








Quarterly Report
March 31, 2026

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Corporate Information

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

DIRECTORS' REVIEW

Dear Shareholders

The Directors present unconsolidated condensed interim unaudited financial statements for the quarter ended March 31, 2026.

Economy:

Pakistan's economy experienced encouraging progress across key indicators; positive trends in current account supported by growth in remittances and decline in imports, stable exchange rate and strengthening external buffers signaling better crisis response capacity. The GDP growth for the current fiscal year is driven by Large Scale Manufacturing adding further impetus to industrial recovery. Inflation recorded an increase mainly due to power tariffs and fuel prices adjustments amid tensions in the middle east, despite easing food prices. Fiscal performance reflected ongoing consolidation efforts, with some relief stemming from lower interest payments. During the period, IMF Extended Fund Facility and Resilience and Sustainability Facility program reviews recorded good progress on the reforms and policies ahead for accelerating growth.

Recent estimates suggest GDP growth for fiscal year 2026 to remain within the range of 3.75 to 4.75 percent and inflation above 7 percent. However, the evolving geopolitical situation continues to pose significant downside risks, as volatile energy prices, supply-chain disruptions, decline in remittances and tighter global financial conditions may exert upward pressure on inflation and weigh on growth and the current account balance. Overall, the economy appears relatively better positioned to absorb external shocks while the government remains committed to pursue sound and prudent macroeconomic policies to preserve the recent gains in macro-financial stabilization and advance structural reforms to accelerate growth. Continued implementation of sound monetary and fiscal policies, alongside advancing structural reforms aimed at enhancing productivity, strengthening external competitiveness, ensuring energy sector viability, and building resilience to climate change, remains key imperative for sustainable long-term growth.

Financial Performance:

The financial results of the Bank for the first quarter ended March 31, 2026 are summarized as under:

	(Rupees in Million)	
	Three month period ended March 31,	
	2026	2025
Net mark-up and non-fund income	27,293	25,418
Administrative and other expenses	(13,660)	(9,951)
Operating profit	13,633	15,467
Credit loss allowance and write offs - net	82	(256)
Profit before taxation	13,715	15,211
Taxation	(7,149)	(8,088)
Profit after taxation	6,566	7,123
Basic earnings per share – Rupees	4.53	4.91

Askari Bank posted Profit After Tax of Rs. 6.6 billion, for the first quarter ended March 31, 2026, a year on year decline of 8 percent due to lower interest margins, partly offset by volumetric growth and increase in operating expenses necessitated to support network expansion, automation, digitalization and business growth. Earnings per share for the quarter is Rs. 4.53 compared to Rs. 4.91 for the corresponding period last year.

Total revenues for the quarter increased by 7 percent, to Rs. 27.2 billion. Net markup income increased by 1 percent as the impact of 19 percent growth in average earning assets was offset by decline in interest spreads - average policy rate was 180 bps lower than last year. Non-mark up income grew by 45 percent to Rs. 5.2 billion mainly contributed by 26 percent increase in fee and commission income and 137 percent increase in capital gains. Operating expenses increased by 37 percent as the Bank continued to expand its foot print – 40 new branches added to network alongwith investment in technology and digital capabilities, human capital and marketing initiatives, all for pursuing business growth.

The Bank's total assets grew by 11 percent to Rs.3.2 trillion from the end of last year. Customer deposits closed at Rs. 1.69 trillion and the Bank's continued focus on expanding current deposits resulted in 12 percent growth in current deposits. Advances recorded growth of 3 percent reflecting lending strategy focused on building quality portfolio. The Bank recorded reversal of credit loss allowance of Rs. 81.5 million compared to Rs. 255.8 million charge for the corresponding period. Infection and Non-performing loans coverage ratios are reported at 5.2 percent and 119 percent, respectively.

The Bank is well capitalized with adequate buffers over regulatory requirements. At March 31, 2026, leverage ratio was recorded at 3.48 percent and capital adequacy ratio 18.58 percent. The Bank is committed to sustaining capital ratios well above the prescribed regulatory benchmarks to ensure robust risk absorption capacity.

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

The Bank's entity rating was reaffirmed at 'AA+' (Double A Plus) for the long-term by Pakistan Credit Rating Agency Limited, with outlook assigned as 'Stable'. Short-term rating was maintained at 'A1+' (A One Plus). The Bank's strong brand and affiliation with Fauji Group, one of the country's most prominent conglomerates are recognized as the key rating drivers, supported by Bank's experienced management team, prudent risk management policies, and deep-rooted relationship with clients.

Askari Bank will remain steadfast in its pursuit of sustainable growth and in doing so strive to build on its legacy of strength, trust and stability. The Bank's priority is to leverage emerging technologies to continually reform our suite of products and services to deliver transformational change for customers, to fast-track adoption of Shariah compliant offerings and to bring a meaningful impact by expeditious lending to priority segments. The Bank continues to operate with the intention to continuously deliver differentiated experiences to strengthen customer loyalty and ensure that Askari remains the trusted banking partner for years to come.

Acknowledgment:

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



President & CEO



Chairman Board of Directors

Islamabad: April 27, 2026

بینک کی ایٹمیٹی ریٹنگ کو پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے طویل مدتی بنیاد پر 'AA+' (ڈبل اے پلس) پر برقرار رکھا ہے، جبکہ آؤٹ لک، مستحکم رکھا گیا ہے۔ قلیل مدتی ریٹنگ 'A1+' (اے ون پلس) برقرار رہی۔ بینک کا مضبوط برانڈ اور فوجی گروپ کے ساتھ وابستگی جو ملک کے نمایاں ترین کاروباری گروپس میں سے ایک ہے، اہم ریٹنگ عوامل کے طور پر تسلیم کیے گئے ہیں، جنہیں تجربہ کار مینجمنٹ ٹیم محتاط رسک مینجمنٹ پالیسیز اور صارفین کے ساتھ مضبوط تعلقات کی معاونت حاصل ہے۔

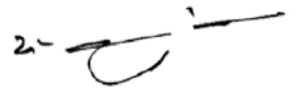
عسکری بینک پائیدار ترقی کے عزم پر قائم رہے گا اور اپنی مضبوطی، اعتماد اور استحکام کی روایت کو مزید آگے بڑھائے گا۔ بینک ابھرتی ہوئی ٹیکنالوجیز سے استفادہ کرتے ہوئے اپنی مصنوعات اور خدمات میں مسلسل جدت لانے، شریعہ کمپلائنس مصنوعات کے فروغ اور ترجیحی شعبوں کو بروقت فنانسنگ فراہم کرنے کے ذریعے بامعنی اثر پیدا کرنے کے لیے پُر عزم ہے۔ بینک کا مقصد صارفین کے لیے منفرد تجربات فراہم کر کے ان کی وفاداری کو مضبوط بنانا اور آئندہ برسوں میں عسکری بینک کو ایک قابل اعتماد بینکاری شراکت دار کے طور پر قائم رکھنا ہے۔

اعترافات:

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



چیرمین بورڈ آف ڈائریکٹرز



صدر و چیف ایگزیکٹو آفیسر

اسلام آباد: 27 اپریل 2026

سہ ماہی کے دوران کل آمدنی 7 فیصد اضافے سے بڑھ کر 27.2 ارب روپے ہوگئی۔ نیٹ مارک اپ آمدنی میں 1 فیصد اضافہ ہوا کیونکہ اوسط منافع بخش اثاثوں میں 19 فیصد اضافے کے اثرات کو شرح سود کے فرق میں کمی نے جزوی طور پر کم کیا۔ اوسط پالیسی ریٹ گزشتہ سال کے مقابلے میں 180 bps کم رہا۔ نان مارک اپ آمدنی 45 فیصد بڑھ کر 5.2 ارب روپے ہوگئی، جس میں بنیادی کردار فیس اور کمیشن آمدنی میں 26 فیصد اور کیپیٹل گین میں 137 فیصد اضافے کا رہا۔ آپریٹنگ اخراجات میں 37 فیصد اضافہ ہوا کیونکہ بینک نے اپنے نیٹ ورک کو مزید وسعت دی، 40 نئی شاخوں کا اضافہ کیا گیا اور ساتھ ہی ٹیکنالوجی و ڈیجیٹل صلاحیتوں، انسانی وسائل اور مارکیٹنگ اقدامات میں سرمایہ کاری کی، تاکہ کاروباری ترقی کو فروغ دیا جاسکے۔

بینک کے مجموعی اثاثے گزشتہ سال کے اختتام کے مقابلے میں 11 فیصد بڑھ کر 3.2 ٹریلین روپے ہو گئے۔ صارفین کے ڈپازٹس 1.69 ٹریلین روپے پر رہے اور کرنٹ ڈپازٹس میں توسیع پر مسلسل توجہ کے باعث ان میں 12 فیصد اضافہ ریکارڈ کیا گیا۔ ایڈوانسز میں 3 فیصد اضافہ ہوا، جو معیاری پورٹ فولیو کی تشکیل پر مرکوز قرضہ جاتی حکمت عملی کی عکاسی کرتا ہے۔ بینک نے کریڈٹ لاس الاؤنس میں 81.5 ملین روپے کا ریورسل ریکارڈ کیا، جبکہ گزشتہ سال کے اسی عرصے میں 255.8 ملین روپے کا چارج تھا۔ انفیکشن اور نان پرفارمنگ لون کوریج ریشوز بالترتیب 5.2 فیصد اور 119 فیصد رہیں۔

ریگولیٹری تقاضوں کے مناسب بفرز کے ساتھ بینک مضبوط سرمایہ جاتی بنیاد رکھتا ہے۔ 31 مارچ 2026 تک لیوریج ریشو 3.48 فیصد جبکہ کیپیٹل ایڈیکویسی ریشو 18.58 فیصد ریکارڈ کی گئی۔ بینک اس بات کے لیے پُر عزم ہے کہ کیپیٹل ریشوز کو مقررہ ریگولیٹری حدود سے نمایاں حد تک اوپر برقرار رکھا جائے تاکہ خطرات سے نمٹنے کی مضبوط صلاحیت یقینی بنائی جاسکے۔

