,369	319,258,809	7,007,917	7,171,899	339,237,286	326,430,708
<b>Tawwaruq</b>						
Musharaka	25,435,383	25,398,697	1,107,715	400,648	26,543,098	25,799,345
Bai Muajjal	-	-	193	193	193	193
Bai salam	23,890,380	24,850,196	-	-	23,890,380	24,850,196
	-	245,254	-	-	-	245,254
	789,517,041	886,467,364	10,421,735	10,677,973	799,938,776	897,145,337
Other financing	227,106	271,434	9,464,836	9,758,949	9,691,942	10,030,383
Gross Financing	789,744,147	886,738,798	19,886,571	20,436,922	809,630,718	907,175,720
Fair value loss	(15,035,856)	(15,421,685)	-	-	(15,035,856)	(15,421,685)
Credit loss allowance against financing	774,708,291	871,317,113	19,886,571	20,436,922	794,594,862	891,754,035
Stage 1	(1,406,728)	(1,445,978)	-	-	(1,406,728)	(1,445,978)
Stage 2	(562,729)	(619,145)	-	-	(562,729)	(619,145)
Stage 3	-	-	(17,096,964)	(17,690,209)	(17,096,964)	(17,690,209)
	(1,969,457)	(2,065,123)	(17,096,964)	(17,690,209)	(19,066,421)	(19,755,332)
Islamic financing and related assets - net of credit loss allowance	772,738,834	869,251,990	2,789,607	2,746,713	775,528,441	871,998,703

Notes to and forming part of the Condensed Interim Unconsolidated Financial Statements (un-audited)  
For the quarter ended March 31, 2026

	Note	(Un-audited)	(Audited)	
		March 31, 2026	December 31, 2025	
----- Rupees in '000 -----				
<b>12.1</b>	Murabaha receivable - gross	12.1.2	69,109,716	118,282,002
	Less: Deferred murabaha income	12.1.3	(616,945)	(543,057)
	Profit receivable shown in other assets		(1,381,183)	(1,381,183)
	Murabaha financings	12.1.1	67,111,588	116,357,762
<b>12.1.1</b>	The movement in Murabaha financing during the period / year is as follows:			
	Opening balance		116,357,762	16,901,749
	Sales during the period / year		89,430,302	465,355,168
	Adjusted during the period / year		(138,676,476)	(365,899,155)
	Closing balance		67,111,588	116,357,762
<b>12.1.2</b>	Murabaha sale price		69,109,716	118,282,002
	Murabaha purchase price		(67,111,588)	(116,357,762)
			1,998,128	1,924,240
<b>12.1.3</b>	Deferred murabaha income			
	Opening balance		543,057	474,640
	Arising during the period / year		1,261,398	7,175,379
	Less: recognised during the period / year		(1,187,510)	(7,106,962)
	Closing balance		616,945	543,057
<b>12.2</b>	<b>Particulars of Islamic financing and related assets (gross)</b>			
	In local currency		774,808,558	870,010,089
	In foreign currencies		34,822,160	37,165,631
			809,630,718	907,175,720

**12.3** Islamic financing and related assets include Rs.19,886.571 million (December 31, 2025: Rs. 20,436.922 million) which have been placed under non-performing / Stage 3 status as detailed below:

Category of classification	(Un-audited)		(Audited)	
	March 31, 2026		December 31, 2025	
	Non-performing financing	Credit loss allowance	Non-performing financing	Credit loss allowance

----- Rupees in '000 -----

**Domestic**

Other assets especially mentioned	292,930	-	211,564	-
Substandard	1,203,859	425,665	1,170,385	392,905
Doubtful	2,155,831	1,325,668	2,042,432	1,280,914
Loss	16,233,951	15,345,631	17,012,541	16,016,390
<b>Total</b>	<b>19,886,571</b>	<b>17,096,964</b>	<b>20,436,922</b>	<b>17,690,209</b>

# Notes to and forming part of the Condensed Interim Unconsolidated Financial Statements (un-audited)

For the quarter ended March 31, 2026

## 12.4 Particulars of credit loss allowance against Islamic financing and related assets

	(Un-audited)				(Audited)			
	March 31, 2026				December 31, 2025			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
----- Rupees in '000 -----								
Opening balance	1,445,978	619,145	17,690,209	19,755,332	906,457	2,034,675	21,687,048	24,628,180
Exchange adjustments	-	-	4,419	4,419	-	-	7,497	7,497
Charge for the period / year	425,473	139,490	478,618	1,043,581	1,173,185	203,785	1,067,905	2,444,875
Reversals during the period / year	(464,723)	(195,906)	(789,072)	(1,449,701)	(633,664)	(1,619,315)	(3,732,662)	(5,985,641)
	(39,250)	(56,416)	(310,454)	(406,120)	539,521	(1,415,530)	(2,664,757)	(3,540,766)
Amounts written off	-	-	-	-	-	-	(16,613)	(16,613)
Amounts charged-off	-	-	(287,210)	(287,210)	-	-	(1,322,966)	(1,322,966)
Closing balance	1,406,728	562,729	17,096,964	19,066,421	1,445,978	619,145	17,690,209	19,755,332

**12.4.1** Credit loss allowance for Stage 1 and Stage 2 represents credit loss allowance maintained against performing and under-performing portfolio respectively as required under IFRS 9.

**12.4.2** As allowed by the SBP, the Bank has availed benefit of forced sale value (FSV) of collaterals held as security of Rs 693.927 million (December 31, 2025: Rs 806.350 million) relating to financing while determining the provisioning requirement against non-performing financing as at March 31, 2026. The additional profit arising from availing the FSV benefit (net of tax) as at March 31, 2026 which is not available for distribution as either cash or stock dividend to shareholders and bonus to employees approximately amounted to Rs 333.085 million (December 31, 2025: Rs 354.947 million).

## 12.5 Islamic financing and related assets - Particulars of credit loss allowance

	(Un-audited)			(Audited)		
	March 31, 2026			December 31, 2025		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
----- Rupees in '000 -----						
Opening balance	1,445,978	619,145	17,690,209	906,457	2,034,675	21,687,048
New Financing / Increase	416,533	111,101	439,879	1,009,355	175,919	-
Financing derecognised or repaid	(437,920)	(166,189)	(769,524)	(922,693)	(987,043)	(2,657,347)
Transfer to stage 1	8,940	(8,940)	-	594,583	(593,238)	(1,345)
Transfer to stage 2	(8,841)	28,389	(19,548)	(5,394)	29,051	(23,657)
Transfer to stage 3	(17,962)	(20,777)	38,739	(6,811)	(12,033)	18,844
	(39,250)	(56,416)	(310,454)	669,040	(1,387,344)	(2,663,505)
Amounts written off	-	-	-	-	-	(16,613)
Amounts charged off	-	-	(287,210)	-	-	(1,322,966)
Changes in risk parameters	-	-	-	(129,519)	(28,186)	(1,252)
Exchange adjustments	-	-	4,419	-	-	7,497
Closing balance	1,406,728	562,729	17,096,964	1,445,978	619,145	17,690,209

**12.6** Fair value loss pertains to SBP subsidized financing, subsidized staff financing and modified financing amounting to Rs. 5,149 million, Rs. 6,774 million and 3,113 million, respectively.

# Notes to and forming part of the Condensed Interim Unconsolidated Financial Statements (un-audited)

For the quarter ended March 31, 2026

## 12.7 Islamic financing and related assets - Category of classification

		(Un-audited)		(Audited)	
		March 31, 2026		December 31, 2025	
		Outstanding amount	Credit loss allowance	Outstanding amount	Credit loss allowance
<b>Domestic</b>		Rupees in '000			
Performing	Stage 1	776,172,774	1,406,728	873,955,328	1,445,978
Underperforming	Stage 2	13,571,373	562,729	12,783,470	619,145
Non-Performing	Stage 3				
	Other assets especially mentioned	292,930	-	211,564	-
	Substandard	1,203,859	425,665	1,170,385	392,905
	Doubtful	2,155,831	1,325,668	2,042,432	1,280,914
	Loss	16,233,951	15,345,631	17,012,541	16,016,390
	<b>Total</b>	<b>809,630,718</b>	<b>19,066,421</b>	<b>907,175,720</b>	<b>19,755,332</b>

	Note	(Un-audited) March 31, 2026	(Audited) December 31, 2025
Rupees in '000			
<b>13 PROPERTY AND EQUIPMENT</b>			
Capital work-in-progress	13.1	4,804,435	4,626,868
Property and equipment		50,011,126	48,370,323
		<b>54,815,561</b>	<b>52,997,191</b>
<b>13.1 Capital work-in-progress</b>			
Civil works		722,325	882,572
Equipment		2,652,690	2,248,460
Furniture and fixture		599,757	516,134
Vehicles		281,574	327,181
Building		548,089	652,521
		<b>4,804,435</b>	<b>4,626,868</b>

		(Un-audited)	
		For the quarter ended	
		March 31, 2026	March 31, 2025
Rupees in '000			
<b>13.2 Additions / transfers to property and equipment</b>			

The following additions / transfers have been made to property and equipment during the period:

<b>Capital work-in-progress - net</b>		177,567	812,442
<b>Property and equipment</b>			
Leasehold land		474,638	697,335
Building on freehold land		-	110,265
Building on leasehold land		908,451	-
Furniture and fixture		48,769	92,080
Electrical, office and computer equipment		717,273	863,740
Vehicles		340,193	1,338,395
Leasehold improvements		644,134	937,588
		<b>3,133,458</b>	<b>4,039,403</b>
<b>Total</b>		<b>3,311,025</b>	<b>4,851,845</b>

## 13.3 Disposal of property and equipment

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

Furniture and fixture	98	907
Electrical, office and computer equipment	242	460
Vehicles	122,734	36,715
<b>Total</b>	<b>123,074</b>	<b>38,082</b>

# Notes to and forming part of the Condensed Interim Unconsolidated Financial Statements (un-audited)

For the quarter ended March 31, 2026

## 14 RIGHT-OF-USE ASSETS

Note	(Un-audited)	(Audited)
	March 31, 2026	December 31, 2025
	<b>Buildings</b>	
	----- Rupees in '000 -----	
As at January 1,		
Cost	27,925,172	23,344,580
Accumulated Depreciation	12,573,887	10,054,979
Net carrying amount	15,351,285	13,289,601
Additions during the period / year	312,830	4,616,431
Modifications during the period / year	1,068	217
Deletions during the period / year	(27,673)	(36,056)
Depreciation charge for the period / year	(675,567)	(2,518,908)
Net carrying amount at the end of the period / year	14,961,943	15,351,285

## 15 INTANGIBLE ASSETS

Capital work-in-progress	15.1	491,300	446,118
Computer software		2,535,823	1,653,714
Customer relationship		193,616	212,615
		2,729,439	1,866,329
Total		3,220,739	2,312,447

### 15.1 Capital work-in-progress

Computer software		491,300	446,118
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(Un-audited)	
For the quarter ended	
March 31, 2026	March 31, 2025

### 15.2 Additions to intangible assets

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

Computer software - directly purchased	1,055,903	303,616
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(Un-audited)		(Audited)	
March 31, 2026		December 31, 2025	

## 16 OTHER ASSETS

Profit / return accrued in local currency		37,626,460	30,096,694
Profit / return accrued in foreign currency		249,899	189,757
Advances, deposits, advance rent and other prepayments		2,406,643	2,234,804
Advance taxation (provision less payments)		2,984,702	2,469,779
Non-banking assets acquired in satisfaction of claims		1,027,527	1,028,271
Mark to market gain on forward foreign exchange contracts		400,284	400,498
Acceptances	22	30,129,585	26,907,577
Cards and other products fee receivable		2,356,865	4,677,068
Receivable on account of sale of securities		-	432,455
Dividend receivable		82,882	75,369
Deferred fair value loss	16.1	2,685,414	2,809,353
Prepaid employment benefit		6,773,656	6,689,029
Rebate receivable - net		8,491,621	6,989,177
Receivable from defined benefit plan		150,344	199,722
Others		1,031,419	865,154
		96,397,301	86,064,707
Less: Credit loss allowance held against other assets	16.2	(445,804)	(446,288)
Other assets - net of credit loss allowance		95,951,497	85,618,419
Surplus on revaluation of non-banking assets acquired in satisfaction of claims		921,260	921,260
Other assets - total		96,872,757	86,539,679

# Notes to and forming part of the Condensed Interim Unconsolidated Financial Statements (un-audited)

## For the quarter ended March 31, 2026

**16.1** This amount represents deferred fair value loss arising from the restructuring of Pakistan International Airlines Corporation Limited (PIACL). SBP through its circular BPRD/BRD/PIAHCL/733688-2024 dated August 01, 2024 has allowed staggering of such fair value impact over a period of 6 years at rates of 5%, 10%, 15%, 20%, 25%, and 25% from year 1 to year 6. Accordingly, an amount of Rs 123.939 million has been recognised during the period.

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
----- Rupees in '000 -----		
<b>16.2 Credit loss allowance held against other assets</b>		
Dividend receivable	74,341	74,341
Receivable from customers	53,717	53,717
Security deposits	22,994	22,994
Acceptances	4,168	4,652
Others	290,584	290,584
	<u>445,804</u>	<u>446,288</u>
<b>16.2.1 Movement in credit loss allowance held against other assets</b>		
Balance as at January 1,	446,288	327,153
Charge for the period / year	-	119,135
Reversals during the period / year	(484)	-
	(484)	119,135
Closing balance	<u>445,804</u>	<u>446,288</u>
<b>17 BILLS PAYABLE</b>		
In Pakistan	<u>19,782,878</u>	<u>33,288,005</u>
<b>18 DUE TO FINANCIAL INSTITUTIONS</b>		
<b>Secured</b>		
To the State Bank of Pakistan (SBP) under:		
Islamic Export Refinance Scheme - part I and II	15,863,000	18,390,114
Islamic financing for Renewable Energy	6,351,325	6,667,864
Islamic Long Term Financing Facility (ILTFF)	6,932,465	7,354,964
Islamic Temporary Economic Refinance Facility (ITERF)	21,600,907	22,732,935
Islamic refinance facility for combating COVID-19	16,338	32,778
Islamic refinance facility for storage of agricultural produce	973,470	1,009,243
Islamic Refinance Facility for Modernization of SMEs (IRFMS)	63,277	67,000
Islamic Refinance Scheme for Working Capital Financing of Small Enterprises and Low-End Medium Enterprises (IWCF)	-	15,750
Islamic Refinance Scheme For Women Entrepreneurs (IRSWE)	17,039	16,588
Scheme of Islamic Rupee-based discounting facility under EFS / IERS	521,942	431,130
	52,339,763	56,718,366
Due to SBP under shariah compliant Open Market Operations (OMO) and Mudarabah based Financing Facility (MFF)	115,203,176	63,430,689
Other financial institutions	3,380,000	3,440,000
<b>Total secured</b>	<u>170,922,939</u>	<u>123,589,055</u>
<b>Unsecured</b>		
Overdrawn nostro accounts	4,780,223	443,783
Musharaka with scheduled banks / financial institutions	16,390,000	3,500,000
<b>Total unsecured</b>	<u>21,170,223</u>	<u>3,943,783</u>
Fair value adjustment	(5,431,494)	(5,895,888)
	<u>186,661,668</u>	<u>121,636,950</u>

Notes to and forming part of the Condensed Interim Unconsolidated Financial Statements (un-audited)  
For the quarter ended March 31, 2026

19 DEPOSITS AND OTHER ACCOUNTS

	(Un-audited)			(Audited)		
	March 31, 2026			December 31, 2025		
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
----- Rupees in '000 -----						
<b>Customers</b>						
Current deposits	473,534,608	34,593,175	508,127,783	407,122,316	36,605,777	443,728,093
Savings deposits	354,196,360	21,561,476	375,757,836	374,881,954	26,120,130	401,002,084
Term deposits	171,977,704	2,842,178	174,819,882	221,302,136	3,064,504	224,366,640
Margin deposits	13,895,013	20,751	13,915,764	11,850,922	55,940	11,906,862
	1,013,603,685	59,017,580	1,072,621,265	1,015,157,328	65,846,351	1,081,003,679
<b>Financial institutions</b>						
Current deposits	91,481,724	203,262	91,684,986	79,916,661	99,522	80,016,183
Savings deposits	146,605,988	84,616	146,690,604	231,707,415	143,648	231,851,063
Term deposits	17,840,500	-	17,840,500	34,485,000	-	34,485,000
	255,928,212	287,878	256,216,090	346,109,076	243,170	346,352,246
	1,269,531,897	59,305,458	1,328,837,355	1,361,266,404	66,089,521	1,427,355,925

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

20 LEASE LIABILITIES

Outstanding amount at the start of the period / year		18,481,082	15,546,893
Additions during the period / year		312,830	4,616,431
Lease payments including profit		(930,388)	(3,788,740)
Profit expense for the period / year	27 & 20.2	578,597	2,159,295
Modifications during the period / year		1,068	217
Termination / deletion during the period / year		(30,850)	(53,014)
Outstanding amount at the end of the period / year		18,412,339	18,481,082

20.1 Liabilities Outstanding

Not later than one year		23,808	51,580
Later than one year and upto five years		4,022,612	4,070,943
Over five years		14,365,919	14,358,559
Total at the period / year end		18,412,339	18,481,082

20.2 This carries average effective charge rate of 12.85% per annum (December 31, 2025: 13.2%).

21 DEFERRED TAX ASSETS / (LIABILITIES)

**Deductible temporary differences on**

credit loss allowance against investments	318,088	319,455
credit loss allowance against islamic financing, off balance sheet etc.	1,682,769	1,663,218
fair value adjustment relating to islamic financing	320,428	271,257
lease agreements under IFRS 16	2,718,067	2,618,034
credit loss allowance against other assets	193,726	193,978
	5,233,078	5,065,942

**Taxable temporary differences on**

surplus on revaluation of property and equipment	(2,870,884)	(2,913,674)
surplus on revaluation of investments	1,152,483	(5,673,769)
fair value adjustment relating to net assets acquired upon amalgamation	(100,679)	(110,559)
accelerated tax depreciation	(1,451,147)	(1,566,715)
	(3,270,227)	(10,264,717)
	1,962,851	(5,198,775)

Notes to and forming part of the Condensed Interim Unconsolidated Financial Statements (un-audited)  
For the quarter ended March 31, 2026

22 OTHER LIABILITIES	Note	(Un-audited) March 31, 2026	(Audited) December 31, 2025
		----- Rupees in '000 -----	
Profit / return payable in local currency		8,546,830	7,886,975
Profit / return payable in foreign currencies		129,886	122,724
Unearned commission and income on bills discounted		2,156,421	2,115,031
Accrued expenses		6,881,709	6,543,810
Acceptances	16	30,129,585	26,907,577
Dividend payable		3,690,069	655,733
Unclaimed dividends		4,400	4,400
Mark to market loss on forward foreign exchange contracts		422,137	273,274
Credit loss allowance against off-balance sheet obligations	22.1	284,613	155,726
Charity payable		104,302	104,302
Withholding tax payable		746,250	246,966
Federal excise duty payable		117,851	185,340
Payable to brokers against purchase of shares		3,520	405,447
Fair value of derivative contracts		146,974	297,692
Payable related to credit cards and other products		337,904	206,843
Funds held as security		412,621	403,931
Takaful payable		5,707	4,532
Clearing and settlement accounts		2,006,728	5,678,020
Others		1,318,991	1,120,881
		<u>57,446,498</u>	<u>53,319,204</u>
<b>22.1 Credit loss allowance against off-balance sheet obligations</b>			
Balance as at January 1,		155,726	187,485
Charge for the period / year		174,612	34,491
Reversals during the period / year		(45,725)	(66,250)
		128,887	(31,759)
Amounts written off		-	-
Closing balance		<u>284,613</u>	<u>155,726</u>
<b>23 SURPLUS ON REVALUATION OF ASSETS - NET OF TAX</b>			
Surplus on revaluation of:			
Securities measured at FVOCI - Debt		(4,119,568)	6,607,266
Securities measured at FVOCI - Equity		1,903,254	4,303,829
Property and equipment		13,837,159	13,919,446
Non-banking assets acquired in satisfaction of claims		921,260	921,260
		12,542,105	25,751,801
Deferred tax on surplus on revaluation of:			
Securities measured at FVOCI - Debt		2,142,175	(3,435,778)
Securities measured at FVOCI - Equity		(989,692)	(2,237,991)
Property and equipment		(2,870,884)	(2,913,674)
Non-banking assets acquired in satisfaction of claims		-	-
		(1,718,401)	(8,587,443)
		<u>10,823,704</u>	<u>17,164,358</u>

Notes to and forming part of the Condensed Interim Unconsolidated Financial Statements (un-audited)  
For the quarter ended March 31, 2026

	Note	(Un-audited) March 31, 2026	(Audited) December 31, 2025
----- Rupees in '000 -----			
<b>24 CONTINGENCIES AND COMMITMENTS</b>			
Guarantees	24.1	74,921,798	78,590,456
Commitments	24.2	480,523,691	352,745,310
Other contingent liabilities	24.3	4,122,244	4,122,244
		<u>559,567,733</u>	<u>435,458,010</u>
<b>24.1 Guarantees</b>			
Financial guarantees		4,757,082	4,766,281
Performance guarantees		15,907,621	14,670,201
Other guarantees		54,257,095	59,153,974
		<u>74,921,798</u>	<u>78,590,456</u>
<b>24.2 Commitments</b>			
Documentary credits and short-term trade-related transactions letters of credit		201,773,039	170,552,285
Commitments in respect of:			
forward foreign exchange contracts	24.2.1	109,558,651	75,790,108
forward government securities transactions	24.2.2	115,306,014	63,470,659
derivatives - cross currency swaps (notional principal)	24.2.3	154,246	337,312
extending credit (irrevocable)	24.5	51,294,898	40,802,969
Commitments for acquisition of:			
property and equipment		2,138,417	1,453,578
intangible assets		298,426	338,399
		<u>480,523,691</u>	<u>352,745,310</u>
<b>24.2.1 Commitments in respect of forward foreign exchange contracts</b>			
Purchase		62,673,221	46,048,082
Sale		46,885,430	29,742,026
		<u>109,558,651</u>	<u>75,790,108</u>
<b>24.2.2 Commitments in respect of forward government securities transactions</b>			
Purchase		115,306,014	63,470,659
<b>24.2.3 Commitments in respect of derivatives</b>			
<b>Cross currency swaps</b>			
Sale	25.1	154,246	337,312

# Notes to and forming part of the Condensed Interim Unconsolidated Financial Statements (un-audited)

## For the quarter ended March 31, 2026

Note	(Un-audited) March 31, 2026	(Audited) December 31, 2025
----- Rupees in '000 -----		
<b>24.3 Other contingent liabilities</b>		
Suit filed by a customer for recovery of alleged losses suffered which is pending in the Honorable High Court of Sindh. The Bank's legal advisors are confident that the Bank has a strong position.	2,510,000	2,510,000
Indemnity issued favouring the Honorable High Court in one of the cases	457,543	457,543
Tax liability of gain on bargain purchase on the acquisition of ex-RBS Pakistan	1,154,701	1,154,701
24.3.1	<u>4,122,244</u>	<u>4,122,244</u>

**24.3.1** Income tax assessments of the Bank have been finalised upto the tax year 2025 (accounting year ended December 31, 2024).