بینک اپنی روایتی بینکاری کاروبار کو اسلامی بینکاری میں تبدیل کرنے کے عمل پر گامزن ہے اور اس وقت براؤنچ نیٹ ورک کا 50 فیصد سے زائد حصہ اسلامی بنیادوں پر کام کر رہا ہے، جہاں شریعت کے مطابق مصنوعات اور خدمات فراہم کی جا رہی ہیں۔ باقی تمام شاخوں کو آئندہ ادوار میں تبدیل کرنے کا منصوبہ ہے۔ تاہم، اس تبدیلی کو آسان بنانے اور پورے نیٹ ورک میں اسلامی صارفین کو وسیع تر رسائی فراہم کرنے کے لیے، ان شاخوں میں اسلامی بینکاری وینڈوز قائم کی گئی ہیں جہاں اسلامی ڈپازٹ مصنوعات دستیاب ہیں۔

مالیاتی کارکردگی:

31 مارچ 2026 کو ختم ہونے والی پہلی سہ ماہی کے لیے بینک کے مالیاتی نتائج کا خلاصہ درج ذیل ہے:

روپے بلین میں		
31 مارچ کو ختم ہونے والی سہ ماہی کی مدت		
2025	2026	
25,418	27,293	خالص مارک اپ اور نان فنڈ آمدنی
(9,951)	(13,660)	انتظامی اور دیگر اخراجات
15,467	13,633	آپریٹنگ منافع
(256)	82	کریڈٹ لاس الاؤنس اور رائٹ آفز۔ خالص
15,211	13,715	منافع قبل از ٹیکس
(8,088)	(7,149)	ٹیکس
7,123	6,566	منافع بعد از ٹیکس
4.91	4.53	بنیادی آمدنی فی حصص - روپے

عسکری بینک نے 31 مارچ 2026 کو ختم ہونے والی پہلی سہ ماہی کے لیے بعد از ٹیکس منافع 6.6 ارب روپے کمایا جو سال بہ سال 8 فیصد کم رہا۔ اس کی بنیادی وجہ شرح منافع میں کمی اور آپریٹنگ اخراجات میں اضافہ ہے جو نیٹ ورک کی توسیع، خود کاری، ڈیجیٹلائزیشن اور کاروباری نمو کی معاونت کے لیے ضروری تھے جسے جزوی طور پر حجم میں اضافے نے متوازن کیا۔ اس سہ ماہی کے لیے فی حصص آمدنی (EPS) 4.53 روپے رہی، جبکہ گزشتہ سال کے اسی عرصے میں یہ 4.91 روپے تھی۔

ڈائریکٹرز کی جائزہ رپورٹ

معزز حصص داران،

ڈائریکٹرز 31 مارچ 2026 کو ختم ہونے والی سہ ماہی کے لیے غیر مدغم، مختصر عبوری غیر آڈٹ شدہ مالیاتی گوشوارے پیش کرتے ہیں۔

معیشت:

پاکستان کی معیشت میں اہم اشاریوں پر حوصلہ افزا پیش رفت دیکھنے میں آئی۔ ترسیلات زر میں اضافے اور درآمدات میں کمی کے باعث کرنٹ اکاؤنٹ میں مثبت رجحان رہا، زرمبادلہ کی شرح مستحکم رہی اور بیرونی ذخائر مضبوط ہوئے، جو بحران سے نمٹنے کی بہتر صلاحیت کی نشاندہی کرتے ہیں۔ موجودہ مالی سال میں جی ڈی پی کی نمو بڑے پیمانے کی صنعتوں (LSM) کی کارکردگی سے تقویت حاصل کر رہی ہے، جس سے صنعتی بحالی کو مزید رفتار ملی ہے۔ مہنگائی میں اضافہ ریکارڈ کیا گیا، جس کی بڑی وجوہات مشرق وسطیٰ میں کشیدگی کے باعث بجلی کے نرخوں اور ایندھن کی قیمتوں میں ردوبدل تھا، اگرچہ خوراک کی قیمتوں میں کمی دیکھی گئی۔ مالیاتی کارکردگی میں استحکام کی جاری کوششوں کی عکاسی ہوئی، جبکہ کم سود کی ادائیگیوں سے کچھ ریلیف بھی ملا۔ اس دوران مالیاتی بین الاقوامی، ایکسٹینڈڈ فیسلیٹی پروگرام اور ریزیلیئنس اینڈ اسٹیبلیٹی فیسلیٹی پروگرام کے جائزوں میں اصلاحات اور پالیسی اقدامات پر اطمینان بخش پیش رفت ریکارڈ کی گئی، جو تیز تر اقتصادی نمو کے لیے راہ ہموار کریں گی۔

حالیہ تخمینوں کے مطابق مالی سال 2026 میں جی ڈی پی کی شرح نمو 3.75 فیصد سے 4.75 فیصد کے درمیان رہنے اور مہنگائی 7 فیصد سے زائد رہنے کا امکان ہے۔ تاہم، بدلتی ہوئی جغرافیائی و سیاسی صورتحال بدستور نمایاں منفی خطرات پیدا کر رہی ہے، کیونکہ توانائی کی قیمتوں میں اتار چڑھاؤ، سپلائی چین میں رکاوٹیں، ترسیلات زر میں کمی اور عالمی مالیاتی حالات میں سختی مہنگائی پر مزید باؤ ڈال سکتی ہیں اور شرح نمو کے ساتھ ساتھ جاری کھاتہ بیلنس کو بھی متاثر کر سکتی ہیں۔ مجموعی طور پر، معیشت بیرونی غیر متوقع حالات سے نمٹنے کے لیے نسبتاً بہتر حالت میں دکھائی دیتی ہے، جبکہ حکومت حالیہ کلیاتی معیشت کے استحکام میں حاصل ہونے والی کامیابیوں کو برقرار رکھنے اور ترقی کی رفتار تیز کرنے کے لیے ساختی اصلاحات کو آگے بڑھانے کے ساتھ ساتھ مضبوط اور محتاط کلیاتی معاشی پالیسیوں پر کاربند رہنے کے لیے پُر عزم ہے۔ مضبوط مالیاتی اور مالی پالیسیوں کا تسلسل، اور ایسی ساختی اصلاحات کا نفاذ جو پیداوار میں اضافہ، بیرونی مسابقت کو مضبوط، توانائی کے شعبے کی پائیداری کو یقینی بنانے اور موسمیاتی تبدیلی کے اثرات سے نمٹنے کی صلاحیت بڑھانے پر مرکوز ہوں، پائیدار طویل مدتی اقتصادی ترقی کے لیے ناگزیر ہیں۔



UNCONSOLIDATED
CONDENSED INTERIM
FINANCIAL STATEMENTS


FOR THE THREE MONTH PERIOD ENDED
MARCH 31, 2026

ASKARI BANK LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2026

		(Un-audited) March 31, 2026	(Audited) December 31, 2025
	Note	----- Rupees in '000 -----	
ASSETS			
Cash and balances with treasury banks	6	125,690,984	108,637,978
Balances with other banks	7	41,177,345	13,774,428
Lendings to financial institutions	8	59,933,366	14,128,026
Investments	9	2,205,498,557	2,028,768,983
Advances	10	602,436,548	586,621,904
Property and equipment	11	27,143,747	26,225,450
Right-of-use assets	12	15,127,079	14,931,093
Intangible assets	13	2,267,783	2,204,973
Deferred tax assets	20	4,156,573	-
Other assets	14	131,978,570	99,708,733
Total Assets		<u>3,215,410,552</u>	<u>2,895,001,568</u>
LIABILITIES			
Bills payable	15	18,108,869	23,259,370
Borrowings	16	1,278,190,885	994,566,586
Deposits and other accounts	17	1,691,016,809	1,631,331,749
Lease liabilities	18	17,940,417	17,433,672
Subordinated debts	19	6,000,000	6,000,000
Deferred tax liabilities	20	-	14,303,187
Other liabilities	21	64,764,753	56,360,895
Total Liabilities		<u>3,076,021,733</u>	<u>2,743,255,459</u>
NET ASSETS		<u>139,388,819</u>	<u>151,746,109</u>
REPRESENTED BY			
Share capital		14,492,992	14,492,992
Reserves		104,198,825	88,855,771
Surplus on revaluation of assets - net of tax	22	14,640,979	31,153,056
Unappropriated profit		6,056,023	17,244,290
		<u>139,388,819</u>	<u>151,746,109</u>
CONTINGENCIES AND COMMITMENTS	23		

The annexed notes 1 to 41 form an integral part of these unconsolidated condensed interim financial statements.


 Chief Financial Officer


 President & CEO


 Director


 Director


 Chairman

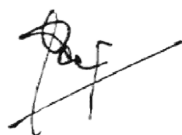
ASKARI BANK LIMITED

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS ACCOUNT (UN-AUDITED)

FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2026

		Three month period ended	
		March 31, 2026	March 31, 2025
		----- Rupees in '000 -----	
	Note		
Mark-up / return / interest earned	25	74,647,206	75,848,551
Mark-up / return / interest expensed	26	52,543,573	54,020,904
Net mark-up / interest income		22,103,633	21,827,647
NON MARK-UP / INTEREST INCOME			
Fee and commission income	27	2,008,386	1,599,349
Dividend income		247,846	278,115
Foreign exchange income		815,300	704,373
Income / (loss) from derivatives		-	-
Gain on securities	28	1,975,016	832,088
Net gains / (loss) on derecognition of financial assets measured at amortised cost		-	-
Other income	29	143,304	176,906
Total non-markup / interest income		5,189,852	3,590,831
Total income		27,293,485	25,418,478
NON MARK-UP / INTEREST EXPENSES			
Operating expenses	30	13,522,374	9,794,930
Workers' welfare fund		135,000	155,000
Other charges	31	2,735	1,446
Total non-markup / interest expenses		13,660,109	9,951,376
Profit before credit loss allowance		13,633,376	15,467,102
Credit loss allowance / (reversals) and write offs - net	32	(81,521)	255,798
Extra ordinary / unusual items		-	-
PROFIT BEFORE TAXATION		13,714,897	15,211,304
Taxation	33	7,148,739	8,088,588
PROFIT AFTER TAXATION		6,566,158	7,122,716
		----- Rupees -----	
Basic and diluted earnings per share	34	4.53	4.91

The annexed notes 1 to 41 form an integral part of these unconsolidated condensed interim financial statements.