The department and the Bank has disagreement on a matter relating to taxability of gain on bargain purchase on the acquisition of ex-RBS Pakistan. The additional tax liability on the matter amounts to Rs. 1,154.701 million (December 31, 2025: Rs. 1,154.701 million). The Commissioner Inland Revenue (Appeals) [CIR(A)] had deleted the said additional tax liability, however the income tax department had filed an appeal with the Appellate Tribunal Inland Revenue (ATIR) against the order of CIR(A). During tax year 2011, the ATIR passed an order and maintained the decision of the CIR(A) in favour of the Bank that gain on bargain purchase is not taxable. Subsequently, the department has challenged the order in Honorable High Court of Sindh. However, the management of the Bank is confident that the matter will be decided in the Bank's favour and accordingly, no provision has been recorded in these condensed interim unconsolidated financial statements in respect of this matter.

**24.4** There are certain claims against the Bank not acknowledged as debt amounting to Rs 39,627 million (December 31, 2025: Rs 39,672 million). These mainly represent counter claims filed by the borrowers for restricting the Bank from disposal of assets (such as mortgaged / pledged assets kept as security), cases where the Bank was proforma defendant for defending its interest in the underlying collateral kept by it at the time of financing, certain cases filed by ex-employees of the Bank for damages sustained by them consequent to the termination from the Bank's employment and cases for damages towards opportunity losses suffered by the customers due to non-disbursements of running finance facility as per the agreed terms. The above also includes an amount of Rs 25,299 million (December 31, 2025: Rs 25,299 million) in respect of a suit filed against the Bank for declaration, recovery of monies, release of securities, rendition of account and damages.

Based on legal advice and / or internal assessments, the management is confident that the above matters will be decided in the Bank's favour and accordingly no provision has been made in these condensed interim unconsolidated financial statements.

### 24.5 Commitments to extend credits

The Bank makes commitments to extend credit (including to related parties) in the normal course of its business but these being revocable commitments do not attract any significant penalty or expense if the facilities are unilaterally withdrawn except for Rs 51,295 million (December 31, 2025: Rs. 40,803 million) which are irrevocable in nature.

Note	(Un-audited) March 31, 2026	(Audited) December 31, 2025
----- Rupees in '000 -----		
<b>25 DERIVATIVE INSTRUMENTS</b>		
Cross currency swaps (notional principal)	154,246	337,312

Notes to and forming part of the Condensed Interim Unconsolidated Financial Statements (un-audited)  
For the quarter ended March 31, 2026

25.1 Product analysis

Counterparties	March 31, 2026 (Un-audited)	
	Cross currency swaps	
	Notional principal	Mark to market gain / (loss)
	----- Rupees in '000 -----	
<b>With banks for</b>		
Hedging	-	-
Market making	4,707	2,565
<b>With other entities for</b>		
Hedging	-	-
Market making	149,539	(149,539)
<b>Total</b>		
Hedging	-	-
Market making	154,246	(146,974)
Counterparties	December 31, 2025 (Audited)	
	Cross currency swaps	
	Notional principal	Mark to market gain / (loss)
	----- Rupees in '000 -----	
<b>With banks for</b>		
Hedging	-	-
Market making	23,837	16,672
<b>With other entities for</b>		
Hedging	-	-
Market making	313,475	(314,364)
<b>Total</b>		
Hedging	-	-
Market making	337,312	(297,692)
	----- Rupees in '000 -----	
	(Un-audited)	
	For the quarter ended	
	March 31, 2026	March 31, 2025
	----- Rupees in '000 -----	

26 PROFIT / RETURN EARNED

On:		
Financing	21,619,863	19,259,519
Investments	16,463,097	22,802,289
Due from financial institutions	47,206	25,036
Balances with banks	-	105
	<u>38,130,166</u>	<u>42,086,949</u>

26.1 Profit / return recognised on:

Financial assets measured at amortised cost	1,497,919	1,990,898
Financial assets measured at FVOCI	16,258,393	22,521,969
Financial assets measured at cost	20,358,146	17,538,071
Financial assets measured at FVPL	15,708	36,011
	<u>38,130,166</u>	<u>42,086,949</u>

27 PROFIT / RETURN EXPENSED

On:		
Deposits	17,513,085	13,638,170
Due to financial institutions	4,077,406	9,844,393
Lease liability against right-of-use assets	578,597	511,377
Cost of foreign currency swaps against foreign currency deposits / Due to FIs	365,540	898,143
	<u>22,534,628</u>	<u>24,892,083</u>

Notes to and forming part of the Condensed Interim Unconsolidated Financial Statements (un-audited)  
For the quarter ended March 31, 2026

		(Un-audited)	
		For the quarter ended	
Note		March 31, 2026	March 31, 2025
----- Rupees in '000 -----			
<b>28</b>	<b>FEE AND COMMISSION INCOME</b>		
	Branch banking customer fees	496,992	391,473
	Consumer finance related fees	237,935	190,990
	Card related fees (debit and credit)	1,754,132	1,442,219
	Credit related fees	11,918	17,331
	Investment banking fees	213,609	136,909
	Commission on trade	474,306	280,929
	Commission on guarantees	50,258	46,733
	Commission on cash management	44,516	37,137
	Commission on remittances including home remittances	282,038	367,748
	Commission on bancatakaful	33,626	26,140
	Commission on sale of mutual fund units (associates)	107,291	127,003
	Others	47,761	32,221
		<u>3,754,382</u>	<u>3,096,833</u>
<b>29</b>	<b>GAIN ON SECURITIES - NET</b>		
	Realised	3,339,443	50,601
	Unrealised - Measured at FVTPL	2,634	-
		<u>3,342,077</u>	<u>50,601</u>
<b>29.1</b>	<b>Realised Gain / (loss) on:</b>		
	Federal Government securities	3,358,427	46,915
	Shares	(27,724)	-
	Associates	8,740	3,686
		<u>3,339,443</u>	<u>50,601</u>
<b>29.2</b>	<b>Net gain / (loss) on financial assets / liabilities</b>		
	Net gain / (loss) on financial assets / liabilities measured at FVTPL:		
	Designated upon initial recognition	-	-
	Mandatorily measured at FVTPL	(34,115)	(17,058)
		<u>(34,115)</u>	<u>(17,058)</u>
	Net gain / (loss) on financial assets / liabilities measured at amortised cost	-	-
	Net gain / (loss) on financial assets measured at FVOCI	3,367,452	63,973
		<u>3,367,452</u>	<u>63,973</u>
	Net gain on investments in associates	8,740	3,686
		<u>3,342,077</u>	<u>50,601</u>
<b>30</b>	<b>OTHER INCOME</b>		
	Rent on property	14,176	28,045
	Gain on disposal of property and equipment- net	21,313	4,183
	Gain on termination of leases (IFRS 16)	19,537	13,045
	Staff cost recoveries	2,985	2,839
	Government Grant	23,317	69,365
	Scrap income	1,210	-
		<u>82,538</u>	<u>117,477</u>

Notes to and forming part of the Condensed Interim Unconsolidated Financial Statements (un-audited)  
For the quarter ended March 31, 2026

Note	(Un-audited)	
	For the quarter ended March 31, 2026	March 31, 2025
	----- Rupees in '000 -----	
<b>31 OPERATING EXPENSES</b>		
<b>Total compensation expense</b>	4,879,037	4,832,733
<b>Property expense</b>		
Rent and taxes	158,890	115,424
Takaful	26,059	16,748
Utilities cost	335,867	384,523
Security (including guards)	455,412	461,512
Repair and maintenance (including janitorial charges)	330,963	303,651
Depreciation on owned property and equipment	419,793	324,735
Depreciation on non-banking assets	-	592
Depreciation on right-of-use assets	675,567	588,403
Others	79,773	80,653
	2,482,324	2,276,241
<b>Information technology expenses</b>		
Software maintenance	693,226	514,243
Hardware maintenance	219,930	207,511
Depreciation	347,707	246,881
Amortisation	173,747	144,169
Network charges	128,092	102,296
	1,562,702	1,215,100
<b>Other operating expenses</b>		
Directors' fees and allowances	48,400	24,320
Legal and professional charges	110,259	166,554
Outsourced services costs - staff	291,951	296,285
Travelling and conveyance	356,072	278,846
NIFT clearing charges	2,312	29,620
Depreciation	601,947	528,207
Training and development	31,677	69,517
Postage and courier charges	39,623	68,623
Communication	236,619	311,630
Marketing, advertisement and publicity	718,040	760,092
Donations	140,062	139,275
Auditors' remuneration	13,587	12,000
Takaful	273,848	229,356
Stationery and printing	241,549	213,340
Bank fees and charges	1,241,382	866,565
Brokerage and commission	21,608	30,694
Deposit protection premium	251,338	208,939
Repair and maintenance	146,239	162,082
Subscriptions and publications	41,350	49,786
Cash handling charges	184,814	173,716
Others	177,992	170,943
	5,170,669	4,790,390
	14,094,732	13,114,464
<b>32 OTHER CHARGES</b>		
Penalties imposed by the State Bank of Pakistan	561	586
<b>33 CREDIT LOSS ALLOWANCE AND WRITE OFFS - NET</b>		
(Reversal) / credit loss allowance against cash and balances with treasury banks	(49)	313
Reversal of Credit loss allowance against balances with other banks	(23)	-
Credit loss allowance / (reversal) against investments	7	(1,039,157)
Reversal of credit loss allowance against Islamic financing and related assets	12.4 (406,120)	(1,284,389)
(Reversal) / credit loss allowance against other assets	16.2.1 (484)	113,298
Credit loss allowance against off balance sheet obligations	22.1 128,887	20,300
Bad debts written off directly	208	5,030
Recoveries of written off / charged off bad debts	(83,369)	(125,815)
	(360,943)	(2,310,420)

Notes to and forming part of the Condensed Interim Unconsolidated Financial Statements (un-audited)  
For the quarter ended March 31, 2026

		(Un-audited)	
		For the quarter ended	
Note	March 31, 2026	March 31, 2025	
		----- Rupees in '000 -----	
<b>34 TAXATION</b>			
Current			
- For the period	5,937,840	5,747,396	
Deferred			
- For the period	(325,493)	217,708	
	<u>5,612,347</u>	<u>5,965,104</u>	
<b>35 BASIC AND DILUTED EARNINGS PER SHARE</b>			
Profit after tax for the period	<u>5,156,380</u>	<u>5,147,319</u>	
	<b>Number of shares in thousands</b>		
Weighted average number of ordinary shares	<u>1,517,697</u>	<u>1,517,697</u>	
	----- Rupees -----		
Basic earnings per share	35.1 <u>3.40</u>	<u>3.39</u>	

**35.1** There were no convertible dilutive potential ordinary shares outstanding as at March 31, 2026 and March 31, 2025.

**36 FAIR VALUE MEASUREMENTS**

The fair value of quoted securities other than those classified under held to collect model, is based on quoted market price. Quoted securities classified under held to collect model are carried at amortized cost. The fair value of unquoted equity securities, other than investments in associates and subsidiaries, is determined on the basis of income approach using Discounted Cashflow (DCF) method.

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

**36.1 Fair value of financial assets**

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

- Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Fair value measurements using input for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

# Notes to and forming part of the Condensed Interim Unconsolidated Financial Statements (un-audited)

## For the quarter ended March 31, 2026

The table below analyses financial instruments measured at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised:

	March 31, 2026 (Un-audited)			
	Level 1	Level 2	Level 3	Total
----- Rupees in '000 -----				
<b>On-balance sheet financial instruments</b>				
<b>Financial assets - measured at fair value</b>				
Investments				
Federal Government securities	-	609,198,730	-	609,198,730
Shares	10,807,930	-	4,111,799	14,919,729
Non-Government debt securities	-	1,257,186	-	1,257,186
<b>Financial assets - disclosed but not measured at fair value</b>				
Investments				
Federal Government securities	-	32,768,000	-	32,768,000
Non-Government debt securities	-	5,457,793	-	5,457,793
<b>Non-financial assets - measured at fair value</b>				
Property and equipment (land and buildings)	-	27,625,929	-	27,625,929
Non-banking assets acquired in satisfaction of claims	-	1,948,787	-	1,948,787
<b>Off-balance sheet financial instruments - measured at fair value</b>				
Forward purchase of foreign exchange	-	62,273,820	-	62,273,820
Forward sale of foreign exchange	-	46,507,883	-	46,507,883
Derivatives sales	-	146,974	-	146,974
<b>December 31, 2025 (Audited)</b>				
	Level 1	Level 2	Level 3	Total
----- Rupees in '000 -----				
<b>On-balance sheet financial instruments</b>				
<b>Financial assets - measured at fair value</b>				
Investments				
Federal Government securities	-	612,104,972	-	612,104,972
Shares	9,344,496	-	4,111,385	13,455,881
Non-Government debt securities	-	1,244,522	-	1,244,522
<b>Financial assets - disclosed but not measured at fair value</b>				
Investments				
Non-Government debt securities	-	5,456,634	-	5,456,634
<b>Non-financial assets - measured at fair value</b>				
Property and equipment (land and buildings)	-	26,395,256	-	26,395,256
Non-banking assets acquired in satisfaction of claims	-	1,949,531	-	1,949,531
<b>Off-balance sheet financial instruments - measured at fair value</b>				
Forward purchase of foreign exchange	-	45,805,209	-	45,805,209
Forward sale of foreign exchange	-	29,371,929	-	29,371,929
Derivatives sales	-	297,692	-	297,692

The Bank's policy is to recognise transfers into and out of the different fair value hierarchy levels at the date when the event or change in circumstances require the Bank to exercise such transfers.

Notes to and forming part of the Condensed Interim Unconsolidated Financial Statements (un-audited)  
For the quarter ended March 31, 2026

**Valuation techniques used in determination of fair values within level 2**

<b>Item</b>	<b>Valuation approach and input used</b>
Ijara Sukuk	Fair values of GoP Ijara Sukuk are derived using the PKISRV rates announced by the Financial Market Association (FMA) through Reuters. These rates denote an average of quotes received from different pre-defined / approved dealers / brokers.
Sukuk Certificates	Sukuk certificates are determined using the MUFAP or PSX rates.
Forward foreign exchange contracts	The valuation has been determined by interpolating the mark-to-market currency rates announced by the State Bank of Pakistan.
Derivative instruments	The Bank enters into derivative contracts with various counterparties. Derivatives that are valued using valuation techniques with market observable inputs are mainly cross currency swaps and forward foreign exchange contracts. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations.
Mutual funds	Units of mutual funds are valued using the net asset value (NAV) announced by the Mutual Funds Association of Pakistan (MUFAP).
Property and equipment (land and buildings)	Land and buildings and NBA are revalued by professionally qualified valuers of the Bank. The valuations, mentioned above, are conducted by the valuation experts appointed by the Bank which are also on the panel of the Pakistan Banks' Association (PBA). The valuation experts use a market based approach to arrive at the fair value of the Bank's properties. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable or similar properties. These values are adjusted to reflect the current condition of the properties.
Non-banking assets acquired in satisfaction of claims (NBAs)	

**Valuation technique used in determination of fair values within level 3**

<b>Item</b>	<b>Valuation approach and input used</b>
Unlisted ordinary shares	The fair value of unquoted equity securities is determined through income approach using Discounted Cash Flow (DCF) method.

# Notes to and forming part of the Condensed Interim Unconsolidated Financial Statements (un-audited)

## For the quarter ended March 31, 2026

### 37 SEGMENT INFORMATION

#### 37.1 Segment details with respect to business activities

	2026					
	Retail	CIBG	Treasury	SAM	Others	Total
Rupees in '000						
<b>Profit and loss account for the quarter ended March 31, 2026 (Un-audited)</b>						
Net return / profit	(8,790,265)	11,242,499	12,828,478	30,599	284,227	15,595,538
Inter segment revenue - net	22,643,858	(10,538,043)	(13,162,803)	39,710	1,017,278	-
Other income	3,341,111	1,860,348	5,441,780	5,318	(1,507,508)	9,141,049
Total income	17,194,704	2,564,804	5,107,455	75,627	(206,003)	24,736,587
Segment direct expenses	8,477,319	705,336	186,314	56,030	4,903,804	14,328,803
Inter segment expense allocation	4,242,130	487,539	95,154	78,981	(4,903,804)	-
Total expenses	12,719,449	1,192,875	281,468	135,011	-	14,328,803
Credit loss allowance	7,000	(89,144)	-	(315,810)	37,011	(360,943)
Profit before tax	4,468,255	1,461,073	4,825,987	256,426	(243,014)	10,768,727
<b>Statement of financial position as at March 31, 2026 (Un-audited)</b>						
Cash and bank balances	84,562,539	-	24,400,071	-	-	108,962,610
Due from financial institutions	-	-	-	-	-	-
Investments	152,633	7,491,958	654,134,905	508,311	5,189,266	667,477,073
Investment - credit loss allowance	80	(795,405)	-	(508,311)	-	(1,303,636)
Net inter segment lending	912,734,122	-	-	-	(912,734,122)	-
Financing - performing	253,554,129	520,050,032	-	909,177	194,953	774,708,291
Financing - non-performing	3,215,674	4,606,555	-	11,847,180	217,162	19,886,571
Financing - credit loss allowance	(2,902,457)	(4,033,269)	-	(11,847,180)	(283,515)	(19,066,421)
Others	97,716,336	4,757,675	26,718,383	211,895	42,429,562	171,833,851
<b>Total assets</b>	<b>1,349,033,056</b>	<b>532,077,546</b>	<b>705,253,359</b>	<b>1,121,072</b>	<b>(864,986,694)</b>	<b>1,722,498,339</b>
Due to financial institutions	8,381,610	42,930,679	135,349,379	-	-	186,661,668
Subordinated sukuk	-	-	-	-	-	-
Deposits and other accounts	1,242,935,110	101,799,189	-	370,805	(16,267,749)	1,328,837,355
Net inter segment borrowing	-	382,590,002	544,249,428	538,371	(927,377,801)	-
Others	97,716,336	4,757,676	26,718,383	211,896	(33,762,576)	95,641,715
<b>Total liabilities</b>	<b>1,349,033,056</b>	<b>532,077,546</b>	<b>706,317,190</b>	<b>1,121,072</b>	<b>(977,408,126)</b>	<b>1,611,140,738</b>
Equity	-	-	(1,063,831)	-	112,421,432	111,357,601
<b>Total equity and liabilities</b>	<b>1,349,033,056</b>	<b>532,077,546</b>	<b>705,253,359</b>	<b>1,121,072</b>	<b>(864,986,694)</b>	<b>1,722,498,339</b>
<b>Contingencies and commitments</b>	<b>122,969,837</b>	<b>207,031,284</b>	<b>225,019,631</b>	<b>1,603,466</b>	<b>2,943,515</b>	<b>559,567,733</b>

	2025					
	Retail	CIBG	Treasury	SAM	Others	Total
Rupees in '000						
<b>Profit and loss account for the quarter ended March 31, 2025 (Un-audited)</b>						
Net return / profit	(7,502,894)	10,610,670	13,343,684	80,006	663,400	17,194,866
Inter segment revenue - net	21,119,048	(9,891,901)	(12,982,640)	20,928	1,734,565	-
Other income	2,796,543	1,183,126	1,862,279	187	(893,164)	4,948,971
Total income	16,412,697	1,901,895	2,223,323	101,121	1,504,801	22,143,837
Segment direct expenses	8,013,557	470,712	148,733	92,905	4,615,927	13,341,834
Inter segment expense allocation	3,994,284	451,025	92,454	78,164	(4,615,927)	-
Total expenses	12,007,841	921,737	241,187	171,069	-	13,341,834
Credit loss allowance	(220,815)	(546,694)	-	(1,554,126)	11,215	(2,310,420)
Profit before tax	4,625,671	1,526,852	1,982,136	1,484,178	1,493,586	11,112,423
<b>Statement of financial position as at December 31, 2025 (Audited)</b>						
Cash and bank balances	43,179,406	-	67,411,087	-	-	110,590,493
Due from financial institutions	-	-	-	-	-	-
Investments	150,000	7,479,179	625,560,852	508,311	2,545,044	636,243,386
Investment provision	-	(795,318)	-	(508,311)	-	(1,303,629)
Net inter segment lending	1,067,581,322	-	-	-	(1,067,581,322)	-
Financing - performing	254,663,442	613,934,848	-	2,673,970	44,853	871,317,113
Financing - non-performing	3,910,357	4,751,121	-	11,362,243	413,201	20,436,922
Financing - provisions	(3,892,958)	(4,062,398)	-	(11,362,243)	(437,733)	(19,755,332)
Others	34,641,861	9,540,967	9,320,116	186,070	103,511,588	157,200,602
<b>Total assets</b>	<b>1,400,233,430</b>	<b>630,848,399</b>	<b>702,292,055</b>	<b>2,860,040</b>	<b>(961,504,369)</b>	<b>1,774,729,555</b>
Due to financial institutions	15,741,958	46,254,773	68,758,570	-	(9,118,351)	121,636,950
Subordinated sukuk	-	-	-	-	-	-
Deposits and other accounts	1,306,537,633	134,938,048	416	347,558	(14,467,730)	1,427,355,925
Net inter segment borrowing	-	448,941,713	627,973,832	2,511,395	(1,079,426,940)	-
Others	77,953,839	713,865	321,912	1,087	31,296,363	110,287,066
<b>Total liabilities</b>	<b>1,400,233,430</b>	<b>630,848,399</b>	<b>697,054,730</b>	<b>2,860,040</b>	<b>(1,071,716,656)</b>	<b>1,659,279,941</b>
Equity	-	-	5,237,325	-	110,212,289	115,449,614
<b>Total equity and liabilities</b>	<b>1,400,233,430</b>	<b>630,848,399</b>	<b>702,292,055</b>	<b>2,860,040</b>	<b>(961,504,369)</b>	<b>1,774,729,555</b>
<b>Contingencies and commitments</b>	<b>95,643,222</b>	<b>195,618,847</b>	<b>139,601,679</b>	<b>1,607,064</b>	<b>2,987,198</b>	<b>435,458,010</b>



Notes to and forming part of the Condensed Interim Unconsolidated Financial Statements (un-audited)  
For the quarter ended March 31, 2026

	March 31, 2026 (Un-audited)					December 31, 2025 (Audited)						
	Parent	Directors	Key management personnel	Subsidiaries	Associates	Other related parties	Parent	Directors	Key management personnel	Subsidiaries	Associates	Other related parties
Rupees in '000												
<b>Other assets</b>												
Profit / return accrued	-	-	56,633	-	-	249,005	-	-	50,146	-	-	13,883
Commission income receivable	-	-	-	24,417	-	-	-	-	-	23,222	-	-
Receivable from defined benefit plan	-	-	-	-	150,344	-	-	-	-	-	-	199,722
Rent receivable	-	-	-	22,572	-	-	-	-	-	13,710	-	-
<b>Deposits and other accounts</b>												
Opening balance	182	104,225	157,391	525,163	62,635,306	23,865,335	182	59,457	103,006	262,501	45,555,437	3,526,628
Exchange rate adjustment	-	(67)	(171)	(1,752)	-	(1,096)	-	-	-	-	-	-
Received during the period / year	-	36,231	588,396	22,070,006	1,044,670,417	470,180,021	-	319,712	2,742,842	61,942,138	3,257,858,826	1,680,977,638
Withdrawn during the period / year	-	(49,419)	(580,683)	(22,311,391)	(1,041,376,659)	(491,091,193)	-	(274,952)	(2,679,460)	(61,679,476)	(3,240,779,065)	(1,660,544,866)
Transfer in / (out) - net	-	(42)	(711)	-	203,720	3,976	-	8	(6,997)	-	108	(94,065)
Closing balance	182	90,928	164,222	282,026	66,132,784	2,957,043	182	104,225	157,391	525,163	62,635,306	23,865,335
<b>Other liabilities</b>												
Profit / return payable	-	423	361	2,044	621,272	13,502	-	434	645	1,144	525,949	28,740
Other payable	1,458,735	51,623	-	9,583	-	568,212	-	-	-	38,333	-	-
<b>Contingencies and commitments</b>												
Trade related commitments	-	-	-	-	-	13,028,286	-	-	-	-	-	21,794,355

**38.1** Balances pertaining to parties that were related at the beginning of the period but ceased to be so related during any part of the current period are not reflected as part of the closing balance. The same are accounted for through the movement presented above.

Notes to and forming part of the Condensed Interim Unconsolidated Financial Statements (un-audited)  
For the quarter ended March 31, 2026

RELATED PARTY TRANSACTIONS

	March 31, 2026 (Un-audited)				March 31, 2025 (Un-audited)							
	Parent	Directors	key management personnel	Subsidiaries	Associates	Other related parties	Parent	Directors	key management personnel	Subsidiaries	Associates	Other related parties
<b>Income</b>												
Profit / return earned	-	-	9,030	-	-	675,074	-	-	3,596	-	-	76,529
Fee and commission income	-	5	37	107,255	262	3,555	-	8	30	127,037	239	56,850
Dividend income	-	-	-	-	-	14,799	-	-	-	-	-	-
Net gain / (loss) on sale of securities	-	-	(1,255)	-	1,123	537,825	-	-	4,882	-	3,686	16,623
Rent on property	-	-	-	14,176	-	-	-	-	-	8,797	-	-
Other income	-	-	33	3,745	-	-	-	-	-	4,018	-	-
<b>Expense</b>												
Profit / return expensed	-	1,157	1,155	3,633	1,219,703	55,458	-	809	1,087	2,654	1,357,806	23,013
Director's fee and allowances	48,400	-	-	-	-	-	-	24,320	-	-	-	-
Compensation expense	-	-	325,571	-	-	1,167	-	-	689,795	-	-	2,234
Fee and subscription	-	-	-	-	-	-	-	-	-	-	-	2,145
Commission expense	-	-	-	9,589	-	-	-	-	-	8,333	-	-
Donations made during the period	-	-	-	-	-	140,062	-	-	-	-	-	139,275
Charge for defined benefit plan	-	-	-	-	-	139,516	-	-	-	-	-	145,692
Contribution to defined contribution plan	-	-	-	-	-	157,420	-	-	-	-	-	134,183
Other expenses	-	-	-	-	-	1,350	-	-	-	-	-	-
<b>Others</b>												
Shares / units purchased during the period (number in '000)	-	-	-	-	-	1,330	-	-	-	-	-	1,180
Shares / units sold during the period (number in '000)	-	-	-	-	1,415	632	-	-	-	-	33	1,122
Sale proceeds from disposal of property and equipment during the period / year (amount)	-	-	5,167	-	-	-	-	-	60,607	53,446	-	24,947
Government securities purchased during the period (amount)	-	-	24,864	70,494	-	31,897,991	-	-	51,932	-	-	172,915
Government securities sold during the period (amount)	-	-	1,977	-	-	32,07,366	-	-	-	-	-	130,692

Rupees in '000

Notes to and forming part of the Condensed Interim Unconsolidated Financial Statements (un-audited)  
For the quarter ended March 31, 2026

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
----- Rupees in '000 -----		
<b>39 CAPITAL ADEQUACY, LEVERAGE RATIO AND LIQUIDITY REQUIREMENTS</b>		
<b>Minimum capital requirement (MCR):</b>		
Paid-up capital (net of losses)	15,176,965	15,176,965
<b>Capital adequacy ratio (CAR):</b>		
Eligible common equity tier 1 (CET 1) capital	96,732,792	96,704,104
Eligible additional tier 1 (ADT 1) capital	-	-
Total eligible tier 1 capital	96,732,792	96,704,104
Eligible tier 2 capital	12,036,316	16,885,122
Total eligible capital (tier 1 + tier 2)	108,769,108	113,589,226
<b>Risk weighted assets (RWAs):</b>		
Credit risk	531,109,059	553,151,191
Market risk	73,823,437	84,876,442
Operational risk	170,749,394	170,749,394
Total	775,681,890	808,777,027
<b>Common equity tier 1 capital adequacy ratio (in %)</b>	12.47%	11.96%
<b>Tier 1 Capital adequacy ratio (in %)</b>	12.47%	11.96%
<b>Total Capital adequacy ratio (in %)</b>	14.02%	14.04%
<p>The Bank has applied the transitional arrangement on Regulatory Capital. Had the transitional arrangement not been applied then CAR would have been higher by 7 bps from 14.02% to 14.09%.</p>		
<b>Leverage ratio (LR):</b>		
Eligible tier-1 capital	96,732,792	96,704,104
Total exposures	2,130,864,662	2,075,671,148
Leverage ratio (in %)	4.54%	4.66%
<p>The Bank has applied the transitional arrangement on Regulatory Capital. Had the transitional arrangement not been applied then Leverage Ratio would have been lower by 2 bps from 4.54% to 4.52%.</p>		
<b>Liquidity coverage ratio (LCR):</b>		
Total high quality liquid assets	677,982,168	661,248,759
Total net cash outflow	518,114,892	476,959,032
Liquidity coverage ratio (Ratio)	1.309	1.386
<b>Net stable funding ratio (NSFR):</b>		
Total available stable funding	1,094,730,531	1,130,991,704
Total required stable funding	706,263,232	708,252,420
Net stable funding ratio (in %)	155.00%	159.69%

# Notes to and forming part of the Condensed Interim Unconsolidated Financial Statements (un-audited)

For the quarter ended March 31, 2026

## 40 GENERAL

Comparative information has been re-classified, re-arranged or additionally incorporated in these condensed interim unconsolidated financial statements, wherever necessary, to facilitate comparison and to conform with changes in presentation in the current period.

## 41 NON-ADJUSTING EVENTS AFTER THE BALANCE SHEET DATE

The Board of Directors in their meeting held on April 23, 2026 has announced an interim cash dividend of Rs 1.5 per share (i.e., 15%). These condensed interim unconsolidated financial statements do not include the effect of this appropriations which will be accounted for subsequent to the period end.

## 42 DATE OF AUTHORISATION FOR ISSUE

These condensed interim unconsolidated financial statements were authorised for issue on April 23, 2026 by the Board of Directors of the Bank.

**CONDENSED INTERIM CONSOLIDATED  
FINANCIAL STATEMENTS**

# DIRECTORS' REVIEW

## Consolidated Financial Statements

For the quarter ended March 31, 2026

On behalf of the Board of Directors, we are pleased to present the Directors' Review along with the unaudited condensed interim consolidated financial statements of Faysal Bank Limited ("FBL" hereafter called "the Bank") for the quarter ended March 31, 2026.

### Group Profile

Faysal Bank Limited (FBL) Group structure is as follows:

Holding Company : Faysal Bank Limited

Subsidiaries : Faysal Asset Management Limited

Faysal Islami Currency Exchange Company (Private) Limited

### Subsidiaries

#### Faysal Asset Management Limited

FBL has 99.9% shareholding in Faysal Asset Management Limited (FAML). FAML is an unlisted public limited company registered as a Non-Banking Finance Company (NBFC), licensed to carry out asset management and investment advisory services under the Non-Banking Finance Companies (Establishment & Regulations) Rules, 2003 and the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

FBL also has significant influence based on its holding in the following open-ended mutual funds managed by FAML.

Open-ended Mutual Fund
Faysal Halal Amdani Fund
Faysal Islamic Asset Allocation Fund - III (Faysal Shariah Flex Plan-II)
Faysal Islamic Cash Fund
Faysal Islamic KPK Government Pension Fund - Debt Sub Fund
Faysal Islamic KPK Government Pension Fund - Equity Index Sub Fund
Faysal Islamic KPK Government Pension Fund - Equity Sub Fund
Faysal Islamic KPK Government Pension Fund - Money Market Sub Fund
Faysal Islamic Mehdood Muddat Plan - I
Faysal Islamic Pension Fund – Debt Sub Fund
Faysal Islamic Pension Fund - Money Market Sub Fund
Faysal Islamic Punjab Pension Fund - Debt Sub Fund
Faysal Islamic Punjab Pension Fund - Equity Active Sub Fund
Faysal Islamic Punjab Pension Fund - Equity Index Sub Fund
Faysal Islamic Punjab Pension Fund - Money Market Sub Fund
Faysal Islamic Savings Growth Fund
Faysal Islamic Sovereign Fund Plan - I
Faysal Islamic Special Income Fund Plan - I

Faysal Islamic Stock Fund
Faysal Islamic Stock Fund - II
Faysal Khushal Mustaqbil Fund - Faysal Barak'ah Women Savers Plan
Faysal Khushal Mustaqbil Fund - Faysal Nu'umah Women Savers Plan

## Faysal Islami Currency Exchange Company (Private) Limited (FICECL)

FICECL operates as a wholly owned subsidiary. It was incorporated on January 16, 2024 under the Companies Act, 2017. The company received its "Certification of Incorporation" from SECP on January 16, 2024 and obtained an operating license from State Bank of Pakistan on March 26, 2024. The principal activities of the Company are dealing in foreign exchange and facilitating remittances.

## Financial Highlights - Consolidated

### Key Balance Sheet Numbers

	31 March '26	31 December '25	Growth
	----- PKR in million -----		%
Investment	667,183	636,088	+4.9
Financing	775,548	872,024	-11.1
Total Assets	1,725,049	1,777,010	-2.9
Deposits	1,328,470	1,426,836	-6.9

### Profit & Loss Account

	March '26	March '25	Growth
	----- PKR in million -----		%
Total Revenue	25,454	23,021	+10.6
Total Expenses	(14,859)	(13,889)	+7.0
Profit before tax and provisions	10,595	9,132	+16.0
Net reversal / (provision)	361	2,310	-84.4
Share of profit from associates	80	47	+68.5
Profit before tax	11,036	11,489	-3.9
Tax	(5,710)	(6,080)	-6.1
Profit after tax	5,326	5,409	-1.5
Earnings per share (Rupees)	3.51	3.56	-1.5
Gain on equity securities directly realized in equity (net of tax)	110	860	-87.0

As we reflect on our journey, we first and foremost thank Allah (SWT) for His Blessings without which none of our achievements would have been possible. On a consolidated basis, Profit Before Tax (PBT) is at PKR 11.04 billion, reflecting resilient performance despite a challenging macro-economic environment. Profit After Tax (PAT) stood at PKR 5.3 billion. Earnings Per Share decreased from PKR 3.56 to PKR 3.51.

FAML's Assets Under Management (AUMs) as of March 31, 2026, were at PKR 240 billion. FAML made Profit After Tax of PKR 197 million, a decrease of 30% over same period last year.

## Credit Rating

During 2026, Pakistan Credit Rating Agency Limited (PACRA) upgraded the FBL's long-term entity rating to AA+ from AA, reflecting continued strengthening in its credit profile. The latest ratings assigned by PACRA and VIS Credit Rating Company Limited (VIS) are as follows:

	<b>VIS</b>	<b>PACRA</b>
Long Term	AA+	AA+
Short Term	A1+	A1+

The outlooks on the assigned ratings remains 'Stable'.

VIS has assigned Management Quality rating of AM1 to FAML in 2025. The rating signifies asset manager exhibiting very good management characteristics.

## Holding Company

Ithmaar Bank B.S.C (closed), a banking entity regulated by the Central Bank of Bahrain, is the parent company holding directly and indirectly 66.78% (2025: 66.78%) of the Bank's shares. Ithmaar Bank B.S.C. (closed) is a wholly owned subsidiary of Ithmaar Holdings B.S.C. Dar Al-Maal Al-Islami Trust (DMIT) is the holding entity of Ithmaar Holding B.S.C. and the ultimate parent Company of the Bank. DMIT was formed by an indenture under the laws of the Commonwealth of The Bahamas for the purpose of conducting business affairs in conformity with Islamic law, principles, and traditions.

## Dividend

We are pleased to announce that the Board of Directors, in their meeting held on April 23, 2026, approved an interim cash dividend of Rs 1.5 per share (i.e., 15%) for the quarter ended March 31, 2026 (March 31, 2025: Rs 1.5).

## Heartfelt Thanks: Acknowledging Our Pillars of Strength

On behalf of the Board and the Management, we extend gratitude to our esteemed shareholders for their unwavering support. We are indebted to our customers for their continuous confidence and trust. We also would like to place our appreciation for the Government of Pakistan, the State Bank of Pakistan and the Securities and Exchange Commission of Pakistan for their continued support and guidance, for developing and strengthening the banking and financial services sector through continuous improvement in the regulatory and governance framework.

As always, we would also like to express sincere appreciation for the Shariah Board. We wish to express our heartfelt appreciation to every member of our dedicated team for their tireless efforts and unwavering commitment to enhance the growth of FBL. Above all, we humbly express our profound gratitude to Allah Almighty for His continued blessings and guidance upon our Bank and all its members.

### **Approval**

In compliance with the requirement of the Companies Act, 2017, this Directors' Report with the recommendations of the Board Audit and Corporate Governance Committee has been approved by the Directors in their meeting held on April 23, 2026, and signed by the Chief Executive Officer and the Chairman.

**President & CEO**

Karachi

Dated: April 23, 2026

**Chairman**

## ہماری طاقت کے ستونوں کے لیے دلی اظہارِ تشکر

بورڈ اور انتظامیہ کی جانب سے، ہم اس موقع پر شیئر ہولڈرز کا شکریہ ادا کرتے ہیں کہ انہوں نے ہم پر غیر متزلزل اعتماد کیا ہے۔ ہم اپنے صارفین کے تہہ دل سے مشکور ہیں، جنہوں نے اپنے کاروبار اور پختہ یقین کے ساتھ ہم پر اعتماد کو مسلسل جاری رکھا۔ ہم ریگولیٹری اور گورننس فریم ورک میں مسلسل بہتری کے ذریعے بینکنگ اور فنانشل سروسز سیکٹر کے فروغ کے لیے اُن کے مسلسل تعاون اور رہنمائی پر اپنے ریگولیٹرز اور حکومت پاکستان، بالخصوص اسٹیٹ بینک آف پاکستان اور سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے بھی شکر گزار ہیں۔

ہمیشہ کی طرح، ہم یہاں شریعہ بورڈ کے لیے بھی اپنی مخلصانہ تعریف کا اظہار کرنا چاہتے ہیں۔ ہم اپنی سرشار ٹیم کے ہر ممبر کا ان کی انتھک محنت اور FBL کی ترقی کو بڑھانے کے لیے غیر متزلزل عزم پر تہہ دل سے شکریہ ادا کرتے ہیں۔ سب سے بڑھ کر، ہم اپنے بینک اور اس کے تمام ملازمین پر اللہ تعالیٰ کے مسلسل فضل و کرم اور رہنمائی کے لیے بارگاہِ الہی میں دل سے شکر گزار ہیں۔

## منظوری

کمپنیز ایکٹ 2017 کے تقاضوں کے مطابق، بورڈ کی آڈٹ اور کارپوریٹ گورننس کمیٹی کی سفارش کے ساتھ ڈائریکٹرز کی اس رپورٹ کو ڈائریکٹرز نے 23 اپریل 2026 کو ہونیوالے اپنے اجلاس میں منظور کیا اور اس پر چیف ایگزیکٹو آفیسر اور چیئر مین نے دستخط ثبت کئے ہیں۔

چیئر مین

صدر اور سی ای او

کراچی

تاریخ: 23 اپریل 2026

## کریڈٹ ریٹنگ:

سال 2026 کے دوران، پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے بینک کے کریڈٹ پروفائل میں مسلسل بہتری کی عکاسی کرتے ہوئے اس کی طویل مدتی ریٹنگ کو AA سے بڑھا کر AA+ کر دیا ہے۔ PACRA اور VIS کریڈٹ ریٹنگ کمپنی لمیٹڈ کی جانب سے تفویض کردہ تازہ ترین ریٹنگز درج ذیل ہیں:

VIS	PACRA	
AA+	AA+	طویل المدتی
A1+	A1+	قلیل المدتی

تفویض کردہ ریٹنگز کا منظر نامہ ”مستحکم“ ہے۔

VIS نے 2025 میں FAML کو AM1 کی مینجمنٹ کوالٹی کی درجہ بندی تفویض کی ہے۔ درجہ بندی اثاثہ مینیجر کی بہت اچھی انتظامی خصوصیات کو ظاہر کرتی ہے۔