Chief Financial Officer



President & CEO



Director



Director




Chairman

ASKARI BANK LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2026

	Three month period ended	
	March 31, 2026	March 31, 2025
	----- Rupees in '000 -----	
Profit after taxation for the period	6,566,158	7,122,716
Other comprehensive income		
Items that may be reclassified to statement of profit and loss account in subsequent periods:		
Effect of translation of net investment in Wholesale Bank Branch	(21,578)	32,024
Movement in surplus on revaluation of debt investments through FVOCI - net of tax	(14,935,834)	(2,267,293)
	(14,957,412)	(2,235,269)
Items that will not be reclassified to statement of profit and loss account in subsequent periods:		
Movement in surplus on revaluation of equity investments through FVOCI - net of tax	(1,429,762)	539,276
Total comprehensive income	<u>(9,821,016)</u>	<u>5,426,723</u>

The annexed notes 1 to 41 form an integral part of these unconsolidated condensed interim financial statements.


Chief Financial Officer


President & CEO


Director


Director



Chairman

ASKARI BANK LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2026


	Surplus / (deficit) on revaluation of							
	Share capital	Exchange translation reserve	Statutory reserve	General reserve	Investments	Property and equipment / Non banking assets	Un-appropriated profit	Total
	Rupees in '000							
Balance as at January 1, 2025 (audited) - restated	14,492,992	1,862,044	19,850,796	52,861,190	6,591,154	10,967,967	15,890,830	122,516,973
Total comprehensive income for the three month ended March 31, 2025								
Profit after taxation for the three month period ended March 31, 2025	-	-	-	-	-	-	7,122,716	7,122,716
Other comprehensive income - net of tax								
Effect of translation of net investment in foreign branch	-	32,024	-	-	-	-	-	32,024
Movement in surplus on revaluation of debt investments through FVOCI - net of tax	-	-	-	-	(2,267,293)	-	-	(2,267,293)
Movement in surplus on revaluation of equity investments through FVOCI - net of tax	-	-	-	-	539,276	-	-	539,276
	-	32,024	-	-	(1,728,017)	-	-	(1,695,993)
Transfer to								
Statutory reserve	-	-	712,272	-	-	-	(712,272)	-
General reserve	-	-	-	11,977,902	-	-	(11,977,902)	-
	-	-	712,272	11,977,902	-	-	(12,690,174)	-
Gain on disposal of equity securities measured at FVOCI - net of tax	-	-	-	-	(176,266)	-	176,266	-
Transactions with owners, recorded directly in equity								
Final dividend 2024: Rs. 3 per share	-	-	-	-	-	-	(4,347,898)	(4,347,898)
Balance as at March 31, 2025 (un-audited)	14,492,992	1,894,068	20,563,068	64,839,092	4,686,871	10,967,967	6,151,740	123,595,798
Total comprehensive income for the nine month period ended December 31, 2025								
Profit after taxation for the nine month period ended December 31, 2025	-	-	-	-	-	-	15,680,603	15,680,603
Other comprehensive income - net of tax								
Effect of translation of net investment in foreign branch	-	(8,517)	-	-	-	-	-	(8,517)
Movement in surplus on revaluation of debt investments through FVOCI - net of tax	-	-	-	-	13,118,482	-	-	13,118,482
Movement in surplus on revaluation of equity investments through FVOCI - net of tax	-	-	-	-	2,224,868	-	-	2,224,868
Remeasurement gain on defined benefit plan	-	-	-	-	-	-	21,868	21,868
Movement in surplus on revaluation of property and equipment	-	-	-	-	-	1,823,229	-	1,823,229
	-	(8,517)	-	-	15,343,350	1,823,229	21,868	17,179,930
Transfer from surplus on revaluation of assets to unappropriated profit on disposal	-	-	-	-	-	(980,987)	980,987	-
Transfer to								
Statutory reserve	-	-	1,568,060	-	-	-	(1,568,060)	-
General reserve	-	-	-	-	-	-	-	-
	-	-	1,568,060	-	-	-	(1,568,060)	-
Gain on disposal of equity instruments measured at FVOCI - net of tax	-	-	-	-	(687,374)	-	687,374	-
Transactions with owners, recorded directly in equity								
Interim Dividend 2025: Rs 2 per share	-	-	-	-	-	-	(2,898,598)	(2,898,598)
Interim Dividend 2025: Rs 1.25 per share	-	-	-	-	-	-	(1,811,624)	(1,811,624)
Balance as at December 31, 2025 (audited)	14,492,992	1,885,551	22,131,128	64,839,092	19,342,847	11,810,209	17,244,290	151,746,109
Total comprehensive income for the three month period ended March 31, 2026								
Profit after taxation for the three month period ended March 31, 2026	-	-	-	-	-	-	6,566,158	6,566,158
Other comprehensive income - net of tax								
Effect of translation of net investment in foreign branch	-	(21,578)	-	-	-	-	-	(21,578)
Movement in surplus on revaluation of debt investments through FVOCI - net of tax	-	-	-	-	(14,935,834)	-	-	(14,935,834)
Movement in surplus on revaluation of equity investments through FVOCI - net of tax	-	-	-	-	(1,429,762)	-	-	(1,429,762)
	-	(21,578)	-	-	(16,365,596)	-	-	(16,387,174)
Transfer to								
Statutory reserve	-	-	656,616	-	-	-	(656,616)	-
General reserve	-	-	-	14,708,016	-	-	(14,708,016)	-
	-	-	656,616	14,708,016	-	-	(15,364,632)	-
Gain on disposal of equity securities measured at FVOCI - net of tax	-	-	-	-	(146,481)	-	146,481	-
Transactions with owners, recorded directly in equity								
Final dividend 2025: Rs. 1.75 per share	-	-	-	-	-	-	(2,536,274)	(2,536,274)
Balance as at March 31, 2026 (un-audited)	14,492,992	1,863,973	22,787,744	79,547,108	2,830,770	11,810,209	6,056,023	139,388,819

The annexed notes 1 to 41 form an integral part of these unconsolidated condensed interim financial statements.


Chief Financial Officer


President & CEO


Director


Director


Chairman

ASKARI BANK LIMITED
UNCONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2026

	Note	Three month period ended	
		March 31, 2026	March 31, 2025
----- Rupees in '000 -----			
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before taxation		13,714,897	15,211,304
Less: Dividend income		(247,846)	(278,115)
		<u>13,467,051</u>	<u>14,933,189</u>
Adjustments:			
Depreciation		573,573	436,747
Amortization	30	68,982	55,818
Depreciation on right-of-use assets	30	651,156	549,368
Interest expense on lease liability against ROU assets	26	527,964	433,995
Gain on termination of lease contracts	29	(5,303)	(1,638)
Charge for defined benefit plan		302,788	166,302
Credit loss allowance and write offs		(44,243)	278,473
Unrealised loss / (gain) on revaluation of securities - FVTPL	28	599,513	-
Gain on sale of property and equipment	29	(12,765)	(20,798)
		<u>2,661,665</u>	<u>1,898,267</u>
		<u>16,128,716</u>	<u>16,831,456</u>
Decrease / (increase) in operating assets			
Lendings to financial institutions		(45,797,910)	(21,332,083)
Securities classified as FVTPL		1,227,262	2,184,105
Advances		(16,875,029)	145,185,091
Other assets (excluding advance taxation)		(32,678,621)	(27,840,228)
		<u>(94,124,298)</u>	<u>98,196,885</u>
Increase / (decrease) in operating liabilities			
Bills payable		(5,150,501)	(46,587,938)
Borrowings from financial institutions		284,493,362	69,254,138
Deposits		59,685,060	23,916,529
Other liabilities		9,330,872	9,471,946
		<u>348,358,793</u>	<u>56,054,675</u>
		<u>270,363,211</u>	<u>171,083,016</u>
Payment made to defined benefit plan		(22,849)	(18,652)
Income tax paid		(7,274,517)	(9,514,930)
Net cash flow from operating activities		<u>263,065,845</u>	<u>161,549,434</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Net investments in securities classified as FVOCI		(212,780,795)	(148,084,649)
Net investments in amortized cost securities		(98,741)	39,876
Dividend received		119,560	260,624
Investments in property and equipment		(1,496,976)	(1,040,997)
Investments in intangible assets		(131,800)	(63,072)
Disposals of property and equipment		18,089	40,690
Effect of translation of net investment in Wholesale Bank Branch		(21,578)	32,024
Net cash flow used in investing activities		<u>(214,392,241)</u>	<u>(148,815,504)</u>
CASH FLOW FROM FINANCING ACTIVITIES			
Payments of lease obligation against right-of-use assets	18	(841,165)	(988,614)
Dividend paid		(2,507,453)	(4,218,446)
Net cash flow used in financing activities		<u>(3,348,618)</u>	<u>(5,207,060)</u>
Decrease in cash and cash equivalents		<u>45,324,986</u>	<u>7,526,869</u>
Cash and cash equivalents at beginning of the period		121,011,791	144,281,319
Cash and cash equivalents at end of the period		<u>166,336,777</u>	<u>151,808,188</u>

The annexed notes 1 to 41 form an integral part of these unconsolidated condensed interim financial statements.


Chief Financial Officer


President & CEO


Director


Director


Chairman

ASKARI BANK LIMITED
NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2026

1 STATUS AND NATURE OF BUSINESS

Askari Bank Limited (the Bank) was incorporated in Pakistan on October 9, 1991 as a Public Limited Company and is listed on the Pakistan Stock Exchange. The registered office of the Bank is situated at AWT Plaza, the Mall, Rawalpindi. The Bank is a scheduled commercial bank and is principally engaged in the business of banking as defined in the Banking Companies Ordinance, 1962. The Fauji Consortium: comprising of Fauji Foundation (FF) and Fauji Fertilizer Company Limited (FFCL) collectively owned 71.91 (2025: 71.91) percent shares of the Bank. The ultimate parent of the Bank is Fauji Foundation. The Bank has 760 branches (2025: 757 branches); 759 in Pakistan and Azad Jammu and Kashmir including 368 (2025: 365) Islamic Banking branches and 66 (2025: 66) sub-branches and a Wholesale Bank Branch (WBB) in the Kingdom of Bahrain. The Pakistan Credit Rating Agency (PACRA) has assigned long term rating of AA+ and short term rating of A1+ to the Bank with stable outlook.

2 BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

2.1 BASIS OF PREPARATION

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

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

2.1.3 These unconsolidated condensed interim financial statements have been prepared under the historical cost convention except that certain class of property and equipment and non-banking assets acquired in satisfaction of claims are stated at revalued amounts; investments classified at fair value through profit or loss and fair value through other comprehensive income are stated at fair value; staff loans, Temporary Economic Refinance Facilities (TERF) loans and corresponding borrowings from State Bank of Pakistan (SBP) are measured at fair value at initial recognition; and staff retirement benefits, lease liabilities and corresponding right-of-use assets are stated at present value, as disclosed in their respective notes.

2.1.4 The Bank believes that there is no significant doubt on the Bank's ability to continue as a going concern. Therefore, these unconsolidated condensed interim financial statements have been prepared on a going concern basis.

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

2.2 STATEMENT OF COMPLIANCE

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

- International Accounting Standard (IAS) 34, 'Interim Financial Reporting', and International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan (ICAP) as are notified under the Companies Act, 2017;

- Provisions of, directives and notifications issued under the Banking Companies Ordinance, 1962 and the Companies Act, 2017; and
- Directives issued by the State Bank of Pakistan (SBP) and the Securities and Exchange Commission of Pakistan (SECP).

Whenever the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 or the directives 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.

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

2.2.3 SBP vide BSD Circular Letter No. 10, dated August 26, 2002, has deferred the applicability of International Accounting Standard (IAS) 40, Investment Property for banking companies till further instructions. Moreover, SBP vide BPRD Circular No. 4, dated February 25, 2015, has deferred the applicability of Islamic Financial Accounting Standards (IFAS) 3, Profit and Loss Sharing on Deposits. Further, according to the notification of the SECP issued vide SRO 411(I)/2008 dated April 28, 2008, International Financial Reporting Standard (IFRS) 7, 'Financial Instruments: Disclosures' has not been made applicable for banks. Accordingly, the requirements of these standards have not been considered in the preparation of these unconsolidated condensed interim financial statements.

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

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Bank's accounting periods beginning on or after January 1, 2026 but are considered not to be relevant or do not have any material effect on the Bank's financial statements and therefore are not detailed in these unconsolidated condensed interim financial statements.

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

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

- IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18) (published in April 2024) with applicability date of January 01, 2027 by IASB. IFRS 18 when applicable shall impact the presentation of 'Statement of Profit and Loss Account' with certain additional disclosures in the unconsolidated financial statements.
- Amendments to IFRS 9 'Financial Instruments' and IFRS 7 'Financial Instruments: Disclosures' clarify the timing of recognition and derecognition of certain financial instruments including settlement of liabilities through banking instruments and channels including electronic transfers. Further, guidance on the SPPI assessment, and disclosure requirements for instruments with cash flow modifying features and equity instruments designated at FVOCI has also been amended. These amendments are effective from January 1, 2026. The amendment when applied may impact the accounting and presentation of the financial instruments.

3 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the preparation of these unconsolidated condensed interim financial statements are consistent with those applied in the preparation of the annual audited unconsolidated financial statements of the Bank for the year ended December 31, 2025 except as disclosed below.

3.1 IFRS 9 - Financial Instruments

3.1.1 The Bank had adopted IFRS 9 effective from January 1, 2024 with modified retrospective approach for restatement permitted under IFRS 9. The cumulative impact of initial application was recorded as an adjustment to equity at the beginning of the previous accounting period.

3.1.2 The SBP in a separate instruction BPRD/RPD/822456/25 dated January 22, 2025 has allowed extension for application of Effective Interest Rate upto December 31, 2025. During the current period, the Bank has implemented SBP's instructions regarding application of effective interest rate.

3.1.3 The SBP has directed the Banks through its BPRD Circular Letter No. 1 dated January 22, 2025 to continue the existing revenue recognition methodology for Islamic Operations, including the requirements of IFAS 1 and IFAS 2 until further instructions. Had IFRS 9 been adopted in its entirety for revenue recognition from Islamic operations, the revenue of the Bank would have been higher by Rs. 832,345 thousand.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

5 FINANCIAL RISK MANAGEMENT

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

		(Un-audited) March 31, 2026	(Audited) December 31, 2025
6 CASH AND BALANCES WITH TREASURY BANKS	Note	----- Rupees in '000 -----	
In hand			
Local currency		39,777,532	28,388,776
Foreign currencies		9,910,679	6,277,042
		<u>49,688,211</u>	<u>34,665,818</u>
With State Bank of Pakistan in			
Local currency current accounts		47,830,182	49,154,044
Foreign currency current account		11,412,876	6,935,682
Foreign currency deposit account		12,354,874	12,842,042
		<u>71,597,932</u>	<u>68,931,768</u>
With National Bank of Pakistan in			
Local currency current accounts		4,387,118	5,038,319
Prize Bonds		17,888	18,615
		<u>125,691,149</u>	<u>108,654,520</u>
Less: Credit loss allowance held against cash and balances with treasury banks		(165)	(16,542)
Cash and balances with treasury banks - net of credit loss allowance		<u><u>125,690,984</u></u>	<u><u>108,637,978</u></u>
7 BALANCES WITH OTHER BANKS			
In Pakistan			
In current accounts		1,095,458	1,543,213
Outside Pakistan			
In current accounts		26,238,041	7,071,368
In deposit accounts		13,844,986	5,160,183
		<u>40,083,027</u>	<u>12,231,551</u>
		<u>41,178,485</u>	<u>13,774,764</u>
Less: Credit loss allowance held against balances with other banks		(1,140)	(336)
Balances with other banks - net of credit loss allowance		<u><u>41,177,345</u></u>	<u><u>13,774,428</u></u>
8 LENDINGS TO FINANCIAL INSTITUTIONS			
Call / clean money lendings		13,896,800	6,600,000
Repurchase agreement lendings (Reverse Repo)		38,663,011	-
Placements with financial institutions		7,373,555	7,528,026
Purchase under resale arrangement of equity securities		22,291	29,721
		<u>59,955,657</u>	<u>14,157,747</u>
Less: Credit loss allowance held against lending to financial institutions	8.1	(22,291)	(29,721)
Lendings to financial institutions - net of credit loss allowance		<u><u>59,933,366</u></u>	<u><u>14,128,026</u></u>

		March 31, 2026 (Un-audited)		December 31, 2025 (Audited)	
		Lending	Credit loss allowance / provision held	Lending	Credit loss allowance / provision held
8.1 Lendings To Financial Institutions -					
particulars of credit loss allowance		----- Rupees in '000 -----			
Domestic					
Performing	Stage 1	52,559,811	-	6,600,000	-
Non-performing	Stage 3				
Loss		22,291	22,291	29,721	29,721
		<u>52,582,102</u>	<u>22,291</u>	<u>6,629,721</u>	<u>29,721</u>
Overseas					
Performing	Stage 1	7,373,555	-	7,528,026	-
		<u>59,955,657</u>	<u>22,291</u>	<u>14,157,747</u>	<u>29,721</u>

9 INVESTMENTS

	March 31, 2026 (Un-audited)				December 31, 2025 (Audited)			
	Cost / amortized cost	Credit Loss allowance / Provision	Surplus / (deficit)	Carrying value	Cost / amortized cost	Credit Loss allowance / Provision	Surplus / (deficit)	Carrying value

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

9.1 Investments by type:

FVTPL

Shares	843,313	-	(132,968)	710,345	2,012,345	-	2,730	2,015,075
Units of open end mutual funds	2,544,770	-	(485,941)	2,058,829	2,742,718	-	(197,948)	2,544,770
Federal Government Securities	785,239	-	-	785,239	593,439	-	-	593,439
Non Government Debt Securities	3,465,491	-	19,396	3,484,887	3,517,573	-	(52,082)	3,465,491
	<u>7,638,813</u>	<u>-</u>	<u>(599,513)</u>	<u>7,039,300</u>	<u>8,866,075</u>	<u>-</u>	<u>(247,300)</u>	<u>8,618,775</u>