## ہولڈنگ کمپنی

الائٹار بینک B.S.C. (کلوزڈ)، ایک بینکنگ ادارہ ہے جو بحرین کے مرکزی بینک کے ذریعے ریگولیٹ کیا جاتا ہے، بنیادی کمپنی ہے جو بینک کے حصص کا 66.78% (2025: 66.78%) بالواسطہ یا بلاواسطہ طور پر رکھتی ہے۔ الائٹار بینک B.S.C. (کلوزڈ) اتھار ہولڈنگز B.S.C. کا مکمل ملکیتی ذیلی ادارہ ہے۔ دارالمال الاسلامی ٹرسٹ (DMIT) اعتمار ہولڈنگ B.S.C. کا حامل ادارہ اور بینک کی حتمی پیرنٹ کمپنی ہے۔ DMIT کو بہماس کی دولت مشترکہ کے قوانین کے تحت ایک معاہدے کے ذریعے اسلامی قانون، اصولوں اور روایات کے مطابق کاروباری معاملات چلانے کے مقصد سے تشکیل دیا گیا تھا۔

## ڈیویڈنڈ

ہمیں یہ اعلان کرتے ہوئے خوشی ہو رہی ہے کہ بورڈ آف ڈائریکٹرز نے 23 اپریل 2026 کو منعقدہ اپنے اجلاس میں، 31 مارچ 2026 کو ختم ہونے والی سہ ماہی کے لیے فی شیئر 1.5 روپے (15%) عبوری نقد منافع کی منظوری دی ہے (31 مارچ 2025: 1.5 روپے)۔

## مالیاتی جملکیاں کنسولید ٹیڈ:

### بیلس شیٹ

نمو %	۳۱ دسمبر ۲۰۲۵ء	۳۱ مارچ ۲۰۲۶ء
	(ملین روپے)	
+4.9	636,088	667,183
-11.1	872,024	775,548
-2.9	1,777,010	1,725,049
-6.9	1,426,836	1,328,470

سرمایہ کاری

فنانسنگ

کل اثاثہ جات

ڈپازٹس

نمو %	مارچ ۲۰۲۵ء	مارچ ۲۰۲۶ء
	(ملین روپے)	
+10.6	23,021	25,454
+7.0	(13,889)	(14,859)
+16.0	9,132	10,595
-84.4	2,310	361
+68.5	47	80
-3.9	11,489	11,036
-6.1	(6,080)	(5,710)
-1.5	5,409	5,326
-1.5	3.56	3.51
-87.0	860	110

### نفع اور نقصان اکاؤنٹ

مجموعی آمدنی

مجموعی اخراجات

منافع قبل از ٹیکس اور پروویژن

نیٹ ریورسل / (پروویژن)

ایسوسی ایٹس سے منافع کا حصہ

منافع قبل از ٹیکس

ٹیکسز

منافع بعد از ٹیکس

فی حصص آمدن (روپے)

ایکویٹی سیوریٹیز سے حاصل کردہ منافع جو براہ راست ایکویٹی

میں تسلیم کیا گیا (بعد از ٹیکس)

جب ہم اپنے سفر پر غور کرتے ہیں تو FBL نے اپنی ترقی کی رفتار کو برقرار رکھا ہے، یہ سب کچھ صرف اور صرف اللہ تعالیٰ کے فضل و کرم کی بدولت ہوا اس کے بغیر یہ سب کچھ ممکن نہ تھا۔ مجموعی بنیاد پر، FBL نے مشکل میکرو اکنامک صورتحال کے باوجود مستحکم کارکردگی دکھاتے ہوئے 11.04 ارب روپے کا قبل از ٹیکس منافع حاصل کرنے کے ساتھ 5.3 ارب روپے کا بعد از ٹیکس منافع (PAT) حاصل کیا، 3.56 روپے سے کم ہو کر 3.51 روپے ہو گئی۔

FAML کے ایسیٹ انڈر مینجمنٹ (AUMs) 31 مارچ 2026 تک 240 بلین روپے تک پہنچ گئے۔ FAML نے 197 بلین روپے کا بعد از ٹیکس منافع کمایا جو گزشتہ سال کی اسی مدت کے مقابلے میں 30 فیصد کم ہے۔

فیصل اسلامک KPK گورنمنٹ پنشن فنڈ- ڈیٹ سب فنڈ
فیصل اسلامک KPK گورنمنٹ پنشن فنڈ- ایکویٹی انڈیکس سب فنڈ
فیصل اسلامک KPK گورنمنٹ پنشن فنڈ- ایکویٹی سب فنڈ
فیصل اسلامک KPK گورنمنٹ پنشن فنڈ- منی مارکیٹ سب فنڈ
فیصل اسلامک محدود مدت پلان- I
فیصل اسلامک پنشن فنڈ- ڈیٹ سب فنڈ
فیصل اسلامک پنشن فنڈ- منی مارکیٹ سب فنڈ
فیصل اسلامک پنجاب پنشن فنڈ- ڈیٹ سب فنڈ
فیصل اسلامک پنجاب پنشن فنڈ- ایکویٹی ایکٹیو سب فنڈ
فیصل اسلامک پنجاب پنشن فنڈ- ایکویٹی انڈیکس سب فنڈ
فیصل اسلامک پنجاب پنشن فنڈ- منی مارکیٹ سب فنڈ
فیصل اسلامک سیونگ گرو تھ فنڈ
فیصل اسلامک ساورن فنڈ پلان- I
فیصل اسلامک اسپیشل انکم فنڈ پلان- I
فیصل اسلامک اسٹاک فنڈ
فیصل اسلامک اسٹاک فنڈ- II
فیصل خوشحال مستقبل فنڈ- فیصل برکہ ویمن سیورز پلان
فیصل خوشحال مستقبل فنڈ- فیصل نعمہ ویمن سیورز پلان

## فیصل اسلامی کرنسی ایکسچینج کمپنی (پرائیویٹ) لمیٹڈ (FICECL)

فیصل اسلامی کرنسی ایکسچینج کمپنی (پرائیویٹ) لمیٹڈ (FICECL) FBL کی مکمل ملکیتی ذیلی کمپنی کے طور پر کام کرتی ہے۔ اسے پاکستان میں کمپنیز ایکٹ 2017 کے تحت 16 جنوری 2024 کو شامل کیا گیا۔ کمپنی نے 16 جنوری 2024 کو SECP سے اپنا ”انکارپوریشن سرٹیفکیٹ“ حاصل کیا اور 26 مارچ 2024 کو اسٹیٹ بینک سے آپریشنل لائسنس بھی حاصل کیا۔ کمپنی فارن ایکسچینج (غیر ملکی کرنسی کا کاروبار) کر رہی ہے اور ریگولیشنرز (تزیلات زر) کی سہولت فراہم کر رہی ہے۔

# ڈائریکٹرز کا جائزہ

## کنسولڈیٹڈ مالیاتی نتائج

ہم بورڈ آف ڈائریکٹرز کی جانب سے، فیصل بینک لمیٹڈ کے 31 مارچ 2026 کو ختم شدہ سہ ماہی کے لیے ڈائریکٹرز رپورٹ کے ساتھ غیر آڈٹ شدہ متحد عبوری مجموعی مالیاتی نتائج پیش کرتے ہوئے اظہار مسرت کرتے ہیں۔

## گروپ پروفائل

فیصل بینک لمیٹڈ (FBL) گروپ اسٹرکچر درج ذیل ہے:

ہولڈنگ کمپنی : فیصل بینک لمیٹڈ

ذیلی ادارے : فیصل ایسیٹ مینجمنٹ لمیٹڈ  
فیصل اسلامی کرنسی ایکسچینج کمپنی (پرائیویٹ) لمیٹڈ

## ذیلی ادارے

فیصل ایسیٹ مینجمنٹ لمیٹڈ

FBL کو فیصل ایسیٹ مینجمنٹ لمیٹڈ (FAML) میں 99.9% حصص کا شرکاءت دار ہے۔ FAML ایک ان لسٹڈ پبلک لمیٹڈ کمپنی ہے جو ایک نان بینکنگ فنانس کمپنی (NBFC) کے طور پر رجسٹرڈ ہے، جسے نان بینکنگ فنانس کمپنیز (اسٹبلشمنٹ اینڈ ریگولیشن) رولز، 2003 اور نان بینکنگ فنانس کمپنیز اور نوٹیفائیڈ انٹرنیٹ ریگولیشنز 2008 کے تحت اثاثہ کے انتظام اور سرمایہ کاری کی مشاورتی خدمات سرانجام دینے کا لائسنس دیا گیا ہے۔

FBL کو، FAML کے زیر انتظام مندرجہ ذیل اوپن اینڈڈ میوچل فنڈز میں ہولڈنگ کی بنیاد پر نمایاں اثر و رسوخ کا حامل ہے۔

اوپن اینڈڈ میوچل فنڈ

فیصل حلال آمدنی فنڈ

فیصل اسلامک ایسیٹ ایلوکیشن فنڈ - III - (فیصل شریعہ فلیکس پلان - II)

فیصل اسلامک کیش فنڈ

# Condensed Interim Consolidated Statement of Financial Position

As at March 31, 2026

	Note	(Un-audited) March 31, 2026	(Audited) December 31, 2025
----- Rupees in '000 -----			
<b>ASSETS</b>			
Cash and balances with treasury banks	10	103,475,300	103,998,902
Balances with other banks	11	5,825,774	6,732,747
Due from financial institutions		-	-
Investments	12	667,182,657	636,087,689
Islamic financing and related assets	13	775,548,190	872,023,994
Property and equipment	14	55,290,739	53,500,569
Right-of-use assets	15	14,997,159	15,390,549
Intangible assets	16	3,442,574	2,448,901
Deferred tax assets	22	1,929,270	-
Other assets	17	97,357,382	86,826,630
		1,725,049,045	1,777,009,981
<b>LIABILITIES</b>			
Bills payable	18	19,782,878	33,288,005
Due to financial institutions	19	186,661,668	121,636,950
Deposits and other accounts	20	1,328,470,001	1,426,835,690
Lease liabilities	21	18,456,505	18,528,708
Subordinated sukuk		-	-
Deferred tax liabilities	22	-	5,241,633
Other liabilities	23	57,838,830	53,717,598
		1,611,209,882	1,659,248,584
		113,839,163	117,761,397
<b>NET ASSETS</b>			
<b>REPRESENTED BY</b>			
Share capital		15,176,965	15,176,965
Reserves		20,509,621	20,003,104
Surplus on revaluation of assets - net of tax	24	10,823,704	17,164,358
Unappropriated profit		67,328,423	65,416,540
Total equity attributable to the equity holders of the Bank		113,838,713	117,760,967
Non-controlling interest		450	430
		113,839,163	117,761,397

## CONTINGENCIES AND COMMITMENTS

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The annexed notes 1 to 43 form an integral part of these condensed interim consolidated financial statements.

PRESIDENT & CEO

CHIEF FINANCIAL OFFICER

CHAIRMAN

DIRECTOR

DIRECTOR

# Condensed Interim Consolidated Statement of Profit and Loss Account (Un-audited)

For the quarter ended March 31, 2026

Note	Quarter ended	
	March 31, 2026	March 31, 2025
	----- Rupees in '000 -----	
Profit / return earned	27 38,135,117	42,107,331
Profit / return expensed	28 22,530,870	24,891,971
Net profit / return	15,604,247	17,215,360
<b>OTHER INCOME</b>		
Fee and commission income	29 4,450,401	3,950,229
Dividend income	151,328	35,163
Foreign exchange income	1,965,337	1,730,862
Income from derivatives	54	15,486
Gain on securities - net	30 3,333,337	46,394
Net loss on derecognition of financial assets measured at amortised cost	17.1 (123,939)	(83,628)
Other income	31 73,817	110,460
Total other income	9,850,335	5,804,966
Total income	25,454,582	23,020,326
<b>OTHER EXPENSES</b>		
Operating expenses	32 14,624,975	13,661,645
Workers welfare fund	233,510	226,784
Other charges	33 561	586
Total other expenses	14,859,046	13,889,015
Share of profit of associates	12.6 79,629	47,259
Profit before credit loss allowance	10,675,165	9,178,570
Reversal of credit loss allowance and write offs - net	34 (360,943)	(2,310,420)
<b>PROFIT BEFORE TAXATION</b>	11,036,108	11,488,990
Taxation	35 5,709,949	6,079,505
<b>PROFIT AFTER TAXATION</b>	5,326,159	5,409,485
<b>Attributable to:</b>		
Equity holders of the Bank	5,326,139	5,409,457
Non-controlling interest	20	28
	5,326,159	5,409,485
	----- Rupees -----	
<b>Basic and diluted earnings per share</b>	36 3.51	3.56

The annexed notes 1 to 43 form an integral part of these condensed interim consolidated financial statements.

PRESIDENT & CEO

CHIEF FINANCIAL OFFICER

CHAIRMAN

DIRECTOR

DIRECTOR

# Condensed Interim Consolidated Statement of Comprehensive Income (Un-audited)

For the quarter ended March 31, 2026

	Quarter ended	
	March 31, 2026	March 31, 2025
	Rupees in '000	
Profit after taxation for the period	5,326,159	5,409,485
<b>Other comprehensive income / (loss)</b>		
<b>Items that may be reclassified to the profit and loss account in subsequent periods:</b>		
Movement in deficit on revaluation of equity investments through FVOCI - net of tax	(5,148,881)	(4,286,873)
<b>Items that will not be reclassified to the profit and loss account in subsequent periods:</b>		
Movement in deficit on revaluation of equity investments - net of tax	(1,041,837)	(150,664)
Movement in surplus on revaluation of property and equipment - net of tax	-	39,537
Movement in surplus on revaluation of non-banking assets - net of tax	-	320
	(1,041,837)	(110,807)
<b>Total comprehensive (loss) / income for the period</b>	<b>(864,559)</b>	<b>1,011,805</b>
<b>Attributable to:</b>		
Equity holders of the Bank	(864,579)	1,011,777
Non-controlling interest	20	28
	<b>(864,559)</b>	<b>1,011,805</b>

The annexed notes 1 to 43 form an integral part of these condensed interim consolidated financial statements.

PRESIDENT & CEO

CHIEF FINANCIAL OFFICER

CHAIRMAN

DIRECTOR

DIRECTOR

# Condensed Interim Consolidated Statement Of Changes In Equity

For the quarter ended March 31, 2026

	Reserves						Surplus / (deficit) on revaluation of			Unappropriated profit	Non-controlling interest	Total
	Capital reserves			Statutory reserve	Total	Investments	Property and equipment / non-banking assets	Total				
	Share premium	Non-distributable capital reserve (NCR) - gain on bargain purchase	Reserve arising on amalgamation									
Rupees in '000												
Balance as at December 31, 2024	15,176,965	10,131	135,651	23,952	17,696,623	17,866,357	11,286,222	11,503,661	22,771,883	54,109,488	341	109,925,034
Impact of adopting IFRS 9 as at January 1, 2025 - net of tax	-	-	-	-	-	-	1,714,963	-	1,714,963	-	-	1,714,963
<b>Restated balance as at January 1, 2025 (Audited)</b>	15,176,965	10,131	135,651	23,952	17,696,623	17,866,357	12,983,185	11,503,661	24,486,846	54,109,488	341	111,639,997
Profit after taxation for the quarter ended March 31, 2025	-	-	-	-	-	-	-	-	-	5,409,457	28	5,409,485
<b>Other comprehensive (loss) / income</b>												
Movement in deficit on revaluation of debt investments through FVOCI - net of tax	-	-	-	-	-	-	(4,286,873)	-	(4,286,873)	-	-	(4,286,873)
Movement in deficit on revaluation of equity investments through FVOCI - net of tax	-	-	-	-	-	-	(150,664)	-	(150,664)	-	-	(150,664)
Movement in surplus on revaluation of property and equipment - net of tax	-	-	-	-	-	-	-	39,537	39,537	-	-	39,537
Movement in surplus on revaluation of non-banking assets - net of tax	-	-	-	-	-	-	-	320	320	-	-	320
Total other comprehensive (loss) / income - net of tax	-	-	-	-	-	(4,437,537)	39,857	(4,397,680)	-	-	-	(4,397,680)
Gain on sale of equity instruments classified as FVOCI - net of tax	-	-	-	-	-	(860,314)	-	(860,314)	860,314	-	-	-
Transfer to statutory reserve	-	-	-	514,732	514,732	-	-	-	-	(514,732)	-	-
Transfer from surplus on revaluation of property and equipment to unappropriated profit - net of tax	-	-	-	-	-	-	-	(24,558)	(24,558)	24,558	-	-
Amortisation of intangible assets - customer relationship - net of tax	-	-	(6,235)	-	-	(6,235)	-	-	-	-	-	(6,235)
<b>Transaction with owners, recorded directly in equity</b>												
Final cash dividend for the year 2024 declared on February 20, 2025 at Rs 2.5 per share	-	-	-	-	-	-	-	-	-	(3,734,241)	-	(3,734,241)
<b>Restated balance as at March 31, 2025 (Un-audited)</b>	15,176,965	10,131	129,416	23,952	18,211,355	18,374,854	7,685,334	11,518,960	19,204,294	56,094,844	369	108,851,326
Profit after taxation for the nine months period ended December 31, 2025	-	-	-	-	-	-	-	-	-	17,059,759	61	17,059,820
<b>Other comprehensive income</b>												
Movement in deficit on revaluation of debt investments through FVOCI - net of tax	-	-	-	-	-	-	(2,977,749)	-	(2,977,749)	-	-	(2,977,749)
Movement in surplus on revaluation of equity investments through FVOCI - net of tax	-	-	-	-	-	-	903,546	-	903,546	-	-	903,546
Remeasurement gain on defined benefit obligations - net of tax	-	-	-	-	-	-	-	-	-	75,056	-	75,056
Movement in surplus on revaluation of property and equipment - net of tax	-	-	-	-	-	-	-	1,279,973	1,279,973	-	-	1,279,973
Total other comprehensive income / (loss) - net of tax	-	-	-	-	-	-	(2,074,203)	957,439	(1,116,764)	75,056	-	(1,041,708)
Gain on sale of equity instruments classified as FVOCI - net of tax	-	-	-	-	-	-	(373,805)	-	(373,805)	373,805	-	-
Transfer to statutory reserve	-	-	-	1,655,609	1,655,609	-	-	-	-	(1,655,609)	-	-
Transfer from surplus on revaluation of property and equipment to unappropriated profit - net of tax	-	-	-	-	-	-	-	(75,694)	(75,694)	75,694	-	-
Transfer from surplus on revaluation of non-banking assets on disposal - net of tax	-	-	-	-	-	-	-	(473,673)	(473,673)	222,626	-	(251,047)
Amortisation of intangible assets - customer relationship - net of tax	-	-	(27,359)	-	-	(27,359)	-	-	-	-	-	(27,359)
<b>Transaction with owners, recorded directly in equity</b>												
First interim cash dividend declared on April 24, 2025 at Rs 1.5 per share	-	-	-	-	-	-	-	-	-	(2,276,545)	-	(2,276,545)
Second interim cash dividend declared on August 28, 2025 at Rs 1.5 per share	-	-	-	-	-	-	-	-	-	(2,276,545)	-	(2,276,545)
Third interim cash dividend declared on October 23, 2025 at Rs 1.5 per share	-	-	-	-	-	-	-	-	-	(2,276,545)	-	(2,276,545)
<b>Balance as at December 31, 2025 (Audited)</b>	15,176,965	10,131	102,057	23,952	19,866,964	20,003,104	5,237,326	11,927,032	17,164,358	65,416,540	430	117,761,397
Impact of adopting IFRS 9 as at January 1, 2026 - net of tax	-	-	-	-	-	-	-	-	-	(13,161)	-	(13,161)
<b>Restated balance as at January 1, 2026</b>	15,176,965	10,131	102,057	23,952	19,866,964	20,003,104	5,237,326	11,927,032	17,164,358	65,403,379	430	117,748,236
Profit after taxation for the quarter ended March 31, 2026	-	-	-	-	-	-	-	-	-	5,328,139	20	5,328,159
<b>Other comprehensive (loss) / income</b>												
Movement in deficit on revaluation of debt investments through FVOCI - net of tax	-	-	-	-	-	-	(5,148,881)	-	(5,148,881)	-	-	(5,148,881)
Movement in deficit on revaluation of equity investments through FVOCI - net of tax	-	-	-	-	-	-	(1,041,837)	-	(1,041,837)	-	-	(1,041,837)
Total other comprehensive loss - net of tax	-	-	-	-	-	-	(6,190,718)	-	(6,190,718)	-	-	(6,190,718)
Gain on sale of equity instruments classified as FVOCI - net of tax	-	-	-	-	-	-	(110,439)	-	(110,439)	110,439	-	-
Transfer to statutory reserve	-	-	-	515,638	515,638	-	-	-	-	(515,638)	-	-
Transfer from surplus on revaluation of property and equipment to unappropriated profit - net of tax	-	-	-	-	-	-	-	(39,497)	(39,497)	39,497	-	-
Amortisation of intangible assets - customer relationship - net of tax	-	-	(8,121)	-	-	(8,121)	-	-	-	-	-	(8,121)
<b>Transaction with owners, recorded directly in equity</b>												
Final cash dividend for the year 2025 declared on February 19, 2026 at Rs 2 per share	-	-	-	-	-	-	-	-	-	(3,035,393)	-	(3,035,393)
<b>Balance as at March 31, 2026 (Un-audited)</b>	15,176,965	10,131	92,938	23,952	20,382,602	20,509,621	(1,063,831)	11,887,535	10,823,704	67,328,423	450	113,839,163

The annexed notes 1 to 43 form an integral part of these condensed interim consolidated financial statements.

PRESIDENT & CEO

CHIEF FINANCIAL OFFICER

CHAIRMAN

DIRECTOR

DIRECTOR

# Condensed Interim Consolidated Cash Flow Statement (Un-audited)

For the quarter ended March 31, 2026

	Note	March 31, 2026	March 31, 2025
----- Rupees in '000 -----			
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit before taxation		11,036,108	11,488,990
Less: dividend income		(151,328)	(35,163)
Less: share of profit of associates		(79,629)	(47,259)
		<u>10,805,151</u>	<u>11,406,568</u>
<b>Adjustments:</b>			
Net profit / return income		(15,604,247)	(17,215,360)
Depreciation on owned property and equipment	32	1,400,633	1,122,456
Depreciation on right-of-use assets	32	676,577	595,132
Depreciation on non-banking assets	32	-	592
Amortisation of intangible assets	32	175,658	146,480
Workers welfare fund		233,510	226,784
Reversal of credit loss allowance and write offs - net		(360,943)	(2,310,420)
Unrealised gain - FVTPL		(2,634)	-
Net loss on derecognition of financial assets measured at amortised cost		123,939	83,628
Gain on sale of Property and equipment - net		(25,759)	(4,183)
Gain on termination of leases (IFRS 16)	31	(19,537)	(13,045)
Charge for defined benefit plan		139,516	145,692
Gain on derivative contracts		(54)	(15,486)
		<u>(13,263,341)</u>	<u>(17,237,730)</u>
		(2,458,190)	(5,831,162)
<b>Decrease / (Increase) in operating assets</b>			
Securities classified as FVTPL		(165,671)	1,396,156
Islamic financing and related assets		96,677,875	(8,293,391)
Others assets (excluding advance taxation)		(2,430,807)	5,236,153
		<u>94,081,397</u>	<u>(1,661,082)</u>
<b>(Decrease) / Increase in operating liabilities</b>			
Bills Payable		(13,505,127)	(19,125,675)
Due to financial institutions		65,024,718	9,975,262
Deposits		(98,365,689)	68,893,986
Other liabilities (excluding current taxation)		291,590	(23,287,893)
		<u>(46,554,508)</u>	<u>36,455,680</u>
Income tax paid		(6,912,519)	(5,060,525)
Net profit / return received		30,542,229	33,994,307
Net profit / return paid		(20,919,421)	(25,115,003)
Contribution to gratuity fund		(90,138)	(145,692)
		<u>47,688,850</u>	<u>32,636,523</u>
<b>Net cash generated from operating activities</b>			
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Net (investments) / divestments in amortized cost securities		(32,843,416)	1,396,156
Net investments in securities classified as FVOCI		(11,430,772)	(26,563,573)
Net divestments / (investments) in associates		299,738	(54,897)
Dividends received		143,815	30,951
Investments in property and equipment		(3,316,391)	(4,938,960)
Investments in intangible assets		(1,188,526)	(110,005)
Disposal proceeds of property and equipment		148,833	42,265
		<u>(48,186,719)</u>	<u>(30,198,063)</u>
<b>Net cash used in investing activities</b>			
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Payment of lease liabilities against right-of-use assets		(931,649)	(863,795)
Dividend paid		(1,057)	(8,223)
		<u>(932,706)</u>	<u>(872,018)</u>
<b>Net cash used in financing activities</b>			
<b>Increase in cash and cash equivalents during the period</b>			
		<u>(1,430,575)</u>	<u>1,566,442</u>
Cash and cash equivalents at the beginning of the year		110,756,861	107,989,834
Effect of exchange rate changes on cash and cash equivalents		(25,212)	150,385
		<u>110,731,649</u>	<u>108,140,219</u>
<b>Cash and cash equivalents at the beginning of the period</b>			
		<u>109,301,074</u>	<u>109,706,661</u>
<b>Cash and cash equivalents at the end of the period</b>			

The annexed notes 1 to 43 form an integral part of these condensed interim consolidated financial statements.

PRESIDENT & CEO

CHIEF FINANCIAL OFFICER

CHAIRMAN

DIRECTOR

DIRECTOR

# Notes to and forming part of the Condensed Interim Consolidated Financial Statements (un-audited)

For the quarter ended March 31, 2026

## 1 STATUS AND NATURE OF BUSINESS

### 1.1 The "Group" consists of:

- (i) Faysal Bank Limited - Holding Company
- (ii) Faysal Asset Management Limited - Subsidiary Company
- (iii) Faysal Islami Currency Exchange Company (Private) Limited - Subsidiary Company

#### 1.1.1 Holding Company - Faysal Bank Limited

Faysal Bank Limited (the Bank or the Holding Company) was incorporated in Pakistan on October 3, 1994 as a public limited company under the provisions of the repealed Companies Ordinance, 1984 (now the Companies Act, 2017). Its shares are listed on the Pakistan Stock Exchange Limited. The Holding Company is engaged in Shariah compliant modern Corporate, Commercial and Consumer banking activities. The Holding Company is operating through 900 branches (December 31, 2025: 900 branches) including 2 sub-branches (December 31, 2025: 2).

The Registered Office of the Bank is located at Faysal House, ST-02, Shahrah-e-Faisal, Karachi.

Ithmaar Bank B.S.C (closed), a fully owned subsidiary of Ithmaar Holdings B.S.C is the parent company of the Bank, holding directly and indirectly 66.78% (December 31, 2025: 66.78%) of the shareholding of the Bank. Dar Al-Maal Al-Islami Trust (DMIT), (ultimate parent of the Bank) is the holding company of Ithmaar Holdings B.S.C.

Based on the financial statements of the Bank for the year ended December 31, 2025, the Pakistan Credit Rating Agency Limited (PACRA) have upgraded the Bank's long-term rating as 'AA+' and reaffirmed the short term rating as 'A1+' on March 31, 2026. The VIS Credit Rating Company Limited has assigned the Bank's medium to long-term as 'AA+' and the short-term rating as 'A1+' on June 30, 2025.

#### 1.1.2 Subsidiary Company - Faysal Islami Currency Exchange Company (Private) Limited

Faysal Islami Currency Exchange Company (Private) Limited (the Subsidiary Company) was incorporated in Pakistan in January 2024 under the Companies Act, 2017 ('the Act'). The Company is a Non-Banking Finance Company (NBFC), licensed to operate as an exchange company, and is engaged in the business of dealing in foreign exchange and facilitating remittances. The registered office of the Company is at ST-02, Faysal House, Shahrah-e-Faisal, Karachi.

#### 1.1.3 Subsidiary Company - Faysal Asset Management Limited

	Percentage of holding	
	March 31, 2026	December 31, 2025
Faysal Asset Management Limited - Subsidiary	99.99%	99.99%

Faysal Asset Management Limited (the Subsidiary Company) was incorporated in Pakistan under the provisions of the repealed Companies Ordinance, 1984 (now Companies Act, 2017) on August 6, 2003 as an unlisted public limited company. The Subsidiary Company commenced its operations on November 14, 2003. The registered office of the Subsidiary Company is located at 7th Floor, West Wing, Faysal House, ST-02, Shahrah-e-Faisal, Karachi.

The Subsidiary Company is a Non-Banking Finance Company (NBFC), licensed to carry out asset management and investment advisory services under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations).

VIS Credit Rating Company Limited has reaffirmed Asset Management rating of AM 1 as at March 31, 2026 (December 31, 2025 : AM1).

# Notes to and forming part of the Condensed Interim Consolidated Financial Statements (un-audited)

For the quarter ended March 31, 2026

## 2 BASIS OF PRESENTATION

- 2.1 The Group provides financing mainly through Murabaha, Musawammah, Istisna and other Islamic modes as briefly explained in note 6.7 to in the annual audited consolidated financial statements for the year ended December 31, 2025.

The purchases and sales arising under these arrangements are not reflected in these condensed consolidated financial statements as such but are restricted to the amount of facility actually utilized and the appropriate portion of profit thereon. The income on such financing is recognised in accordance with the principles of Islamic Shariah. However, income, if any, received which does not comply with the principles of Islamic Shariah is recognised as charity payable if so directed by the Shariah Board of the Group.

## 3 BASIS OF CONSOLIDATION

The consolidated financial statements incorporate the financial statements of the Bank and the financial statements of the Subsidiary Companies from the date from which control of the Subsidiary Companies by the Group commences until the date on which control ceases. The financial statements of the Subsidiary Companies are incorporated on a line-by-line basis and the investment held by the Bank is eliminated against the corresponding share capital and pre-acquisition reserve (if any) of the Subsidiary Companies in the consolidated financial statements.

The financial statements of the Subsidiary Companies are prepared for the same reporting period as the Holding Company, using accounting policies that are generally consistent with those of the Holding Company.

Material intra-group balances and transactions are eliminated.

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Associates are accounted for using the equity method.

## 4 STATEMENT OF COMPLIANCE

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as are notified under the Companies Act, 2017.
- Provisions of, and directives issued under the Banking Companies Ordinance, 1962 and the Companies Act, 2017, and
- Directives issued by the State Bank of Pakistan (SBP) and the Securities and Exchange Commission of Pakistan (SECP).

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

The State Bank of Pakistan (SBP) has adopted requirements of IFRS 9 along with the application instructions through BPRD Circular No. 07 of 2023, dated April 13, 2023, but deferred certain requirements. Islamic banking institutions have been allowed to follow Islamic Financial Accounting Standards (IFAS) 1 & 2 where applicable and continue existing accounting practices for other Islamic products until further instructions. The impact of profit of financing in advance stage is Rs. 2,935 million.

# Notes to and forming part of the Condensed Interim Consolidated Financial Statements (un-audited)

## For the quarter ended March 31, 2026

- 4.2** As per the directive of the SBP through its letter BPRD (R&P-02)/625-99/2011/3744 dated March 28, 2011, gain arising on bargain purchase of Pakistan operations of Royal Bank of Scotland (ex-RBS Pakistan) was credited directly into equity as Non-distributable Capital Reserve (NCR). The SBP allowed the Group to adjust the amortisation of intangible assets against the portion of reserve which arose on account of such assets identified as a result of such acquisition. Accordingly, during the period ended March 31, 2026, the Group has adjusted amortisation of intangible assets net of tax amounting to Rs. 9,121 million (period ended March 31, 2025: Rs. 6,235 million) from the NCR.
- 4.3** These condensed interim consolidated financial statements do not include all the information and disclosures required in the annual audited consolidated financial statements, and are limited based on the format prescribed by the State Bank of Pakistan through BPRD Circular Letter No. 2 of 2023 dated February 9, 2023 and IAS 34 and should be read in conjunction with the annual consolidated financial statements for the financial year ended December 31, 2025.
- 4.4 Standards, interpretations of and amendments to the published accounting and reporting standards that are effective in the current period**
- 4.4.1** There are certain new and amended standards, interpretations and amendments that are mandatory for the Bank's accounting periods beginning on January 1, 2026 but are considered not to be relevant or do not have any significant effect on the Bank's operations are therefore not detailed in these condensed interim consolidated financial statements.
- 4.5 Standards, interpretations of and amendments to the published accounting and reporting standards that are not yet effective**
- 4.5.1** The following revised standards, amendments and interpretations with respect to the accounting and reporting standards would be effective from the dates mentioned below against the respective standards, amendments or interpretations:

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

The management of the Group is assessing the impact of the above mentioned standards on its condensed interim consolidated financial statements of the Group.

- 4.5.2** As required under SBP Letter No. BPRD/LD-01/850/28853/2022-13054, the details of the net conventional funded portfolio as at March 31, 2026 are as follows:

	Note	Rupees in '000
<b>Assets</b>		
Investments		4,187,056
Financing - net		440,231
<b>Liabilities</b>		
Deposits and other accounts		1,845,005
Other Liabilities	23	146,974

All efforts are being put in to convert or dispose-off the residual portfolio and appropriate monitoring mechanisms are in place. Quarterly progress report on the status of the residual portfolio is shared with the Bank's Board of Directors, the Shariah Board and the State Bank of Pakistan.

## 5 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in preparation of these condensed interim consolidated financial statements are the same as applied in the preparation of annual consolidated financial statements of the Group for the year ended December 31, 2025 except for applicability of Effective Profit Rate (EIR) as explained in note 3.7.1 of the annual audited consolidated financial statements for the year ended December

# Notes to and forming part of the Condensed Interim Consolidated Financial Statements (un-audited)

## For the quarter ended March 31, 2026

31, 2025. The cumulative impact of application in current period amounting to PKR 13.161 million net of tax has been recorded as an adjustment to equity at the beginning of the current period.

### 6 BASIS OF MEASUREMENT

These condensed interim consolidated financial statements have been prepared under the historical cost convention except for certain fixed assets and non-banking assets acquired in satisfaction of claims which have been carried at revalued amounts, certain investments and derivative contracts which have been marked to market and are carried at fair value, obligations in respect of staff retirement benefits and lease liabilities which have been carried at present value and right-of-use assets which are initially measured at an amount equal to the corresponding lease liabilities (adjusted for any lease payments and costs) and depreciated over the respective lease terms.

### 7 FUNCTIONAL AND PRESENTATION CURRENCY

7.1 Items included in these condensed interim consolidated financial statements are measured using the currency of the primary economic environment in which the Group operates. These condensed interim consolidated financial statements are presented in Pakistani Rupees, which is the Group's functional and presentation currency.

7.2 Figures have been rounded off to the nearest thousand of rupees unless otherwise stated.

### 8 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The basis for accounting estimates adopted in the preparation of these condensed interim consolidated financial statements is the same as that applied in the preparation of the consolidated financial statements for the year ended December 31, 2025 .

### 9 FINANCIAL RISK MANAGEMENT

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

Note	(Un-audited) March 31, 2026	(Audited) December 31, 2025
----- Rupees in '000 -----		
<b>10 CASH AND BALANCES WITH TREASURY BANKS</b>		
In hand		
- local currency	42,172,852	28,374,473
- foreign currencies	5,496,328	3,161,358
	47,669,180	31,535,831
With State Bank of Pakistan in		
- local currency current accounts	41,903,576	56,191,281
- foreign currency current accounts	6,091,609	5,423,184
- foreign currency deposit accounts	941,593	1,826,938
	48,936,778	63,441,403
10.1 With National Bank of Pakistan in		
- local currency current accounts	6,870,944	9,023,320
Less: Credit loss allowance held against cash and balances with treasury banks	(1,602)	(1,652)
Cash and balances with treasury banks - net of credit loss allowance	<u>103,475,300</u>	<u>103,998,902</u>

10.1 These include local and foreign currency amounts required to be maintained by the Holding Company with SBP under the Banking Companies Ordinance, 1962 and / or stipulated by the SBP. These accounts are non-remunerative in nature.

Notes to and forming part of the Condensed Interim Consolidated Financial Statements (un-audited)  
For the quarter ended March 31, 2026

(Un-audited)  
March 31,  
2026

(Audited)  
December 31,  
2025

----- Rupees in '000 -----

**11 BALANCES WITH OTHER BANKS**

In Pakistan		
- in current accounts	438,616	170,207
- in saving accounts	79	78
	438,695	170,285
Outside Pakistan		
- in current account	5,387,098	6,562,504
Less: Credit loss allowance held against balances with other banks	(19)	(42)
Balances with other banks - net of credit loss allowance	<u>5,825,774</u>	<u>6,732,747</u>

**12 INVESTMENTS**

**12.1 Investments by type:**

Note	(Un-audited) March 31, 2026				(Audited) December 31, 2025			
	Amortised cost	Credit loss allowance	Surplus / (deficit)	Carrying value	Amortised cost	Credit loss allowance	Surplus / (deficit)	Carrying value

----- Rupees in '000 -----

**FVTPL**

Federal Government securities	989,256	-	-	989,256	973,585	-	-	973,585
Units of open-ended mutual funds	150,000	-	2,634	152,634	-	-	-	-
	1,139,256	-	2,634	1,141,890	973,585	-	-	973,585

**FVOCI**

Federal Government securities	612,329,904	-	(4,120,430)	608,209,474	604,610,921	-	6,619,069	611,229,990
Shares	12,863,841	-	1,903,254	14,767,095	9,152,052	-	4,303,829	13,455,881
Non Government debt securities	2,559,951	(1,303,627)	862	1,257,186	2,559,951	(1,303,626)	(11,803)	1,244,522
	627,753,696	(1,303,627)	(2,216,314)	624,233,755	616,322,924	(1,303,626)	10,911,095	625,930,393

**Amortised Cost**

Federal Government securities	32,993,424	-	-	32,993,424	150,008	-	-	150,008
Non Government debt securities	5,439,341	(9)	-	5,439,332	5,439,341	(3)	-	5,439,338
	38,432,765	(9)	-	38,432,756	5,589,349	(3)	-	5,589,346

**Associates**

	3,374,256	-	-	3,374,256	3,594,365			3,594,365
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**Total Investments**

	<u>670,699,973</u>	<u>(1,303,636)</u>	<u>(2,213,680)</u>	<u>667,182,657</u>	<u>626,480,223</u>	<u>(1,303,629)</u>	<u>10,911,095</u>	<u>636,087,689</u>
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(Un-audited)  
March 31,  
2026

(Audited)  
December 31,  
2025

----- Rupees in '000 -----

**12.2 Investments given as collateral - at market value**

**Federal Government Securities**

- Ijarah Sukuk

115,586,460

63,725,560

# Notes to and forming part of the Condensed Interim Consolidated Financial Statements (un-audited)

For the quarter ended March 31, 2026

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
----- Rupees in '000 -----		
12.3 Credit loss allowance for diminution in value of investments		
Closing Balance	1,303,629	2,726,265
Charge / reversals		
Charge for the period / year	7	-
Reversals for the year period / year	-	(6,583)
Reversals on disposals period / year	-	(1,058,478)
	7	(1,065,061)
Transfers - net	-	(357,575)
Amounts written off	-	-
Closing Balance	<u>1,303,636</u>	<u>1,303,629</u>

## 12.4 Particulars of credit loss allowance against debt securities

		(Un-audited) March 31, 2026		(Audited) December 31, 2025	
		Outstanding amount	Credit loss allowance	Outstanding amount	Credit loss allowance
----- Rupees in '000 -----					
<b>Domestic</b>					
Performing	Stage 1	651,600,174	38	611,037,775	31
Underperforming	Stage 2	-	-	-	-
Non-performing	Stage 3				
- Substandard		-	-	-	-
- Doubtful		-	-	-	-
- Loss		1,722,446	1,303,598	1,722,446	1,303,598
		<u>1,722,446</u>	<u>1,303,598</u>	<u>1,722,446</u>	<u>1,303,598</u>
Total		<u>653,322,620</u>	<u>1,303,636</u>	<u>612,760,221</u>	<u>1,303,629</u>

12.5 As allowed by the SBP, the Group has availed benefit of forced sale value (FSV) of collaterals held as security of Rs 418.848 million (December 31, 2025: Rs 418.848 million) related to investment while determining the provisioning requirement against non-performing investment as at March 31, 2026. The additional profit arising from availing the FSV benefit (net of tax) as at March 31, 2026 which is not available for distribution as either cash or stock dividend to shareholders approximately amounted to Rs 201.047 million (December 31, 2025: Rs 196.859 million).