FVOCI

Federal Government Securities	2,128,954,015	(237,431)	(1,829,635)	2,126,886,949	1,916,513,443	(32,419)	29,278,307	1,945,759,331
Shares	7,193,271	-	7,748,591	14,941,862	6,501,734	-	11,031,317	17,533,051
Fully paid preference shares	27,314	-	(2,214)	25,100	27,314	-	(1,100)	26,214
Non Government Debt Securities	8,222,255	(365,161)	(19,305)	7,837,789	8,573,569	(391,163)	(10,925)	8,171,481
	<u>2,144,396,855</u>	<u>(602,592)</u>	<u>5,897,437</u>	<u>2,149,691,700</u>	<u>1,931,616,060</u>	<u>(423,582)</u>	<u>40,297,599</u>	<u>1,971,490,077</u>

Amortised cost

Federal Government Securities	47,573,819	(2,962)	-	47,570,857	47,475,078	(11,647)	-	47,463,431
Non Government Debt Securities	90,903	(90,903)	-	-	90,903	(90,903)	-	-
	<u>47,664,722</u>	<u>(93,865)</u>	<u>-</u>	<u>47,570,857</u>	<u>47,565,981</u>	<u>(102,550)</u>	<u>-</u>	<u>47,463,431</u>

Subsidiaries

	1,196,700	-	-	1,196,700	1,196,700	-	-	1,196,700
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Total investments

	<u>2,200,897,090</u>	<u>(696,457)</u>	<u>5,297,924</u>	<u>2,205,498,557</u>	<u>1,989,244,816</u>	<u>(526,132)</u>	<u>40,050,299</u>	<u>2,028,768,983</u>
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	(Un-audited) March 31, 2026	(Audited) December 31, 2025
	----- Rupees in '000 -----	
9.1.1 Investments given as collateral		
The market value of investments given as collateral:		
Market Treasury Bills	-	22,068,937
Pakistan Investment Bonds	1,036,578,118	780,800,697
Shares	286,361	379,380
	<u>1,036,864,479</u>	<u>803,249,014</u>

9.2 Summary of financial information of subsidiaries

		As at March 31, 2026			For the three month period ended March 31, 2026		
	Country of incorporation	Holding	Assets	Liabilities	Revenue / Income	Profit / (loss) after tax	Total comprehensive income / (loss) for the period
			----- Rupees in '000 -----				
Foundation Securites (Private) Limited	Pakistan	51%	3,945,618	2,591,740	219,322	49,534	49,534
Askari Currency Exchange (Private) Limited	Pakistan	100%	1,319,673	405,318	32,682	(37,480)	(37,480)
			----- Rupees in '000 -----				
			As at December 31, 2025			For the three month period ended March 31, 2025	
	Country of incorporation	Holding	Assets	Liabilities	Revenue / Income	Profit after tax	Total comprehensive income for the period
			----- Rupees in '000 -----				
Foundation Securites (Private) Limited	Pakistan	51%	4,454,841	3,150,497	214,988	64,328	65,686
Askari Currency Exchange (Private) Limited	Pakistan	100%	1,354,427	402,593	33,744	1,813	1,813

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

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

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
9.3 Credit loss allowance / provision against diminution in value of investments	----- Rupees in '000 -----	
9.3.1 Opening balance	526,132	1,086,264
Charge / (reversals) for the period / year	170,325	(560,132)
Closing balance	<u>696,457</u>	<u>526,132</u>

9.3.2 Particulars of credit loss allowance / provision against debt securities

		March 31, 2026 (Un-audited)		December 31, 2025 (Audited)	
		Outstanding Amount	Credit loss allowance held	Outstanding Amount	Credit loss allowance held
----- Rupees in '000 -----					
Domestic					
Performing	Stage 1	723,750	1,796	1,527,491	18,976
Non-performing	Stage 3				
Loss		<u>454,268</u>	<u>454,268</u>	<u>463,090</u>	<u>463,090</u>
Total		1,178,018	456,064	1,990,581	482,066
Overseas					
Performing	Stage 1	<u>35,956,419</u>	<u>240,393</u>	<u>13,228,712</u>	<u>44,066</u>
Total		<u>37,134,437</u>	<u>696,457</u>	<u>15,219,293</u>	<u>526,132</u>

9.4 The market value of securities classified as amortized cost as at March 31, 2026 is Rs. 45,309,223 thousand (December 31, 2025: Rs. 47,107,927 thousand).

10 ADVANCES	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 -----					
Loans, cash credits, running finances, etc.	408,084,336	406,859,651	26,028,514	26,441,769	434,112,850	433,301,420
Islamic financing and related assets	176,232,655	167,292,060	5,106,111	4,535,752	181,338,766	171,827,812
Bills discounted and purchased	24,472,524	17,937,163	2,130,607	2,113,323	26,603,131	20,050,486
Advances - gross	608,789,515	592,088,874	33,265,232	33,090,844	642,054,747	625,179,718
Credit loss allowance against advances						
- Stage 1	(1,477,761)	(1,548,519)	-	-	(1,477,761)	(1,548,519)
- Stage 2	(6,167,409)	(4,708,881)	-	-	(6,167,409)	(4,708,881)
- Stage 3	-	-	(31,973,029)	(32,300,414)	(31,973,029)	(32,300,414)
	(7,645,170)	(6,257,400)	(31,973,029)	(32,300,414)	(39,618,199)	(38,557,814)
Advances - net of credit loss allowance	601,144,345	585,831,474	1,292,203	790,430	602,436,548	586,621,904

10.1 Particulars of advances (gross)	(Un-audited)	(Audited)
	March 31, 2026	December 31, 2025
	----- Rupees in '000 -----	
In local currency	597,585,138	583,564,620
In foreign currencies	44,469,609	41,615,098
	642,054,747	625,179,718

10.2 Advances include amount of Rs. 33,265,232 thousand (2025: Rs. 33,090,844 thousand) which have been placed under non-performing status / stage 3 as detailed below:

Category of classification (Stage 3)	March 31, 2026 (Un-audited)		December 31, 2025 (Audited)	
	Non Performing	Credit loss allowance	Non Performing	Credit loss allowance
	Loans		Loans	
	----- Rupees in '000 -----			
Domestic				
Other Assets Especially Mentioned (OAEM)	180,861	91,795	422,081	209,943
Substandard	2,224,946	1,602,519	747,157	540,675
Doubtful	311,032	147,093	296,534	131,046
Loss	30,548,393	30,131,622	31,625,072	31,418,750
	33,265,232	31,973,029	33,090,844	32,300,414

10.3 Particulars of credit loss allowance against advances

	March 31, 2026 (Un-audited)			
	Stage 1	Stage 2	Stage 3	Total
	----- Rupees in '000 -----			
Opening balance	1,548,519	4,708,881	32,300,414	38,557,814
Charge for the period	173,937	3,108,963	1,557,888	4,840,788
Reversal for the period	(244,695)	(1,650,434)	(1,885,273)	(3,780,403)
	(70,758)	1,458,528	(327,385)	1,060,385
Closing balance	1,477,761	6,167,409	31,973,029	39,618,199

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

10.4 Advances - particulars of credit loss allowance

	March 31, 2026 (Un-audited)		
	Stage 1	Stage 2	Stage 3
	Rupees in '000		
Opening balance	1,548,519	4,708,881	32,300,414
New Advances	155,837	1,754	-
Advances repaid	(220,783)	(75,576)	(425,103)
Transfer to / from stage 1	18,100	(17,908)	(192)
Transfer to / from stage 2	(22,974)	1,138,905	(1,115,931)
Transfer to / from stage 3	(938)	(1,556,950)	1,557,888
	(70,758)	(509,776)	16,662
Changes in risk parameters	-	1,968,304	(344,047)
Closing balance	1,477,761	6,167,409	31,973,029

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

10.5 Advances - category of classification

		March 31, 2026 (Un-audited)		December 31, 2025 (Audited)	
		Outstanding amount	Credit loss allowance held	Outstanding amount	Credit loss allowance held
		Rupees in '000			
Domestic					
Performing	Stage 1	522,005,337	1,477,761	483,618,998	1,548,519
Underperforming	Stage 2	84,737,054	6,119,760	106,228,892	4,652,904
Non-Performing	Stage 3				
Other assets especially mentioned		180,861	91,795	422,081	209,943
Substandard		2,224,946	1,602,519	747,157	540,675
Doubtful		311,032	147,093	296,534	131,046
Loss		30,548,393	30,131,622	31,625,072	31,418,750
		33,265,232	31,973,029	33,090,844	32,300,414
Sub Total		640,007,623	39,570,550	622,938,734	38,501,837
Overseas					
Underperforming	Stage 2	2,047,124	47,649	2,240,984	55,977
Total		642,054,747	39,618,199	625,179,718	38,557,814

11 PROPERTY AND EQUIPMENT

	Note	(Un-audited)	(Audited)
		March 31, 2026	December 31, 2025
		Rupees in '000	
Capital work-in-progress	11.1	1,552,823	1,541,438
Property and equipment		25,590,924	24,684,012
		27,143,747	26,225,450

11.1 This represents advances to suppliers and contractors.

		(Un-audited)	
		Three month period ended	
		March 31, 2026	March 31, 2025
		----- Rupees in '000 -----	
11.2	Additions to property and equipment		
	The following additions have been made to property and equipment during the period:		
	Capital work-in-progress	458,159	284,665
	Property and equipment		
	Renovation of premises	449,291	38,981
	Furniture, fixtures and office equipment	274,873	153,327
	Machine and equipment	440,225	278,679
	Computer equipment	247,532	285,345
	Vehicles	73,670	-
		1,485,591	756,332
	Total	<u>1,943,750</u>	<u>1,040,997</u>
11.3	Disposal of property and equipment		
	The net book value of property and equipment disposed off during the period is as follows:		
	Renovation of premises	943	1,382
	Furniture, fixtures and office equipment	3,415	2,391
	Machine and equipment	656	1,387
	Computer equipment	310	421
	Vehicles	-	14,311
	Total	<u>5,324</u>	<u>19,892</u>
12	RIGHT-OF-USE ASSETS	(Un-audited) March 31, 2026	(Audited) December 31, 2025
		----- Rupees in '000 -----	
	Net carrying amount at January 1,	14,931,093	12,161,484
	Additions during the period / year	1,095,816	5,509,766
	Depreciation for the period / year	(652,150)	(329,295)
	Deletions and other adjustments	(247,680)	(2,410,862)
	Net carrying amount at period / year end	<u>15,127,079</u>	<u>14,931,093</u>
13	INTANGIBLE ASSETS		
	Computer software	1,748,498	1,721,103
	Capital work-in-progress	519,285	483,870
		<u>2,267,783</u>	<u>2,204,973</u>