# Notes to and forming part of the Condensed Interim Consolidated Financial Statements (un-audited)

## For the quarter ended March 31, 2026

### 12.6 Movement of investment in associates

As at March 31, 2026 - (Unaudited)							
Country of incorporation	% Holding	Investment at the beginning of the period	Investment / (redemption) during the period	Share of profit / (loss)	Dividend income	Investment at the end of the year	
Rupees in '000							
<b>Associates</b>							
Faysal Halal Amdani Fund	Pakistan	0.00%	1,341,490	(220,417)	39,039	-	1,160,112
Faysal Islamic Pension Fund - Debt	Pakistan	25.82%	52,798	-	937	-	53,735
Faysal Islamic Pension Fund - Money Market	Pakistan	10.98%	54,091	1	1,068	-	55,160
Faysal Islamic Savings Growth Fund	Pakistan	4.27%	682,976	-	12,983	-	695,959
Faysal Islamic Special Income Fund - FISIP-I	Pakistan	73.48%	191,465	-	3,438	-	194,903
Faysal Islamic Cash Fund	Pakistan	0.51%	318,465	(81,500)	4,106	-	241,071
Faysal Islamic KPK Government Pension Fund - Money Market Sub Fund	Pakistan	90.31%	38,810	-	832	-	39,642
Faysal Islamic KPK Government Pension Fund - Equity Sub Fund	Pakistan	100.00%	619	-	7	-	626
Faysal Islamic KPK Government Pension Fund - Debt Sub Fund	Pakistan	100.00%	640	-	7	-	647
Faysal Islamic KPK Government Pension Fund - Equity Index Sub Fund	Pakistan	100.00%	626	-	7	-	633
Faysal Khushal Mustaqbil Fund- Faysal Barakah Women Savers Plan	Pakistan	99.24%	69,547	1	1,298	-	70,846
Faysal Islamic Sovereign Fund-Faysal Islamic Sovereign Plan-I	Pakistan	56.88%	672,096	-	12,741	-	684,837
Faysal Khushal Mustaqbil Fund- Faysal Nu'umah Women Savers Plan	Pakistan	67.76%	55,867	-	1,065	-	56,932
Faysal Islamic Stock Fund	Pakistan	0.22%	4,227	1,121	(370)	-	4,978
Faysal Islamic Stock Fund II	Pakistan	0.47%	4,238	1,056	(180)	-	5,114
Faysal Islamic Mehood Muddat Plan-I	Pakistan	0.13%	3,752	-	75	-	3,827
Faysal Islamic Asset Allocation Fund - III -(Faysal Shariah Flex Plan-II)	Pakistan	4.59%	100,857	-	2,555	-	103,412
Faysal Islamic Punjab Pension Fund-Debt Sub Fund	Pakistan	100.00%	501	-	1	-	502
Faysal Islamic Punjab Pension Fund-Equity Active Sub Fund	Pakistan	100.00%	499	-	5	-	504
Faysal Islamic Punjab Pension Fund-Equity Index Sub Fund	Pakistan	100.00%	499	-	3	-	502
Faysal Islamic Punjab Pension Fund-Money Market Sub Fund	Pakistan	100.00%	502	-	12	-	514
			3,594,365	(299,738)	79,629	-	3,374,256

As at December 31, 2025 - (Audited)							
Country of incorporation	% Holding	Investment at the beginning of the period	Investment / (redemption) during the period	Share of profit	Dividend income	Investment at the end of the year	
Rupees in '000							
<b>Associates</b>							
Faysal Halal Amdani Fund	Pakistan	2.49	680,762	616,353	44,375	-	1,341,490
Faysal Islamic Savings Growth Fund	Pakistan	11.69	511,918	150,001	52,323	(31,266)	682,976
Faysal Islamic Sovereign Fund FISIP-I	Pakistan	49.83	821,716	(156,219)	6,599	-	672,096
Faysal Islamic Cash Fund	Pakistan	0.55	272,401	(66,924)	112,988	-	318,465
Faysal Islamic Special Income Fund-FISIP-I	Pakistan	70.10	82,671	96,001	12,793	-	191,465
Faysal Islamic Asset Allocation Fund III -(Faysal Shariah Flex Plan)	Pakistan	100.00	-	100,000	857	-	100,857
Faysal Khushal Mustaqbil Fund Faysal Barakah Women Savers Plan	Pakistan	99.36	-	65,000	4,547	-	69,547
Faysal Khushal Mustaqbil Fund- Faysal Nu'umah Women Savers Plan	Pakistan	68.68	-	52,626	3,041	-	55,867
Faysal Islamic Pension Fund - Money Market	Pakistan	11.62	49,203	-	4,888	-	54,091
Faysal Islamic Pension Fund - Debt	Pakistan	25.58	48,318	(1)	4,481	-	52,798
Faysal Islamic KPK Government Pension Fund - Money Market Sub Fund	Pakistan	93.23	35,472	-	3,338	-	38,810
Faysal Islamic KPK Government Pension Fund II	Pakistan	0.92	-	4,000	238	-	4,238
Faysal Islamic Stock Fund	Pakistan	0.15	4,949	(4,780)	4,753	(695)	4,227
Faysal Islamic Mehood Muddat Plan-I	Pakistan	0.13	3,405	-	347	-	3,752
Faysal Islamic KPK Government Pension Fund - Debt	Pakistan	100.00	592	(1)	49	-	640
Faysal Islamic KPK Government Pension Fund - Equity Index Sub Fund	Pakistan	100.00	594	-	32	-	626
Faysal Islamic KPK Government Pension Fund - Equity Sub Fund	Pakistan	100.00	590	-	29	-	619
Faysal Islamic Punjab Pension Fund-Money Market Sub Fund	Pakistan	100.00	-	500	2	-	502
Faysal Islamic Punjab Pension Fund-Debt Sub Fund	Pakistan	100.00	-	500	1	-	501
Faysal Islamic Punjab Pension Fund-Equity Active Sub Fund	Pakistan	100.00	-	500	(1)	-	499
Faysal Islamic Punjab Pension Fund-Equity Index Sub Fund	Pakistan	100.00	-	500	(1)	-	499
Faysal Financial Sector Opportunity Fund	Pakistan	-	61	(61)	-	-	-
Faysal Islamic Pension Fund - Equity	Pakistan	-	66,496	(66,496)	-	-	-
Faysal Islamic Financial Growth Fund FIFGF	Pakistan	-	-	(50)	50	-	-
Faysal Islamic Sovereign Plan - II	Pakistan	-	1,116	(1,126)	10	-	-
Faysal Pension Fund - Debt	Pakistan	-	46,872	(46,872)	-	-	-
Faysal Pension Fund - Equity	Pakistan	-	75,766	(75,766)	-	-	-
Faysal Special Savings Fund - FSSP-I	Pakistan	-	1,387	(1,379)	(8)	-	-
Faysal Special Savings Fund - FSSP-II	Pakistan	-	205	(202)	(3)	-	-
Faysal Pension Fund Money Market	Pakistan	-	47,786	(47,786)	-	-	-
Faysal Islamic Financial Growth Fund - FIGFP-I	Pakistan	-	3,448	(3,448)	-	-	-
Faysal Islamic Financial Growth Fund - FIGFP-II	Pakistan	-	-	(15,778)	15,778	-	-
Faysal Khushal Mustaqbil Fund- Faysal Ujala Women Savers Plan	Pakistan	-	-	(2,000)	2,000	-	-
			2,755,728	597,092	273,506	(31,961)	3,594,365

# Notes to and forming part of the Condensed Interim Consolidated Financial Statements (un-audited)

For the quarter ended March 31, 2026

## 13 ISLAMIC FINANCING AND RELATED ASSETS

Note	Performing / Under performing		Non performing		Total	
	(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)
	March 31, 2026	December 31, 2025	March 31, 2026	December 31, 2025	March 31, 2026	December 31, 2025
----- Rupees in '000 -----						
<b>Murabaha financing and related assets</b>						
Murabaha financing	66,894,323	116,167,475	217,265	190,287	67,111,588	116,357,762
Advance against Murabaha financing	9,828,983	11,857,832	5,000	5,000	9,833,983	11,862,832
Inventory related to Murabaha	1,906,209	2,518,392	-	-	1,906,209	2,518,392
	78,629,515	130,543,699	222,265	195,287	78,851,780	130,738,986
<b>Running Musharaka financing</b>						
Running Musharaka	151,359,993	196,818,764	-	-	151,359,993	196,818,764
<b>Istisna financing and related assets</b>						
Istisna	35,532,345	31,370,984	1,267,583	1,297,882	36,799,928	32,668,866
Advance against Istisna	58,469,594	23,482,370	184,623	475,128	58,654,217	23,957,498
Inventory related to Istisna	23,117,248	66,164,399	8,100	399,600	23,125,348	66,563,999
	117,119,187	121,017,753	1,460,306	2,172,610	118,579,493	123,190,363
<b>Tijarah financing and related assets</b>						
Tijarah	13,220,833	7,651,493	451,222	451,222	13,672,055	8,102,715
Advance against Tijarah	6,762,968	9,398,391	-	-	6,762,968	9,398,391
Inventory related to Tijarah	22,978,013	33,854,904	-	-	22,978,013	33,854,904
	42,961,814	50,904,788	451,222	451,222	43,413,036	51,356,010
<b>Musawamah financing and related assets</b>						
Musawamah	7,747,774	7,220,734	168,935	284,914	7,916,709	7,505,648
Advance against Musawamah	1,255	910	-	-	1,255	910
Inventory related to Musawamah	-	1,080	-	-	-	1,080
	7,749,029	7,222,724	168,935	284,914	7,917,964	7,507,638
<b>Salam financing and related assets</b>						
Salam	-	-	3,182	1,200	3,182	1,200
Advance against Salam	1,424,884	10,206,680	-	-	1,424,884	10,206,680
Inventory related to Salam	8,717,487	-	-	-	8,717,487	-
	10,142,371	10,206,680	3,182	1,200	10,145,553	10,207,880
<b>Diminishing Musharaka financing and related assets</b>						
Diminishing Musharaka	315,548,600	305,118,393	7,007,917	7,167,434	322,556,517	312,285,827
Advance against Diminishing Musharaka	16,700,518	14,165,707	-	4,465	16,700,518	14,170,172
	332,249,118	319,284,100	7,007,917	7,171,899	339,257,035	326,455,999
<b>Tawwaruq</b>	25,435,383	25,398,697	1,107,715	400,648	26,543,098	25,799,345
<b>Musharaka</b>	-	-	193	193	193	193
<b>Bai Muajjal</b>	23,890,380	24,850,196	-	-	23,890,380	24,850,196
<b>Bai salam</b>	-	245,254	-	-	-	245,254
	789,536,790	886,492,655	10,421,735	10,677,973	799,958,525	897,170,628
Other financing	227,106	271,434	9,464,836	9,758,949	9,691,942	10,030,383
Gross Financing	789,763,896	886,764,089	19,886,571	20,436,922	809,650,467	907,201,011
Fair value loss	(15,035,856)	(15,421,685)	-	-	(15,035,856)	(15,421,685)
	774,728,040	871,342,404	19,886,571	20,436,922	794,614,611	891,779,326
Credit loss allowance against financing						
Stage 1	(1,406,728)	(1,445,978)	-	-	(1,406,728)	(1,445,978)
Stage 2	(562,729)	(619,145)	-	-	(562,729)	(619,145)
Stage 3	-	-	(17,096,964)	(17,690,209)	(17,096,964)	(17,690,209)
	(1,969,457)	(2,065,123)	(17,096,964)	(17,690,209)	(19,066,421)	(19,755,332)
Islamic Financing and related assets - net of credit loss allowance	772,758,583	869,277,281	2,789,607	2,746,713	775,548,190	872,023,994

# Notes to and forming part of the Condensed Interim Consolidated Financial Statements (un-audited)

For the quarter ended March 31, 2026

	Note	(Un-audited) March 31, 2026	(Audited) December 31, 2025
Rupees in '000			
<b>13.1</b>	Murabaha receivable - gross	13.1.2 69,109,716	118,282,002
	Less: Deferred murabaha income	13.1.3 (616,945)	(543,057)
	Profit receivable shown in other assets	(1,381,183)	(1,381,183)
	Murabaha financings	13.1.1 67,111,588	116,357,762
<b>13.1.1</b>	The movement in Murabaha financing during the period / year is as follows:		
	Opening balance	116,357,762	16,901,749
	Sales during the period / year	89,430,302	465,355,168
	Adjusted during the period / year	(138,676,476)	(365,899,155)
	Closing balance	67,111,588	116,357,762
<b>13.1.2</b>	Murabaha sale price	69,109,716	118,282,002
	Murabaha purchase price	(67,111,588)	(116,357,762)
		1,998,128	1,924,240
<b>13.1.3</b>	Deferred murabaha income		
	Opening balance	543,057	474,640
	Arising during the period / year	1,261,398	7,175,379
	Less: recognised during the period / year	(1,187,510)	(7,106,962)
	Closing balance	616,945	543,057
<b>13.2</b>	<b>Particulars of Islamic financing and related assets (gross)</b>		
	In local currency	774,828,307	870,035,380
	In foreign currencies	34,822,160	37,165,631
		809,650,467	907,201,011

**13.3** Islamic financing and related assets include Rs. 19,886.571 million (December 31, 2025: Rs. 20,436.922 million) which have been placed under non-performing / Stage 3 status as detailed below:

Category of classification	(Un-audited) March 31, 2026		(Audited) December 31, 2025	
	Non-performing financing	Credit loss allowance	Non-performing financing	Credit loss allowance
Rupees in '000				
<b>Domestic</b>				
- other assets especially mentioned	292,930	-	211,564	-
- substandard	1,203,859	425,665	1,170,385	392,905
- doubtful	2,155,831	1,325,668	2,042,432	1,280,914
- loss	16,233,951	15,345,631	17,012,541	16,016,390
Total	19,886,571	17,096,964	20,436,922	17,690,209

# Notes to and forming part of the Condensed Interim Consolidated Financial Statements (un-audited)

For the quarter ended March 31, 2026

## 13.4 Particulars of credit loss allowance against Islamic financing and related assets

	(Un-audited)				(Audited)			
	March 31, 2026				December 31, 2025			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	Rupees in '000							
Opening balance	1,445,978	619,145	17,690,209	19,755,332	906,457	2,034,675	21,687,048	24,628,180
Exchange adjustments	-	-	4,419	4,419	-	-	7,497	7,497
Charge for the period / year	425,473	139,490	478,618	1,043,581	1,173,185	203,785	1,067,905	2,444,875
Reversals during the period / year	(464,723)	(195,906)	(789,072)	(1,449,701)	(633,664)	(1,619,315)	(3,732,662)	(5,985,641)
	(39,250)	(56,416)	(310,454)	(406,120)	539,521	(1,415,530)	(2,664,757)	(3,540,766)
Amounts written off	-	-	-	-	-	-	(16,613)	(16,613)
Amounts charged-off	-	-	(287,210)	(287,210)	-	-	(1,322,966)	(1,322,966)
Closing balance	1,406,728	562,729	17,096,964	19,066,421	1,445,978	619,145	17,690,209	19,755,332

**13.4.1** Credit loss allowance for Stage 1 and Stage 2 represents credit loss allowance maintained against performing portfolio as required under IFRS 9.

**13.4.2** As allowed by the SBP, the Holding Company has availed benefit of forced sale value (FSV) of collaterals held as security of Rs 693,927 million (December 31, 2025: Rs 806.350 million) relating to financing and investment while determining the provisioning requirement against non-performing financing and investment as at March 31, 2026. The additional profit arising from availing the FSV benefit (net of tax) as at March 31, 2026 which is not available for distribution as either cash or stock dividend to shareholders and bonus to employees approximately amounted to Rs 333.805 million (December 31, 2025: Rs 354.947 million).

## 13.5 Islamic financing and related assets - Particulars of credit loss allowance

	(Un-audited)			(Audited)		
	March 31, 2026			December 31, 2025		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Opening balance	1,445,978	619,145	17,690,209	906,457	2,034,675	21,687,048
New Financing / Increase	416,533	111,101	439,879	1,009,355	175,919	-
Financing derecognised or repaid	(437,920)	(166,189)	(769,524)	(922,693)	(987,043)	(2,657,347)
Transfer to stage 1	8,940	(8,940)	-	594,583	(593,238)	(1,345)
Transfer to stage 2	(8,841)	28,389	(19,548)	(5,394)	29,051	(23,657)
Transfer to stage 3	(17,962)	(20,777)	38,739	(6,811)	(12,033)	18,844
	(39,250)	(56,416)	(310,454)	669,040	(1,387,344)	(2,663,505)
Amounts written off	-	-	-	-	-	(16,613)
Amounts charged off	-	-	(287,210)	-	-	(1,322,966)
Changes in risk parameters	-	-	-	(129,519)	(28,186)	(1,252)
Exchange adjustments	-	-	4,419	-	-	7,497
Closing balance	1,406,728	562,729	17,096,964	1,445,978	619,145	17,690,209

**13.6** Fair value loss pertains to SBP subsidized financing, subsidized staff financing and modified financing amounting to Rs. 5,149 million, Rs. 6,774 million and 3,113 million, respectively.

Notes to and forming part of the Condensed Interim Consolidated Financial Statements (un-audited)  
For the quarter ended March 31, 2026

13.7 Islamic financing and related assets - Category of classification

		(Un-audited) March 31, 2026		(Audited) December 31, 2025	
		Outstanding amount	Credit loss allowance	Outstanding amount	Credit loss allowance
----- Rupees in '000 -----					
<b>Domestic</b>					
Performing	Stage 1	776,192,523	1,406,728	873,980,619	1,445,978
Underperforming	Stage 2	13,571,373	562,729	12,783,470	619,145
Non-Performing	Stage 3				
Other assets especially mentioned		292,930	-	211,564	-
Substandard		1,203,859	425,665	1,170,385	392,905
Doubtful		2,155,831	1,325,668	2,042,432	1,280,914
Loss		16,233,951	15,345,631	17,012,541	16,016,390
Total		<u>809,650,467</u>	<u>19,066,421</u>	<u>907,201,011</u>	<u>19,755,332</u>

	Note	(Un-audited) March 31, 2026	(Audited) December 31, 2025
----- Rupees in '000 -----			
<b>14 PROPERTY AND EQUIPMENT</b>			
Capital work-in-progress	14.1	4,804,435	4,626,868
Property and equipment		50,486,304	48,873,701
		<u>55,290,739</u>	<u>53,500,569</u>
<b>14.1 Capital work-in-progress</b>			
Civil works		722,325	882,572
Equipment		2,652,690	2,248,460
Furniture and fixture		599,757	516,134
Vehicles		281,574	327,181
Leasehold improvements		548,089	652,521
		<u>4,804,435</u>	<u>4,626,868</u>

		(Un-audited) For the quarter ended	
		March 31, 2026	March 31, 2025
----- Rupees in '000 -----			

14.2 Additions / transfers to property and equipment

The following additions / transfers have been made to property and equipment during the period:

<b>Capital work-in-progress - net</b>		177,567	812,442
<b>Property and equipment</b>			
Freehold land		-	-
Leasehold land		474,638	697,335
Building on freehold land		-	-
Building on leasehold land		908,451	110,265
Furniture and fixture		48,769	92,231
Electrical, office and computer equipment		718,728	864,450
Vehicles		344,104	1,424,649
Leasehold improvements		644,134	937,588
		<u>3,138,824</u>	<u>4,126,518</u>
<b>Total</b>		<u>3,316,391</u>	<u>4,938,960</u>

# Notes to and forming part of the Condensed Interim Consolidated Financial Statements (un-audited)

For the quarter ended March 31, 2026

## 14.3 Disposal of property and equipment

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

	(Un-audited)	
	For the quarter ended	
	March 31, 2026	March 31, 2025
	----- Rupees in '000 -----	
Furniture and fixture	98	907
Electrical, office and computer equipment	242	460
Vehicles	122,734	36,715
<b>Total</b>	<b>123,074</b>	<b>38,082</b>

## 15 RIGHT-OF-USE ASSETS

	(Un-audited)	(Audited)
	March 31, 2026	December 31, 2025
	----- Rupees in '000 -----	
	Buildings	
As at January 1,		
Cost	28,048,344	23,432,234
Accumulated Depreciation	12,657,795	10,134,450
Net carrying amount	15,390,549	13,297,784
Additions during the period / year	309,792	4,651,949
Modifications during the period / year	1,068	217
Deletions during the period / year	(27,673)	(36,056)
Depreciation charge for the period / year	(676,577)	(2,523,345)
Net carrying amount at the end of the period / year	14,997,159	15,390,549

## 16 INTANGIBLE ASSETS

Capital work-in-progress	586,309	453,895
Computer softwares	2,548,049	1,667,791
Customer relationship	193,616	212,615
Management rights	114,600	114,600
	2,856,265	1,995,006
<b>Total</b>	<b>3,442,574</b>	<b>2,448,901</b>

### 16.1 Capital work-in-progress

Computer software	586,309	453,895
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### 16.2 Additions to intangible assets

	(Un-audited)	
	For the quarter ended	
	March 31, 2026	March 31, 2025
	----- Rupees in '000 -----	

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

Computer software - directly purchased	1,056,112	304,645
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# Notes to and forming part of the Condensed Interim Consolidated Financial Statements (un-audited)

For the quarter ended March 31, 2026

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
<b>17 OTHER ASSETS</b>	----- Rupees in '000 -----	
Profit / return accrued in local currency	37,634,943	30,102,197
Profit / return accrued in foreign currency	249,899	189,757
Advances, deposits, advance rent and other prepayments	2,768,925	2,557,469
Advance taxation (payments less provisions)	2,995,717	2,454,558
Non-Banking assets acquired in satisfaction of claims	1,027,527	1,028,271
Mark to market gain on forward foreign exchange contracts	400,284	400,498
Acceptances	23 30,129,585	26,907,577
Credit cards and other products fee receivable	2,356,865	4,677,068
Receivable from brokers against sale of shares	-	432,455
Dividend receivable	82,882	75,369
Deferred fair value loss	17.1 2,685,414	2,809,353
Prepaid employment benefit	6,773,656	6,689,029
Rebate receivable - net	8,491,621	6,989,177
Receivable from defined benefit plan asset	150,344	168,371
Others	1,134,264	870,509
	<u>96,881,926</u>	<u>86,351,658</u>
Less: Credit loss allowance held against other assets	17.2 (445,804)	(446,288)
Other assets - net of credit loss allowance	96,436,122	85,905,370
Surplus on revaluation of non-banking assets acquired in satisfaction of claims	921,260	921,260
Other assets - total	<u>97,357,382</u>	<u>86,826,630</u>

**17.1** This amount represents deferred fair value loss arising from the restructuring of Pakistan International Airlines Corporation Limited (PIACL). SBP through its circular BPRD/BRD/PIAHCL/733688-2024 dated August 01, 2024 has allowed staggering of such fair value impact over a period of 6 years at rates of 5%, 10%, 15%, 20%, 25%, and 25% from year 1 to year 6. Accordingly, an amount of Rs 123.939 million has been recognised during the period.