		(Un-audited)	
		Three month period ended	
		March 31, 2026	March 31, 2025
		----- Rupees in '000 -----	
13.1 Additions to intangible assets			
The following additions have been made to intangible assets during the period:			
Capital work-in-progress		89,105	24,018
Computer software		96,385	39,055
		<u>185,490</u>	<u>63,073</u>
		(Un-audited)	(Audited)
		March 31, 2026	December 31, 2025
		----- Rupees in '000 -----	
14 OTHER ASSETS	Note		
Income / mark-up accrued in local currency		85,476,836	59,291,206
Income / mark-up accrued in foreign currencies		1,606,602	955,802
Advances, deposits, advance rent and other prepayments	14.1	8,678,868	8,523,435
Advance taxation		8,959,103	9,563,691
Deferred cost on recognition of loan at fair value	14.2	4,218,665	4,412,757
Non-banking assets acquired in satisfaction of claims		360,372	366,160
Receivable against trading of securities		7,342	147,388
Stationary and stamps in hand		506,719	413,469
Receivable from defined benefit plan		-	75,070
Dividend receivable		132,624	4,338
Margin against stand by letter of credit (SBLC)		102,447	158,828
Acceptances		17,838,742	12,242,718
Rebate receivable against home remittances		3,214,108	2,857,255
Others		824,612	787,674
		<u>131,927,040</u>	<u>99,799,791</u>
Less: Credit loss allowance / provision held against other assets	14.3	<u>(550,700)</u>	<u>(693,288)</u>
Other assets - net of credit loss allowance / provision		131,376,340	99,106,503
Surplus on revaluation of non-banking assets acquired in satisfaction of claims		602,230	602,230
Other assets - total		<u>131,978,570</u>	<u>99,708,733</u>

14.1 This includes the prepaid employment benefit recognized in connection with concessional staff facilities provided to employees. These facilities have been recognized at fair value on the date of disbursement due to the adoption of IFRS 9 as applicable in Pakistan. The resultant benefit arising from these concessional facilities is subsequently accounted for under IAS 19 Employee Benefits. The prepaid employee benefit is amortized in a manner that reflects the concessional facilities' income recognition. The current period amortization of prepaid employee benefit amounts to Rs. 603,314 thousand (March 31, 2025: Rs. 395,308 thousand).

14.2 This represents deferred portion of fair value loss arisen on initial recognition of loan to PIA Holding Company Limited (PIAHCL). SBP through its circular BPRD/BRD/PIAHCL/733688-2024 dated August 01, 2024 has allowed staggering of such fair value impact over a period of 6 years at rates of 5%, 10%, 15%, 20%, 25%, and 25% from year 1 to year 6. Accordingly, 15% is being amortized on time apportion basis during the current period (December 31, 2025: 10%).

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

14.3 Credit loss allowance / provision held against other assets

Advances, deposits, advance rent and other prepayments	4,838	4,838
Acceptances	395,888	538,317
Others	149,974	150,133
	<u>550,700</u>	<u>693,288</u>

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
14.3.1 Movement in credit loss allowance / provision held against other assets	----- Rupees in '000 -----	
Opening balance	693,288	442,747
(Reversal) / charge for the period / year - net	(142,588)	250,541
Closing balance	<u>550,700</u>	<u>693,288</u>
15 BILLS PAYABLE		
In Pakistan	<u>18,108,869</u>	<u>23,259,370</u>
16 BORROWINGS		
Secured		
Borrowings from the State Bank of Pakistan under:		
- Export refinance scheme	8,315,500	9,456,104
- Long term financing facility	4,177,698	4,525,856
- Financing facility for storage of agricultural produce	80,000	56,200
- Renewable energy financing facility	3,233,777	3,382,492
- Refinance from SBP		
- Credit guarantee scheme for women entrepreneurs	48,123	54,573
- Temporary economic refinance facility	5,589,806	5,944,439
- Modernization of SME	284,221	302,878
- Combating COVID-19	-	73,958
- Rupee based discounting of bills / receivable	3,537,540	3,705,624
- Special persons	340	360
- Working capital financing	-	40,000
	<u>25,267,005</u>	<u>27,542,484</u>
Repurchase agreement borrowings		
- State Bank of Pakistan	1,018,217,497	704,004,760
- Financial institutions	33,184,064	92,479,644
	1,051,401,561	796,484,404
Refinance from Pakistan Mortgage Refinance Company	2,636,911	2,761,911
Total secured	<u>1,079,305,477</u>	<u>826,788,799</u>
Unsecured		
Call borrowings	113,760,500	165,175,390
Overdrawn nostro accounts	531,552	1,400,615
Bai Muajjal - Financial institutions	83,197,589	-
Acceptance	1,395,767	1,201,782
Total unsecured	<u>198,885,408</u>	<u>167,777,787</u>
	<u>1,278,190,885</u>	<u>994,566,586</u>

17	DEPOSITS AND OTHER ACCOUNTS	March 31, 2026 (Un-audited)			December 31, 2025 (Audited)		
		In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
		----- Rupees in '000 -----					
	Customers						
	Current deposits	529,106,675	33,820,956	562,927,631	465,138,119	34,773,304	499,911,423
	Savings deposits	844,267,121	58,232,071	902,499,192	842,360,003	69,651,930	912,011,933
	Fixed deposits	174,546,324	31,957,912	206,504,236	155,541,683	32,219,310	187,760,993
		1,547,920,120	124,010,939	1,671,931,059	1,463,039,805	136,644,544	1,599,684,349
	Financial institutions						
	Current deposits	1,066,824	51,110	1,117,934	1,558,139	199,083	1,757,222
	Savings deposits	7,259,913	63,903	7,323,816	6,892,451	53,727	6,946,178
	Fixed deposits	10,644,000	-	10,644,000	22,944,000	-	22,944,000
		18,970,737	115,013	19,085,750	31,394,590	252,810	31,647,400
		<u>1,566,890,857</u>	<u>124,125,952</u>	<u>1,691,016,809</u>	<u>1,494,434,395</u>	<u>136,897,354</u>	<u>1,631,331,749</u>
					(Un-audited)	(Audited)	
					March 31,	December 31,	
					2026	2025	
					----- Rupees in '000 -----		
	18 LEASE LIABILITIES						
	Outstanding amount at the start of the period / year				17,433,672	14,136,598	
	Additions during the period / year				1,095,816	5,509,766	
	Lease payments including interest				(841,165)	(3,807,888)	
	Interest expense for the period / year				528,015	1,984,326	
	Termination and other adjustments				(275,921)	(389,130)	
	Outstanding amount at the end of the period / year				<u>17,940,417</u>	<u>17,433,672</u>	
	18.1 Contractual maturities of lease liabilities						
	Not later than one year				1,403,444	1,225,932	
	Later than one year and upto five years				7,137,124	6,813,647	
	Over five years				9,399,849	9,394,093	
	Total at the end of the period / year				<u>17,940,417</u>	<u>17,433,672</u>	

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

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

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

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
Note	----- Rupees in '000 -----	
20 DEFERRED TAX (ASSETS) / LIABILITIES		
Temporary taxable / (deductible) differences on		
- Accelerated tax depreciation	432,149	521,674
- Surplus on revaluation of investments	3,066,667	20,954,752
- Lease liabilities net of right-of-use assets	(1,734,097)	(1,810,790)
- Credit loss allowance against advances and others	(5,921,292)	(5,362,449)
	<u>(4,156,573)</u>	<u>14,303,187</u>
21 OTHER LIABILITIES		
Mark-up / return / interest payable in local currency	10,634,953	10,723,369
Mark-up / return / interest payable in foreign currencies	882,402	1,403,007
Unearned commission and income on bills discounted	1,463,084	1,443,072
Accrued expenses	5,040,736	6,854,278
Advance payments	416,445	338,529
Acceptances	17,838,742	12,242,718
Dividend payable	357,455	328,634
Advance against sale of properties	161,395	142,290
Mark to market loss on forward foreign exchange contracts	104,982	9,100
Branch adjustment account	1,849,799	1,424,599
Payable to defined benefit plan	122,645	-
Provision for employees' compensated absences	1,070,434	988,210
Security deposit against lease / ijarah financing	7,772,743	6,360,164
Levies and taxes payable	1,257,837	1,620,392
Workers' Welfare Fund	2,586,596	2,451,596
Switch settlement accounts	9,646,578	5,480,541
Deferred grant on subsidised refinance loans	68,388	78,610
Credit loss allowance against off-balance sheet obligations	21.1 333,421	1,442,783
Others	3,156,118	3,029,003
	<u>64,764,753</u>	<u>56,360,895</u>
21.1 Credit loss allowance / provision against off-balance sheet obligations		
Opening balance	1,442,783	755,760
Impact of ECL recognised on adoption of IFRS 9	-	103,899
Opening balance - restated	<u>1,442,783</u>	<u>859,659</u>
(Reversal) / charge for the period / year - net	(1,109,362)	583,124
Closing balance	<u>333,421</u>	<u>1,442,783</u>
22 SURPLUS ON REVALUATION OF ASSETS - NET OF TAX		
Surplus on revaluation of:		
- Securities measured at FVOCI - Debt	(1,848,940)	29,267,382
- Securities measured at FVOCI - Equity	7,746,377	11,030,217
- Property and equipment	11,207,979	11,207,979
- Non-banking assets acquired in satisfaction of claims	602,230	602,230
	<u>17,707,646</u>	<u>52,107,808</u>
Deferred tax on surplus on revaluation of:		
- Securities measured at FVOCI - Debt	961,449	(15,219,039)
- Securities measured at FVOCI - Equity	(4,028,116)	(5,735,713)
	<u>(3,066,667)</u>	<u>(20,954,752)</u>
	<u>14,640,979</u>	<u>31,153,056</u>