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

## 17.2 Credit loss allowance held against other assets

Dividend receivable	74,341	74,341
Receivable from customers	53,717	53,717
Security deposits	22,994	22,994
Acceptances	4,168	4,652
Others	290,584	290,584
	<u>445,804</u>	<u>446,288</u>

### 17.2.1 Movement in Credit loss allowance held against other assets

Opening balance	446,288	328,536
Charge for the period / year	-	119,135
Reversals during the period / year	(484)	(1,383)
	(484)	117,752
Closing balance	<u>445,804</u>	<u>446,288</u>

# Notes to and forming part of the Condensed Interim Consolidated Financial Statements (un-audited)

For the quarter ended March 31, 2026

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
----- Rupees in '000 -----		
<b>18 BILLS PAYABLE</b>		
In Pakistan	19,782,878	33,288,005
<b>19 DUE TO FINANCIAL INSTITUTIONS</b>		
<b>Secured</b>		
To the State Bank of Pakistan (SBP) under:		
Islamic Export Refinance Scheme - part I and II	15,863,000	18,390,114
Islamic financing for Renewable Energy	6,351,325	6,667,864
Islamic Long Term Financing Facility (ILTFF)	6,932,465	7,354,964
Islamic Temporary Economic Refinance Facility (ITERF)	21,600,907	22,732,935
Islamic refinance facility for combating COVID-19	16,338	32,778
Islamic refinance facility for storage of agricultural produce	973,470	1,009,243
Islamic Refinance Facility for Modernization of SMEs (IRFMS)	63,277	67,000
Islamic Refinance Scheme for Working Capital Financing of Small Enterprises and Low-End Medium Enterprises (IWCF)	-	15,750
Islamic Refinance Scheme For Women Entrepreneurs (IRSWE)	17,039	16,588
Scheme of Islamic Rupee-based discounting facility under EFS / IERS	521,942	431,130
	52,339,763	56,718,366
Due to SBP under shariah compliant Open Market Operations (OMO) and Mudarabah based Financing Facility (MFF)	115,203,176	63,430,689
Other financial institutions	3,380,000	3,440,000
<b>Total secured</b>	170,922,939	123,589,055
<b>Unsecured</b>		
Overdrawn nostro accounts	4,780,223	443,783
Musharaka with scheduled banks / financial institutions	16,390,000	3,500,000
Total unsecured	21,170,223	3,943,783
Fair value adjustment	(5,431,494)	(5,895,888)
	186,661,668	121,636,950

## 20 DEPOSITS AND OTHER ACCOUNTS

	(Un-audited)			(Audited)		
	March 31, 2026			December 31, 2025		
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
----- Rupees in '000 -----						
<b>Customers</b>						
Current deposits	473,534,608	34,593,175	508,127,783	407,122,316	36,605,777	443,728,093
Savings deposits	354,196,360	21,561,476	375,757,836	374,881,954	26,120,130	401,002,084
Term deposits	171,977,704	2,842,178	174,819,882	221,302,136	3,064,504	224,366,640
Margin deposits	13,895,013	20,751	13,915,764	11,850,922	55,940	11,906,862
	1,013,603,685	59,017,580	1,072,621,265	1,015,157,328	65,846,351	1,081,003,679
<b>Financial institutions</b>						
Current deposits	91,481,724	203,262	91,684,986	79,916,661	99,522	80,016,183
Savings deposits	146,238,634	84,616	146,323,250	231,187,180	143,648	231,330,828
Term deposits	17,840,500	-	17,840,500	34,485,000	-	34,485,000
	255,560,858	287,878	255,848,736	345,588,841	243,170	345,832,011
	1,269,164,543	59,305,458	1,328,470,001	1,360,746,169	66,089,521	1,426,835,690

# Notes to and forming part of the Condensed Interim Consolidated Financial Statements (un-audited)

For the quarter ended March 31, 2026

	Note	(Un-audited) March 31, 2026	(Audited) December 31, 2025
----- Rupees in '000 -----			
<b>21 LEASE LIABILITIES</b>			
Outstanding amount at the start of the period / year		18,528,708	15,582,671
Additions during the period / year		309,792	4,651,949
Lease payments including profit		(931,649)	(3,814,662)
Profit expense for the period / year	21.2 & 28	579,436	2,161,547
Modifications during the period / year		1,068	217
Termination / deletion during the period / year		(30,850)	(53,014)
Outstanding amount at the end of the period / year		<u>18,456,505</u>	<u>18,528,708</u>
<b>21.1 Liabilities Outstanding</b>			
Not later than one year		42,003	51,580
Later than one year and upto five years		4,035,854	4,118,569
Over five years		14,378,648	14,358,559
Total at the period / year end		<u>18,456,505</u>	<u>18,528,708</u>
<b>21.2</b>	This carries average effective charge rate of 12.85% per annum (December 31, 2025: 13.2%).		

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
----- Rupees in '000 -----		
<b>22 DEFERRED TAX ASSETS / (LIABILITIES)</b>		
<b>Deductible temporary differences on</b>		
- credit loss allowance against investments	318,088	319,455
- credit loss allowance against financing, off balance sheet, etc.	1,682,769	1,663,218
- fair value adjustment relating to financing	320,428	271,257
- lease agreements under IFRS 16	2,718,067	2,618,034
- credit loss allowance against other assets	193,726	193,978
	<u>5,233,078</u>	<u>5,065,942</u>
<b>Taxable temporary differences on</b>		
- surplus on revaluation of property and equipment	(2,870,884)	(2,913,674)
- surplus on revaluation of investments	1,152,483	(5,673,769)
- fair value adjustment relating to net assets acquired upon amalgamation	(121,676)	(131,556)
- fair value adjustment relating to net assets acquired upon business combination	(52,496)	(52,496)
- accelerated tax depreciation	(1,451,147)	(1,566,715)
- fair valuation of previously held equity interest in the Subsidiary Company	(30,764)	(30,764)
-Others	70,676	61,399
	<u>(3,303,808)</u>	<u>(10,307,575)</u>
	<u>1,929,270</u>	<u>(5,241,633)</u>

# Notes to and forming part of the Condensed Interim Consolidated Financial Statements (un-audited)

For the quarter ended March 31, 2026

23 OTHER LIABILITIES	Note	(Un-audited)	(Audited)
		March 31, 2026	December 31, 2025
----- Rupees in '000 -----			
Profit / return payable in local currency		8,545,304	7,885,993
Profit / return payable in foreign currencies		129,886	122,724
Unearned commission and income on bills discounted		2,152,570	2,111,180
Accrued expenses		7,022,295	6,761,754
Acceptances	17	30,129,585	26,907,577
Dividend payable		3,690,069	655,733
Unclaimed dividends		4,400	4,400
Mark to market loss on forward foreign exchange contracts		422,137	273,274
Credit loss allowance against off-balance sheet obligations	23.1	284,613	155,726
Charity payable		104,302	104,302
Withholding tax payable		810,428	302,879
Federal excise duty payable		117,851	185,340
Payable to brokers against purchase of shares		3,520	405,447
Fair value of derivative contracts		146,974	297,692
Payable related to credit cards and other products		337,904	206,843
Funds held as security		412,621	403,931
Takaful payable		5,707	4,532
Clearing and settlement accounts		2,006,728	5,678,020
Others		1,511,936	1,250,251
		57,838,830	53,717,598
<b>23.1 Credit loss allowance against off-balance sheet obligations</b>			
Balance at January 1,		155,726	190,382
Charge for the period / year		174,612	34,491
Reversals during the period / year		(45,725)	(66,250)
		128,887	(31,759)
Amounts written off		-	(2,897)
Closing balance		284,613	155,726
<b>24 SURPLUS ON REVALUATION OF ASSETS - NET OF TAX</b>			
Surplus on revaluation of			
Securities measured at FVOCI-Debt		(4,119,568)	6,607,266
Securities measured at FVOCI-Equity		1,903,254	4,303,829
Property and equipment		13,837,159	13,919,446
Non-banking assets acquired in satisfaction of claims		921,260	921,260
		12,542,105	25,751,801
Deferred tax on surplus on revaluation of			
Securities measured at FVOCI-Debt		2,142,175	(3,435,778)
Securities measured at FVOCI-Equity		(989,692)	(2,237,991)
Property and equipment		(2,870,884)	(2,913,674)
		(1,718,401)	(8,587,443)
		10,823,704	17,164,358

# Notes to and forming part of the Condensed Interim Consolidated Financial Statements (un-audited)

For the quarter ended March 31, 2026

	Note	(Un-audited) March 31, 2026	(Audited) December 31, 2025
----- Rupees in '000 -----			
<b>25 CONTINGENCIES AND COMMITMENTS</b>			
Guarantees	25.1	74,921,798	78,590,456
Commitments	25.2	480,523,691	352,745,310
Other contingent liabilities	25.3	4,122,244	4,122,244
		<u>559,567,733</u>	<u>435,458,010</u>
<b>25.1 Guarantees</b>			
Financial guarantees		4,757,082	4,766,281
Performance guarantees		15,907,621	14,670,201
Other guarantees		54,257,095	59,153,974
		<u>74,921,798</u>	<u>78,590,456</u>
<b>25.2 Commitments</b>			
Documentary credits and short-term trade-related transactions			
- letters of credit		201,773,039	170,552,285
Commitments in respect of:			
- forward foreign exchange contracts	25.2.1	109,558,651	75,790,108
- forward government securities transactions	25.2.2	115,306,014	63,470,659
- derivatives - cross currency swaps (notional principal)	25.2.3	154,246	337,312
- extending credit (irrevocable)	25.4	51,294,898	40,802,969
Commitments for acquisition of:			
- property and equipment		2,138,417	1,453,578
- intangible assets		298,426	338,399
		<u>480,523,691</u>	<u>352,745,310</u>
<b>25.2.1 Commitments in respect of forward foreign exchange contracts</b>			
Purchase		62,673,221	46,048,082
Sale		46,885,430	29,742,026
		<u>109,558,651</u>	<u>75,790,108</u>
<b>25.2.2 Commitments in respect of forward government securities transactions</b>			
Purchase		115,306,014	63,470,659
<b>25.2.3 Commitments in respect of derivatives</b>			
<b>Cross currency swaps</b>			
Sale	26.1	154,246	337,312
<b>25.3 Other contingent liabilities</b>			
<b>25.3.1 Holding Company</b>			
Suit filed by a customer for recovery of alleged losses suffered which is pending in the Honorable High Court of Sindh. The Bank's legal advisors are confident that the Bank has a strong position.		2,510,000	2,510,000
Indemnity issued favouring the Honorable High Court in one of the cases		457,543	457,543
Tax liability of gain on bargain purchase on the acquisition of ex-RBS Pakistan	(i)	1,154,701	1,154,701
		<u>4,122,244</u>	<u>4,122,244</u>

# Notes to and forming part of the Condensed Interim Consolidated Financial Statements (un-audited)

## For the quarter ended March 31, 2026

- (i) Income tax assessments of the Holding Company have been finalised upto the tax year 2025 (accounting year ended December 31, 2024).

The department and the Holding Company has disagreement on a matter relating to taxability of gain on bargain purchase on the acquisition of ex-RBS Pakistan. The additional tax liability on the matter amounts to Rs. 1,154.701 million (December 31, 2025: Rs. 1,154.701 million). The Commissioner Inland Revenue (Appeals) [CIR(A)] had deleted the said additional tax liability, however the income tax department had filed an appeal with the Appellate Tribunal Inland Revenue (ATIR) against the order of CIR(A). During tax year 2011, the ATIR passed an order and maintained the decision of the CIR(A) in favour of the Holding Company that gain on bargain purchase is not taxable. Subsequently, the department has challenged the order in Honorable High Court of Sindh. However, the management of the Holding Company is confident that the matter will be decided in the Bank's favour and accordingly, no provision has been recorded in these condensed interim consolidated financial statements in respect of this matter.

**25.3.2** There are certain claims against the Holding Company not acknowledged as debt amounting to Rs 39,627 million (December 31, 2025: Rs 39,672 million). These mainly represent counter claims filed by the borrowers for restricting the Holding Company from disposal of assets (such as mortgaged / pledged assets kept as security), cases where the Holding Company was proforma defendant for defending its interest in the underlying collateral kept by it at the time of financing, certain cases filed by ex-employees of the Holding Company for damages sustained by them consequent to the termination from the Holding Company's employment and cases for damages towards opportunity losses suffered by the customers due to non-disbursements of running finance facility as per the agreed terms. The above also includes an amount of Rs 25,299 million (December 31, 2025: Rs 25,299 million) in respect of a suit filed against the Holding Company for declaration, recovery of monies, release of securities, rendition of account and damages.

Based on legal advice and / or internal assessments, the management is confident that the above matters will be decided in the Holding Company's favour and accordingly no provision has been made in these condensed interim consolidated financial statements.

### 25.4 Commitments to extend credits

The Holding Company makes commitments to extend credit (including to related parties) in the normal course of its business but these being revocable commitments do not attract any significant penalty or expense if the facilities are unilaterally withdrawn except for Rs 51,295 million (December 2025: Rs. 40,803 million) which are irrevocable in nature.

### 25.5 CONTINGENCIES AND COMMITMENTS - FAYSAL ASSET MANAGEMENT LIMITED

There is no change in the status of contingencies as disclosed in note 23.3.5 to the annual audited consolidated financial statements for the year ended December 31, 2025.

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
	----- Rupees in '000 -----	
<b>26 DERIVATIVE INSTRUMENTS</b>		
Cross currency swaps (notional principal)	154,246	337,312

Notes to and forming part of the Condensed Interim Consolidated Financial Statements (un-audited)  
For the quarter ended March 31, 2026

26.1 Product analysis

Counterparties	March 31, 2026 (Un-audited)	
	Cross currency swaps	
	Notional principal	Mark to market gain / (loss)
	----- Rupees in '000 -----	
<b>With banks for</b>		
Hedging	-	-
Market making	4,707	2,565
<b>With other entities for</b>		
Hedging	-	-
Market making	149,539	(149,539)
<b>Total</b>		
Hedging	-	-
Market making	154,246	(146,974)

Counterparties	December 31, 2025 (Audited)	
	Cross currency swaps	
	Notional principal	Mark to market gain / (loss)
	----- Rupees in '000 -----	
<b>With banks for</b>		
Hedging	-	-
Market making	23,837	16,672
<b>With other entities for</b>		
Hedging	-	-
Market making	313,475	(314,364)
<b>Total</b>		
Hedging	-	-
Market making	337,312	(297,692)

(Un-audited)	
For the quarter ended	
March 31, 2026	March 31, 2025
----- Rupees in '000 -----	

27 PROFIT / RETURN EARNED

On:		
Financing	21,619,943	19,260,254
Investments	16,467,969	22,821,936
Due from financial institutions	47,205	25,036
Balances with banks	-	105
	<u>38,135,117</u>	<u>42,107,331</u>

27.1 Profit / return recognised on:

Financial assets measured at amortised cost	1,497,919	1,990,898
Financial assets measured at FVOCI	16,258,393	22,542,350
Financial assets measured at cost	20,363,097	17,538,072
Financial assets measured at FVPL	15,708	36,011
	<u>38,135,117</u>	<u>42,107,331</u>

# Notes to and forming part of the Condensed Interim Consolidated Financial Statements (un-audited)

For the quarter ended March 31, 2026

Note	(Un-audited)	
	For the quarter ended	
	March 31, 2026	March 31, 2025
<b>28</b>	<b>PROFIT / RETURN EXPENSED</b>	Rupees in '000
	On:	
	Deposits	17,508,489
	Due to financial institutions	4,077,405
	Lease liability against right-of-use assets	579,436
	Cost of foreign currency swaps against foreign currency deposits / Due to Fls	365,540
		<u>22,530,870</u>
		<u>13,638,059</u>
		<u>9,844,392</u>
		<u>511,377</u>
		<u>898,143</u>
		<u>24,891,971</u>
<b>29</b>	<b>FEE AND COMMISSION INCOME</b>	
	Branch banking customer fees	496,992
	Management fee in respect of mutual funds	616,167
	Consumer finance related fees	237,935
	Card related fees	1,754,132
	Credit related fees	11,918
	Investment banking fees	213,609
	Commission on trade	474,306
	Commission on guarantees	50,258
	Commission on cash management	44,516
	Commission on remittances including home remittances	282,038
	Commission on bancatakaful	33,626
	Commission on sale of funds unit	107,291
	Sales load in respect of mutual funds	85,637
	Others	41,976
		<u>4,450,401</u>
		<u>3,950,229</u>
<b>30</b>	<b>GAIN ON SECURITIES - NET</b>	
	Realised	3,330,703
	Unrealised - Measured at FVTPL	2,634
		<u>3,333,337</u>
		<u>46,394</u>
		<u>-</u>
		<u>46,394</u>
<b>30.1</b>	<b>Realised Gain / (loss) on:</b>	
	Federal Government securities	3,358,427
	Shares	(27,724)
		<u>3,330,703</u>
		<u>46,394</u>
<b>30.2</b>	<b>Net gain / (loss) on financial assets / liabilities</b>	
	Net gain / loss on financial assets / liabilities measured at FVPL:	
	Designated upon initial recognition	-
	Mandatorily measured at FVPL	(34,115)
		<u>(34,115)</u>
		<u>(17,058)</u>
		<u>(17,058)</u>
	Net gain / (loss) on financial assets / liabilities measured at amortised cost	-
	Net gain / (loss) on financial assets measured at FVOCI	3,367,452
		<u>3,367,452</u>
		<u>63,452</u>
		<u>63,452</u>
		<u>3,333,337</u>
		<u>46,394</u>

# Notes to and forming part of the Condensed Interim Consolidated Financial Statements (un-audited)

For the quarter ended March 31, 2026

		(Un-audited)	
		For the quarter ended	
		March 31, 2026	March 31, 2025
		----- Rupees in '000 -----	
<b>31</b>	<b>OTHER INCOME</b>		
	Rent on property	480	20,814
	Gain on disposal of property and equipment- net	25,759	4,183
	Gain on termination of leases (IFRS 16)	19,537	13,045
	Staff cost recoveries	2,985	2,839
	Government Grant	23,317	69,365
	Scrap income	1,210	-
	Others	529	214
		<u>73,817</u>	<u>110,460</u>
<b>32</b>	<b>OPERATING EXPENSES</b>		
	<b>Total compensation expense</b>	5,102,269	5,121,404
	<b>Property expense</b>		
	Rent and taxes	169,274	118,573
	Takaful	27,978	17,038
	Utilities cost	341,923	386,118
	Security (including guards)	456,197	461,649
	Repair and maintenance (including janitorial charges)	335,241	306,807
	Depreciation on owned fixed assets	429,552	329,785
	Depreciation on non-banking assets	-	592
	Depreciation on right-of-use assets	676,577	595,132
	Others	81,077	81,123
		2,517,819	2,296,817
	<b>Information technology expenses</b>		
	Software maintenance	696,334	517,379
	Hardware maintenance	224,024	210,141
	Depreciation	353,175	252,448
	Amortisation	175,658	146,480
	Network charges	128,376	102,296
		1,577,567	1,228,744
	<b>Other operating expenses</b>		
	Directors' fees and allowances	48,400	24,320
	Legal and professional charges	116,309	172,391
	Outsourced services costs - staff	316,051	318,985
	Travelling and conveyance	359,054	280,739
	NIFT clearing charges	2,312	29,620
	Depreciation	617,906	540,223
	Training and development	34,261	71,123
	Postage and courier charges	40,242	69,708
	Communication	239,247	313,320
	Marketing, advertisement and publicity	737,005	784,076
	Donations	140,062	139,275
	Auditors remuneration	15,898	13,271
	Takaful	282,963	238,186
	Stationery and printing	241,930	213,399
	Bank fees and charges	1,241,457	860,129
	Brokerage and commission	181,682	165,210
	Deposit protection premium	251,338	208,939
	Repair and Maintenance	146,387	162,441
	Subscriptions and publications	41,812	49,786
	Cash handling charges	184,814	173,716
	Others	188,190	185,823
		<u>5,427,320</u>	<u>5,014,680</u>
		<u>14,624,975</u>	<u>13,661,645</u>

# Notes to and forming part of the Condensed Interim Consolidated Financial Statements (un-audited)

For the quarter ended March 31, 2026

		(Un-audited)	
		For the quarter ended	
Note		March 31, 2026	March 31, 2025
----- Rupees in '000 -----			
<b>33</b>	<b>OTHER CHARGES</b>		
	Penalties imposed by the State Bank of Pakistan	561	586
<b>34</b>	<b>CREDIT LOSS ALLOWANCE AND WRITE OFFS - NET</b>		
	(Reversal) / credit loss allowance against cash and balances with treasury banks	(49)	313
	Reversal of Credit loss allowance against balances with other banks	(23)	-
	Credit loss allowance / (reversal) against investments	12.3 7	(1,039,157)
	Reversal of credit loss allowance against Islamic financing and related assets	13.4 (406,120)	(1,284,389)
	(Reversal) / credit loss allowance against other assets	17.2.1 (484)	113,298
	Credit loss allowance against off balance sheet obligations	23.1 128,887	20,300
	Bad debts written off directly	208	5,030
	Recoveries of written off / charged off bad debts	(83,369)	(125,815)
		<u>(360,943)</u>	<u>(2,310,420)</u>
<b>35</b>	<b>TAXATION</b>		
	Current		
	- For the period	6,022,453	5,895,935
	- Prior period	10,012	-
		6,032,465	5,895,935
	Deferred		
	- For the period	(322,516)	183,570
		<u>5,709,949</u>	<u>6,079,505</u>
<b>36</b>	<b>BASIC AND DILUTED EARNINGS PER SHARE</b>		
	Profit after tax for the period	<u>5,326,139</u>	<u>5,409,457</u>
		<b>Number of shares</b>	
		<b>in thousands</b>	
	Weighted average number of ordinary shares	<u>1,517,697</u>	<u>1,517,697</u>
----- Rupees -----			
	Basic earnings per share	36.1 <u>3.51</u>	<u>3.56</u>

**36.1** There were no convertible dilutive potential ordinary shares outstanding as at March 31, 2026 and March 31, 2025.