		(Un-audited) March 31, 2026	(Audited) December 31, 2025
		----- Rupees in '000 -----	
23	CONTINGENCIES AND COMMITMENTS		
	- Guarantees	330,049,220	293,435,427
	- Commitments	422,451,993	447,746,557
	- Other contingent liabilities	925,762	1,109,184
		<u>753,426,975</u>	<u>742,291,168</u>
23.1	Guarantees		
	Financial guarantees	13,426,321	16,865,466
	Performance guarantees	176,660,004	173,693,662
	Other guarantees	139,962,895	102,876,299
		<u>330,049,220</u>	<u>293,435,427</u>
23.2	Commitments		
	Documentary credits and short-term trade-related transactions		
	- letters of credit	242,108,321	149,611,561
	Commitments in respect of:		
	- forward foreign exchange contracts	156,881,427	249,321,861
	- forward government securities transactions	800,000	23,000,000
	- forward non government securities transactions	385,338	1,715,934
	Commitments for acquisition of:		
	- property and equipment	832,127	849,893
	- intangible assets	345,951	253,849
	- undrawn loan commitments	21,098,829	22,993,459
		<u>422,451,993</u>	<u>447,746,557</u>
23.2.1	Commitments in respect of forward foreign exchange contracts		
	Purchase	71,501,715	144,329,274
	Sale	85,379,712	104,992,587
		<u>156,881,427</u>	<u>249,321,861</u>
	The above commitments have maturities falling within one year.		
23.2.2	Commitments in respect of forward government securities transactions		
	Purchase	800,000	11,000,000
	Sale	-	12,000,000
		<u>800,000</u>	<u>23,000,000</u>
23.2.3	Commitments in respect of forward non government securities transactions		
	Purchase	91,903	-
	Sale	293,435	1,715,934
		<u>385,338</u>	<u>1,715,934</u>
23.2.4	Undrawn loan commitments		
	The Bank makes commitments to extend credit in the normal course of business but these being revocable commitments do not attract any significant penalty or the expense if the facility is unilaterally withdrawn, other than commitments in respect of syndicated long term financings amounting to Rs 21,098,829 thousand (December 31, 2025: Rs 22,993,459 thousand).		
		(Un-audited) March 31, 2026	(Audited) December 31, 2025
23.3	Other contingent liabilities	----- Rupees in '000 -----	
	These represent certain claims by third parties against the Bank, which are being contested in the Courts of law. Based on legal advice and / or internal assessment, management is confident that the matters will be decided in Bank's favour and the possibility of any outcome against the Bank is remote and accordingly no provision has been made in these unconsolidated condensed interim financial statements.	391,364	574,236
	This represents stand by letters of credit issued by a correspondent bank on behalf of the Bank.	534,398	534,948
		<u>925,762</u>	<u>1,109,184</u>
23.4	Tax related contingencies are disclosed in note 33.1 to these unconsolidated condensed interim financial statements.		

24 DERIVATIVE INSTRUMENTS

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

		(Un-audited)	
		Three month period ended	
		March 31, 2026	March 31, 2025
		----- Rupees in '000 -----	
25	MARK-UP / RETURN / INTEREST EARNED	Note	
	Loans and advances		15,349,078
	Investments		18,947,834
	Lendings to financial institutions		58,004,976
	Balances with banks		411,919
	Securities purchased under resale agreements (Reverse Repo)		150,736
	Amortization of loans under IFRS 9		185,378
			92,541
			315,567
			603,314
			395,308
			<u>74,647,206</u>
			<u>75,848,551</u>
26	MARK-UP / RETURN / INTEREST EXPENSED		
	Deposits		22,834,675
	Borrowings		25,273,123
	Subordinated debts		28,516,807
	Cost of foreign currency swaps against foreign currency deposits / borrowings		178,889
	Interest expense on lease liability against ROU assets		399,877
	Amortization of deferred cost on recognition of loan at fair value	14.2	290,558
			326,454
			527,964
			433,995
			194,680
			129,787
			<u>52,543,573</u>
			<u>54,020,904</u>
27	FEE AND COMMISSION INCOME		
	Branch banking customer fees		244,575
	Consumer finance related fees		262,207
	Card related fees (debit and credit cards)		52,850
	Credit related fees		29,700
	Investment banking fees		515,758
	Commission on trade		505,215
	Commission on guarantees		157,180
	Commission on remittances including home remittances		138,506
	Commission on cash management		102,080
	Commission on bancassurance		378,800
	Others		270,942
			411,986
			322,679
			96,695
			15,743
			37,900
			15,635
			9,204
			7,273
			1,358
			10,714
			<u>2,008,386</u>
			<u>1,599,349</u>
28	GAIN ON SECURITIES		
	Realised gain	28.1	2,574,529
	Unrealised (loss) / gain on securities measured at FVTPL		983,313
			(599,513)
			(151,225)
			<u>1,975,016</u>
			<u>832,088</u>
28.1	Realised gain on:		
	Measured at FVOCI		
	Federal government securities		2,528,270
	Measured at FVTPL		
	Shares		960,932
			46,259
			22,381
			<u>2,574,529</u>
			<u>983,313</u>

		(Un-audited)	
		Three month period ended	
		March 31, 2026	March 31, 2025
29	OTHER INCOME	Note	----- Rupees in '000 -----
	Gain on sale of property and equipment - net		12,765 20,798
	Rent of lockers		14,262 13,882
	Recovery of expenses from customers		102,658 112,366
	Gain on termination of lease contracts under IFRS 16 Leases - net		5,303 1,638
	Amortization of deferred liability under IFRS 9		8,316 28,222
			<u>143,304</u> <u>176,906</u>
30	OPERATING EXPENSES		
	Total compensation expenses	30.1	6,736,378 5,082,008
	Property expense		
	Rent and taxes		64,075 40,655
	Insurance		35,935 31,579
	Utilities cost		425,033 336,539
	Security cost (including guards)		366,608 319,929
	Repair & maintenance (including janitorial charges)		229,518 146,119
	Depreciation on right-of-use assets		651,156 549,368
	Depreciation		139,358 96,168
			<u>1,911,683</u> <u>1,520,357</u>
	Information technology expenses		
	Software maintenance		404,864 264,962
	Hardware maintenance		79,205 45,752
	Depreciation		165,687 141,559
	Amortisation		68,982 55,818
	Network charges		123,185 98,142
			<u>841,923</u> <u>606,233</u>
	Other operating expenses		
	Directors' fees, allowances		11,200 16,160
	Fees and allowances to Shariah Board		2,987 2,968
	Rates, taxes, insurance etc.		69,756 38,933
	Legal and professional charges		40,496 40,125
	Travelling, conveyance and entertainment		184,025 128,742
	Brokerage and commission		70,953 51,463
	NIFT clearing charges		45,307 33,392
	Repair and maintenance		316,259 255,610
	Communications		256,952 277,848
	Postage & Courier		26,599 39,857
	Stationery and printing		342,363 249,341
	Marketing, advertisement and publicity		455,864 73,356
	Auditors' remuneration		15,956 15,155
	Depreciation		268,528 199,020
	Security service charges		214,087 183,201
	Training and development		32,507 16,656
	Deposit premium expense		295,200 246,481
	Outsourced service cost		357,543 200,130
	Card Related Expenses		584,492 338,042
	CNIC Verification		81,843 50,070
	Other expenditure		359,473 129,782
			<u>4,032,390</u> <u>2,586,332</u>
			<u>13,522,374</u> <u>9,794,930</u>
30.1	Total compensation expense		
	Managerial remuneration		5,134,530 3,873,871
	Charge for defined benefit / contribution plan		452,524 282,857
	Amortization of loans under IFRS 9		603,314 395,308
	Other staff cost	30.1.1	546,010 529,972
			<u>6,736,378</u> <u>5,082,008</u>
30.1.1	Other staff cost includes incentive to consumer sales staff, dearness allowance, cash handling allowance, staff group insurance, provision for severance etc.		

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

	(Un-audited)	
	Three month period ended	
	March 31, 2026	March 31, 2025
	----- Rupees in '000 -----	
32 CREDIT LOSS ALLOWANCE / PROVISIONS AND WRITE OFFS - NET		
Credit loss allowance for diminution in value of investments	170,325	89,028
Charge / (reversal) of credit loss allowance against loans and advances	1,060,385	(555,637)
Reversal of credit loss allowance against other assets	(142,588)	(9,172)
Reversal of credit loss allowance against lendings to financial institutions	(7,430)	(5,453)
(Reversal) / charge of credit loss allowance against off-balance sheet obligations	(1,109,362)	759,242
Reversal of credit loss allowance against cash and balances with treasury banks	(16,377)	-
Credit loss allowance against cash and bank balances	804	465
Recovery of written off / charged off bad debts	(37,278)	(22,675)
	<u>(81,521)</u>	<u>255,798</u>
33 TAXATION		
Current	7,720,417	7,677,809
Deferred	(571,678)	410,779
	<u>7,148,739</u>	<u>8,088,588</u>
33.1 Tax status and contingencies		

i) The Bank has filed tax returns for and up to tax year 2025. The assessments for and up to tax year 2025 were amended by the tax authorities creating accumulated additional tax demand, mainly in the matters of admissibility of recoveries against doubtful debts for Rs 1,540 million, provision for diminution in the value of investments for Rs 3,144.44 million, bad debts written off for Rs 243.897 million, provision for substandard advances for Rs 74.95 million, Provision against other assets/ fixed assets for Rs 165.2 million, disallowance ECL charge 910.929 million, interest on lease assets 833.760 million, disallowance of employee benefit expenses Rs 1,162.244 million and other disallowances of expenses/credits for Rs 2,262 million. Bank's appeals against these orders are currently pending before Commissioner Appeals, Appellate Tribunal and Islamabad High Court. The management and tax advisor of the Bank are confident that these matters will be decided in favor of the Bank and consequently no provision has been made thereon. Tax payments by the Bank against certain matters are being carried forward as receivable, as management and tax advisor of the Bank are confident of their realization.