## **37 FAIR VALUE MEASUREMENTS**

The fair value of quoted securities other than those classified under held to collect model, is based on quoted market price. Quoted securities classified under held to collect model are carried at amortized cost. The fair value of unquoted equity securities, other than investments in associates and subsidiaries, is determined on the basis of income approach using Discounted Cashflow (DCF) method.

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



# Notes to and forming part of the Condensed Interim Consolidated Financial Statements (un-audited)

For the quarter ended March 31, 2026

Financial assets - disclosed but not measured at fair value	December 31, 2025 (Audited)			
	Level 1	Level 2	Level 3	Total
	----- Rupees in '000 -----			
<b>Investments</b>				
Federal Government securities	-	151,260	-	151,260
Non-Government debt securities	-	5,456,634	-	5,456,634
<b>Non-financial assets - measured at fair value</b>				
Fixed assets (land and buildings)	-	26,395,256	-	26,395,256
Non-banking assets acquired in satisfaction of claims	-	1,949,531	-	1,949,531
<b>Off-balance sheet financial instruments - measured at fair value</b>				
Forward purchase of foreign exchange	-	45,805,209	-	45,805,209
Forward sale of foreign exchange	-	29,371,929	-	29,371,929
Derivatives sales	-	297,692	-	297,692

The Group's policy is to recognise transfers into and out of the different fair value hierarchy levels at the date when the event or change in circumstances require the Group to exercise such transfers.

### Valuation techniques used in determination of fair values within level 2

Item	Valuation approach and input used
Ijara Sukuk	Fair values of GoP Ijara Sukuk are derived using the PKISRV rates announced by the Financial Market Association (FMA) through Reuters. These rates denote an average of quotes received from different pre-defined / approved dealers / brokers.
Sukuk Certificates	Sukuk certificates are determined using the MUFAP or PSX rates.
Forward foreign exchange contracts	The valuation has been determined by interpolating the mark-to-market currency rates announced by the State Bank of Pakistan.
Derivative instruments	The Holding Company enters into derivative contracts with various counterparties. Derivatives that are valued using valuation techniques with market observable inputs are mainly cross currency swaps and forward foreign exchange contracts. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations.
Mutual funds	Units of mutual funds are valued using the net asset value (NAV) announced by the Mutual Funds Association of Pakistan (MUFAP).
Property and equipment (land and buildings)	Land and buildings and NBA are revalued by professionally qualified valuers of the Group. The valuations, mentioned above, are conducted by the valuation experts appointed by the Holding Company which are also on the panel of the Pakistan Banks' Association (PBA). The valuation experts use a market based approach to arrive at the fair value of the Group's properties. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable or similar properties. These values are adjusted to reflect the current condition of the properties.
Non-banking assets acquired in satisfaction of claims (NBAs)	

### Valuation technique used in determination of fair values within level 3

Item	Valuation approach and input used
Unlisted ordinary shares	The fair value of unquoted equity securities is determined through income approach through Direct Cash Flow (DCF) method.

# Notes to and forming part of the Condensed Interim Consolidated Financial Statements (un-audited)

For the quarter ended March 31, 2026

## 38 SEGMENT INFORMATION

### 38.1 Segment details with respect to business activities

	2026					
	Retail	CIBG	Treasury	SAM	Others	Total
<b>Profit and loss for the quarter ended March 31, 2026 (Un-audited)</b>	Rupees in '000					
Net return / profit	(8,790,265)	11,242,499	12,828,478	30,599	372,565	15,683,876
Inter segment revenue - net	22,643,858	(10,538,043)	(13,162,803)	39,710	1,017,278	-
Other income	3,341,111	1,860,348	5,441,780	5,318	(798,222)	9,850,335
<b>Total Income</b>	<b>17,194,704</b>	<b>2,564,804</b>	<b>5,107,455</b>	<b>75,627</b>	<b>591,621</b>	<b>25,534,211</b>
Segment direct expenses	8,477,319	705,336	186,314	56,030	5,434,047	14,859,046
Inter segment expense allocation	4,242,130	487,539	95,154	78,981	(4,903,804)	-
<b>Total expenses</b>	<b>12,719,449</b>	<b>1,192,875</b>	<b>281,468</b>	<b>135,011</b>	<b>530,243</b>	<b>14,859,046</b>
Credit loss allowance	7,000	(89,144)	-	(315,810)	37,011	(360,943)
<b>Profit before tax</b>	<b>4,468,255</b>	<b>1,461,073</b>	<b>4,825,987</b>	<b>256,426</b>	<b>24,367</b>	<b>11,036,108</b>
<b>Statement of financial position as at March 31, 2026 (Un-audited)</b>						
Cash and bank balances	84,562,539	-	24,400,071	-	338,464	109,301,074
Due from financial institutions	-	-	-	-	-	-
Investments	152,633	7,491,958	654,134,905	508,311	6,198,486	668,486,293
Investment - credit loss allowance	80	(795,405)	-	(508,311)	-	(1,303,636)
Net inter segment lending	912,734,122	-	-	-	(912,734,122)	-
Financing- performing	253,554,129	520,050,032	-	909,177	214,702	774,728,040
Financing- non-performing	3,215,674	4,606,555	-	11,847,180	217,162	19,886,571
Financing- credit loss allowance	(2,902,457)	(4,033,269)	-	(11,847,180)	(283,515)	(19,066,421)
Others	97,716,336	4,757,675	26,718,383	211,895	43,612,835	173,017,124
<b>Total assets</b>	<b>1,349,033,056</b>	<b>532,077,546</b>	<b>705,253,359</b>	<b>1,121,072</b>	<b>(862,435,988)</b>	<b>1,725,049,045</b>
Due to financial institutions	8,381,610	42,930,679	135,349,379	-	-	186,661,668
Subordinated sukuk	-	-	-	-	-	-
Deposits and other accounts	1,242,935,110	101,799,189	-	370,805	(16,635,103)	1,328,470,001
Net inter segment borrowing	-	382,590,002	544,249,428	538,371	(927,377,801)	-
Others	97,716,336	4,757,676	26,718,383	211,896	(33,326,078)	96,078,213
<b>Total liabilities</b>	<b>1,349,033,056</b>	<b>532,077,546</b>	<b>706,317,190</b>	<b>1,121,072</b>	<b>(977,338,982)</b>	<b>1,611,209,882</b>
Equity	-	-	(1,063,831)	-	114,902,994	113,839,163
<b>Total equity and liabilities</b>	<b>1,349,033,056</b>	<b>532,077,546</b>	<b>705,253,359</b>	<b>1,121,072</b>	<b>(862,435,988)</b>	<b>1,725,049,045</b>
<b>Contingencies and commitments</b>	<b>122,969,837</b>	<b>207,031,284</b>	<b>225,019,631</b>	<b>1,603,466</b>	<b>2,943,515</b>	<b>559,567,733</b>

Notes to and forming part of the Condensed Interim Consolidated Financial Statements (un-audited)  
For the quarter ended March 31, 2026

2025					
Retail	CIBG	Treasury	SAM	Others	Total

Rupees in '000

**Profit and loss for the quarter ended**

**March 31, 2025 (Un-audited)**

Net return / profit	(7,502,894)	10,610,670	13,343,684	80,006	731,153	17,262,619
Inter segment revenue - net	21,119,048	(9,891,901)	(12,982,640)	20,928	1,734,565	-
Other income	2,796,543	1,183,126	1,862,279	187	(37,169)	5,804,966
Total income	16,412,697	1,901,895	2,223,323	101,121	2,428,549	23,067,585
Segment direct expenses	8,013,557	470,712	148,733	92,905	5,163,108	13,889,015
Inter segment expense allocation	3,994,284	451,025	92,454	78,164	(4,615,927)	-
Total expenses	12,007,841	921,737	241,187	171,069	547,181	13,889,015
Credit loss allowance	(220,815)	(546,694)	-	(1,554,126)	11,215	(2,310,420)
Profit before tax	4,625,671	1,526,852	1,982,136	1,484,178	1,870,153	11,488,990

**Statement of financial position**

**as at December 31, 2025 (Audited)**

Cash and bank balances	43,179,406	-	67,411,087	-	141,156	110,731,649
Due from financial institutions	-	-	-	-	-	-
Investments	150,000	7,479,179	625,560,852	508,311	3,692,976	637,391,318
Investment credit loss allowance	-	(795,318)	-	(508,311)	-	(1,303,629)
Net inter segment lending	1,067,581,322	-	-	-	(1,067,581,322)	-
Financing - performing	254,663,442	613,934,848	-	2,673,970	70,144	871,342,404
Financing- non-performing	3,910,357	4,751,121	-	11,362,243	413,201	20,436,922
Financing credit loss allowance	(3,892,958)	(4,062,398)	-	(11,362,243)	(437,733)	(19,755,332)
Others	34,641,861	9,540,967	9,320,116	186,070	104,477,635	158,166,649
<b>Total assets</b>	<b>1,400,233,430</b>	<b>630,848,399</b>	<b>702,292,055</b>	<b>2,860,040</b>	<b>(959,223,943)</b>	<b>1,777,009,981</b>
Due to financial institutions	15,741,958	46,254,773	68,758,570	-	(9,118,351)	121,636,950
Subordinated Sukuk	-	-	-	-	-	-
Deposits and other accounts	1,306,537,633	134,938,048	416	347,558	(14,987,965)	1,426,835,690
Net inter segment borrowing	-	448,941,713	627,973,832	2,511,395	(1,079,426,940)	-
Others	77,953,839	713,865	321,912	1,087	31,785,241	110,775,944
<b>Total liabilities</b>	<b>1,400,233,430</b>	<b>630,848,399</b>	<b>697,054,730</b>	<b>2,860,040</b>	<b>(1,071,748,015)</b>	<b>1,659,248,584</b>
Equity	-	-	5,237,325	-	112,524,072	117,761,397
<b>Total Equity and liabilities</b>	<b>1,400,233,430</b>	<b>630,848,399</b>	<b>702,292,055</b>	<b>2,860,040</b>	<b>(959,223,943)</b>	<b>1,777,009,981</b>
Contingencies and commitments	95,643,222	195,618,847	139,601,679	1,607,064	2,987,198	435,458,010

Notes to and forming part of the Condensed Interim Consolidated Financial Statements (un-audited)  
For the quarter ended March 31, 2026

39

**RELATED PARTY TRANSACTIONS**

The Group has related party transactions with its parent, employee benefit plans, its directors and key management personnel.

The Group enters into transactions with related parties in the ordinary course of business and on substantially the same terms as for comparable transactions with persons of similar standing. Contributions to and accruals in respect of staff retirement benefits and other benefit plans are made in accordance with the actuarial valuations / terms of the contribution plan. Remuneration to the executives / officers is determined in accordance with the terms of their appointment.

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

	March 31, 2026 (Un-audited)				December 31, 2025 (Audited)					
	Parent	Directors	Key management personnel	Associates	Other related parties	Parent	Directors	Key management personnel	Associates	Other related parties
Rupees in '000										
<b>Investments</b>										
Opening balance	-	-	-	3,594,365	4,184,684	-	-	-	2,755,728	157,287
Investment made during the year	-	-	-	685,824	356,133	-	-	-	12,596,326	198,008
Investment redeemed / sold during the year	-	-	-	(985,562)	(155,825)	-	-	-	(11,999,234)	(160,366)
Equity method adjustment	-	-	-	79,629	568,298	-	-	-	241,545	-
Transfer in / (out) - net	-	-	-	-	(155,816)	-	-	-	-	-
Other movements	-	-	-	-	-	-	-	-	-	3,989,755
Closing balance	-	-	-	3,374,256	4,797,474	-	-	-	3,594,365	4,184,684
<b>Islamic financing and related assets - net</b>										
Opening balance	-	407	702,262	-	14,804,089	-	278	532,539	-	5,099,550
Addition during the period / year	-	458	21,135	-	10,004,383	-	1,763	291,953	-	4,096,793
Repaid during the period / year	-	(810)	(40,962)	-	(10,039,149)	-	(1,634)	(324,970)	-	(4,292,090)
Transfer in / (out) - net	-	-	-	-	6,967,257	-	-	202,740	-	9,899,836
Closing balance	-	55	682,435	-	21,736,560	-	407	702,262	-	14,804,089
Credit loss allowance held against Islamic financing and related assets	-	1	1,266	-	7,192	-	2	1,262	-	8,706

Notes to and forming part of the Condensed Interim Consolidated Financial Statements (un-audited)  
For the quarter ended March 31, 2026

	March 31, 2026 (Un-audited)				December 31, 2025 (Audited)					
	Parent	Directors	Key management personnel	Associates	Other related parties	Parent	Directors	Key management personnel	Associates	Other related parties
	Rupees in '000									
<b>Other assets</b>										
Profit / return accrued	-	-	56,633	-	243,005	-	-	50,146	-	13,893
Fee and commission income receivable	-	-	-	30,911	-	-	-	-	279,045	-
Receivable from defined benefit plan	-	-	-	150,344	-	-	-	-	-	-
Receivable from defined contribution plan	-	-	-	394	-	-	-	-	-	200,116
Receivable against reimbursement of expenses from associated funds	-	-	-	-	-	-	-	-	7,023	-
Management fee and other receivables	-	-	-	9,350	-	-	-	-	37,032	-
Preliminary expenses and floatation costs receivable	-	-	-	199,735	-	-	-	-	-	-
Remuneration receivable from associated funds	-	-	-	213,164	-	-	-	-	249,269	-
	182	104,225	157,391	62,635,306	23,865,335	182	59,467	103,006	45,555,437	3,526,628
<b>Deposits and other accounts</b>										
Opening balance	-	(67)	(171)	-	(1,096)	-	-	-	-	-
Exchange rate adjustment	-	36,231	588,396	1,044,670,417	470,180,021	-	319,712	2,742,842	3,257,859,826	1,680,977,638
Received during the period / year	-	(49,419)	(580,883)	(1,041,376,659)	(491,091,193)	-	(274,952)	(2,679,460)	(3,240,779,065)	(1,660,544,866)
Withdrawn during the period / year	-	(42)	(711)	203,720	3,976	-	8	(8,997)	108	(94,065)
Transfer in / (out) - net	182	90,928	164,222	66,132,784	2,957,043	182	104,225	157,391	62,635,306	23,865,335
Closing balance	-	-	-	-	-	-	-	-	-	-
	-	423	361	621,272	13,502	-	434	645	525,949	28,740
<b>Other liabilities</b>										
Profit / return payable	-	-	-	-	31,351	-	-	-	-	31,351
Payable to defined benefit plan	1,458,735	51,623	-	1,161	568,212	-	-	-	-	-
Other payable	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-
<b>Contingencies and commitments</b>										
Trade related commitments	-	-	-	-	13,028,286	-	-	-	-	21,784,355

**39.1** Balances pertaining to parties that were related at the beginning of the period but ceased to be so related during any part of the current period are not reflected as part of the closing balance. The same are accounted for through the movement presented above.

Notes to and forming part of the Condensed Interim Consolidated Financial Statements (un-audited)  
For the quarter ended March 31, 2026

RELATED PARTY TRANSACTIONS

	March 31, 2026 (Un-audited)				March 31, 2025 (Un-audited)					
	Parent	Directors	Key management personnel	Associates	Other related parties	Parent	Directors	Key management personnel	Associates	Other related parties
	Rupees in '000									
<b>Income</b>										
Profit / return earned	-	-	9,030	-	675,074	-	-	3,596	-	76,529
Fee and commission income	-	5	37	694,067	3,555	-	8	30	886,335	56,850
Dividend income	-	-	-	-	14,799	-	-	-	-	-
Net gain / (loss) on sale of securities	-	-	(1,255)	11,836	537,825	-	-	4,882	20,371	16,623
Reimbursement of expenses (from Mutual Funds)	-	-	-	750	-	-	-	-	432	-
Other income	-	-	33	-	-	-	-	-	-	-
<b>Expense</b>										
Profit / return expensed	-	1,157	1,155	1,219,703	55,458	-	809	1,087	1,357,606	23,013
Director's fee and allowances	-	-	-	-	-	-	24,320	-	-	-
Compensation expense	-	-	325,571	-	42,908	-	-	689,795	-	185,140
Fee and subscription	-	-	-	-	-	-	-	-	-	2,145
Donations made during the period	-	-	-	-	140,062	-	-	-	-	139,275
Charge for defined benefit plan	-	-	-	-	145,278	-	-	-	-	150,767
Contribution to defined contribution plan	-	-	-	-	164,934	-	-	-	-	141,611
Other expenses	-	-	-	-	1,350	-	-	-	-	-
<b>Others</b>										
Shares / units purchased during the period (number in '000)	-	-	-	6,401	1,330	-	-	-	23,951	1,180
Shares / units sold during the period (number in '000)	-	-	-	9,095	632	-	-	-	22,039	1,122
Sale proceeds from disposal of property and equipment during the period (amount)	-	-	5,167	-	-	-	-	60,607	-	24,947
Government securities purchased during the period (amount)	-	-	24,864	-	31,897,991	-	-	51,932	-	172,915
Government securities sold during the period (amount)	-	-	1,977	-	32,071,386	-	-	-	-	130,692

Notes to and forming part of the Condensed Interim Consolidated Financial Statements (un-audited)  
For the quarter ended March 31, 2026

(Un-audited)  
March 31,  
2026

(Audited)  
December 31,  
2025

----- Rupees in '000 -----

**40 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS**

**Minimum capital requirement (MCR):**

Paid-up capital (net of losses)	15,176,965	15,176,965
---------------------------------	------------	------------

**Capital adequacy ratio (CAR):**

Eligible common equity tier 1 (CET 1) capital	98,389,256	98,658,580
Eligible additional tier 1 (ADT 1) capital	-	-
Total eligible tier 1 capital	98,389,256	98,658,580
Eligible tier 2 capital	12,036,334	16,950,319
Total eligible capital (tier 1 + tier 2)	110,425,590	115,608,899

**Risk weighted assets (RWAs):**

Credit risk	526,175,787	548,186,778
Market risk	74,674,366	86,484,620
Operational risk	175,311,086	175,311,086
Total	776,161,239	809,982,484

**Common equity tier 1 capital adequacy ratio (in %)**

12.68%	12.18%
--------	--------

**Tier 1 Capital adequacy ratio (in %)**

12.68%	12.18%
--------	--------

**Total Capital adequacy ratio (in %)**

14.23%	14.27%
--------	--------

The Group has applied the transitional arrangement on Regulatory Capital. Had the transitional arrangement not been applied then CAR would have been higher by 7 bps from 14.23% to 14.30%.

**Leverage ratio (LR):**

Eligible tier-1 capital	98,389,256	98,658,580
Total exposures	2,224,320,163	2,178,182,969
Leverage ratio (in %)	4.42%	4.53%

The Group has applied the transitional arrangement on Regulatory Capital. Had the transitional arrangement not been applied then Leverage Ratio would have been lower by 2 bps from 4.42% to 4.40%.

**Liquidity coverage ratio (LCR):**

Total high quality liquid assets	678,352,178	661,457,367
Total net cash outflow	518,388,961	477,107,454
Liquidity coverage ratio (Ratio)	1.309	1.386

**Net stable funding ratio (NSFR):**

Total available stable funding	1,095,911,888	1,132,992,590
Total required stable funding	708,472,555	710,289,335
Net stable funding ratio (in %)	154.69%	159.51%

# Notes to and forming part of the Condensed Interim Consolidated Financial Statements (un-audited)

For the quarter ended March 31, 2026

## 41 GENERAL

Comparative information has been re-classified, re-arranged or additionally incorporated in these condensed interim consolidated financial statements, wherever necessary, to facilitate comparison and to conform with changes in presentation in the current period. There have been no significant reclassifications during the period.

## 42 NON-ADJUSTING EVENTS AFTER THE BALANCE SHEET DATE

The Board of Directors in their meeting held on April 23, 2026 has announced an interim cash dividend of Rs 1.5 per share (i.e., 15%). These condensed interim consolidated financial statements do not include the effect of this appropriations which will be accounted for subsequent to the period end.

## 43 DATE OF AUTHORISATION FOR ISSUE

These condensed interim consolidated financial statements were authorised for issue on April 23, 2026 by the Board of Directors of the Bank.



Faysal Bank Limited

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