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

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

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

(Un-audited)	
for the period ended	
March 31, 2026	March 31, 2025

34 BASIC AND DILUTED EARNINGS PER SHARE

Profit for the period - Rupees in '000	6,566,158	7,122,716
Weighted average number of Ordinary Shares - numbers	1,449,299,207	1,449,299,207
Basic earnings per share - Rupees	4.53	4.91

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

35 FAIR VALUE MEASUREMENTS

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

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

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

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

35.1 Fair value of financial instruments

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

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

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

	March 31, 2026 (Un-audited)			
	Level 1	Level 2	Level 3	Total
----- Rupees in '000 -----				
On balance sheet financial instruments				
Financial assets - measured at fair value				
Investments				
Federal government securities	96,042,700	2,031,629,488	-	2,127,672,188
Shares	11,795,457	-	3,864,644	15,660,101
Units of open end mutual funds	926,272	1,132,557	-	2,058,829
Fully paid preference shares	25,100	-	-	25,100
Non government debt securities	1,529,432	9,884,147	-	11,413,579
	<u>110,318,961</u>	<u>2,042,646,192</u>	<u>3,864,644</u>	<u>2,156,829,797</u>
Financial assets - disclosed but not measured at fair value				
Investments				
Federal government securities	-	47,570,857	-	47,570,857
	<u>110,318,961</u>	<u>2,090,217,049</u>	<u>3,864,644</u>	<u>2,204,400,654</u>
Off-balance sheet financial instruments - measured at fair value				
Forward purchase of foreign exchange	-	(522,154)	-	(522,154)
Forward sale of foreign exchange	-	417,172	-	417,172

	December 31, 2025 (Audited)			
	Level 1	Level 2	Level 3	Total
----- Rupees in '000 -----				
On balance sheet financial instruments				
Financial assets - measured at fair value				
Investments				
Federal government securities	97,331,600	1,849,021,170	-	1,946,352,770
Shares	15,683,482	-	3,864,644	19,548,126
Units of open end mutual funds	1,186,616	1,358,154	-	2,544,770
Fully paid preference shares	26,214	-	-	26,214
Non government debt securities	1,126,677	10,510,295	-	11,636,972
	<u>115,354,589</u>	<u>1,860,889,619</u>	<u>3,864,644</u>	<u>1,980,108,852</u>
Financial assets - disclosed but not measured at fair value				
Investments				
Federal government securities	-	47,463,431	-	47,463,431
	<u>115,354,589</u>	<u>1,908,353,050</u>	<u>3,864,644</u>	<u>2,027,572,283</u>
Off-balance sheet financial instruments - measured at fair value				
Forward purchase of foreign exchange	-	(1,194,100)	-	(1,194,100)
Forward sale of foreign exchange	-	1,185,000	-	1,185,000

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

	(Un-audited)	(Audited)
	March 31, 2026	December 31, 2025
----- Rupees in '000 -----		
35.3 Fair value of non financial assets	Level 3	Level 3
Fixed assets		
Property and equipment (freehold and leasehold land)	15,164,996	15,164,996
Other assets		
Non-banking assets acquired in satisfaction of claims	962,602	968,390

35.4 Valuation techniques used in determination of fair values

35.4.1 Fair value of financial assets

(a) Financial instruments in level 1

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

(b) Financial instruments in level 2

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

(c) Financial instruments in level 3

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

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

35.4.2 Fair value of non financial assets

Certain categories of property and equipment (freehold and leasehold land), asset held for sale and non banking assets acquired in satisfaction of claims are carried at revalued amounts (level 3 measurement) determined by professional valuers. The valuations are conducted by the valuation experts appointed by the Bank which are also on the panel of the State Bank of Pakistan.

35.4.3 Valuation techniques

Item	Valuation approach and input used
Market Treasury Bills (MTB) / Pakistan Investment Bonds (PIB), and GoP Sukuks (GIS) including their forward contracts	The fair value of MTBs and PIBs are derived using PKRV rates. Floating rate PIBs are revalued using PKFRV rates. The fair value of GoP sukuks listed on the Pakistan Stock Exchange has been determined through closing rates of the Pakistan Stock Exchange. The fair value of other GIS are revalued using PKISRV rates.
GoP Euro Bonds	The fair value of overseas government sukuks, and overseas bonds are determined on the basis of price available on Reuters.
Debt Securities (TFCs and Sukuk other than Government)	Investment in sukuks, debt securities (comprising term finance certificates, bonds and any other security issued by a company or a body corporate for the purpose of raising funds in the form of redeemable capital) are valued on the basis of the rates announced by the Mutual Funds Association of Pakistan in accordance with the methodology prescribed by the Securities and Exchange Commission of Pakistan.
Shares - listed	The fair value of investments in listed equity securities are valued on the basis of closing quoted market price available at the Pakistan Stock Exchange.
Shares - unlisted	The fair value of investments in unlisted equity securities are valued on the basis of income and market approach.
Preference shares - unlisted	The fair value of investment in unlisted preference shares are valued at market approach.
Forward foreign exchange contracts	The valuation has been determined by interpolating the FX revaluation rates announced by the SBP.
Property and equipment, asset held for sale and non banking assets acquired in satisfaction of claims	Land and non banking assets acquired in satisfaction of claims are valued on a periodic basis using professional valuers. The valuation is based on their assessments of the market value of the assets. Asset held for sale is carried at sale price that is reasonable in relation to its fair value.

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

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

36 SEGMENT INFORMATION

36.1 Segment details with respect to business activities

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

For the three month period ended March 31, 2026 (Un-audited)								
Branch banking	Corporate banking	Treasury	Consumer banking	Islamic banking	Foreign operations	Head Office / others	Total	
----- Rupees in '000 -----								
Profit and loss								
Net mark-up / return / profit	(15,087,401)	3,575,942	26,312,540	973,738	4,777,914	346,527	1,204,373	22,103,633
Inter segment revenue - net	24,199,831	(2,886,802)	(22,159,709)	(514,609)	(135,840)	(110,429)	1,607,558	-
Non mark-up / return / interest income	768,829	719,347	3,014,143	134,044	351,214	5,788	196,487	5,189,852
Total income	9,881,259	1,408,487	7,166,974	593,173	4,993,288	241,886	3,008,418	27,293,485
Segment direct expenses	5,048,116	166,503	211,272	572,786	3,014,415	75,709	4,571,308	13,660,109
Inter segment expense allocation	537,503	(3,376)	4,833	64,374	-	-	(603,334)	-
Total expenses	5,585,619	163,127	216,105	637,160	3,014,415	75,709	3,967,974	13,660,109
Credit loss allowance	(377,699)	(79,361)	3,930	2,991	178,347	188,553	1,718	(81,521)
Profit before tax	4,673,339	1,324,721	6,946,938	(46,978)	1,800,526	(22,376)	(961,274)	13,714,897
As at March 31, 2026 (Un-audited)								
Branch banking	Corporate banking	Treasury	Consumer banking	Islamic banking	Foreign operations	Head Office / others	Total	
----- Rupees in '000 -----								
Statement of financial position								
Cash and bank balances	39,331,784	-	99,747,715	102,447	27,489,257	197,126	-	166,868,329
Investments	-	8,251,481	1,997,069,549	-	160,680,622	35,716,026	3,780,879	2,205,498,557
Lendings to financial institutions	-	-	38,640,720	-	13,896,800	7,373,555	22,291	59,933,366
Advances - performing - net of credit loss allowance	20,528,398	264,469,587	1,561,324	22,939,385	175,542,744	2,047,124	114,057,875	601,146,437
Advances - non-performing - net of credit loss allowance	329,265	615,858	-	93,936	251,052	-	-	1,290,111
Others	3,682,884	17,273,951	71,219,409	2,473,998	29,518,591	961,344	55,543,575	180,673,752
Total Assets	63,872,331	290,610,877	2,208,238,717	25,609,766	407,379,066	46,295,175	173,404,620	3,215,410,552
Borrowings	1,446,679	17,520,386	1,208,209,444	2,636,911	31,057,575	17,184,064	135,826	1,278,190,885
Subordinated debts	-	-	-	-	-	-	6,000,000	6,000,000
Deposits and other accounts	1,167,831,898	195,750,936	-	3,150	324,280,207	3,150,618	-	1,691,016,809
Net inter segment balances - net	(1,117,228,920)	72,543,477	995,846,209	20,782,247	4,600,000	18,651,349	4,805,638	-
Others	11,822,674	4,796,078	4,183,064	2,187,458	21,353,782	7,309,144	49,161,839	100,814,039
Total liabilities	63,872,331	290,610,877	2,208,238,717	25,609,766	407,379,066	46,295,175	173,404,620	3,215,410,552
Equity	-	-	-	-	26,087,502	-	113,301,317	139,388,819
Total Equity and liabilities	63,872,331	290,610,877	2,208,238,717	25,609,766	407,379,066	46,295,175	173,404,620	3,215,410,552
Contingencies and commitments	11,607,609	537,823,909	157,577,557	541,362	44,512,697	-	1,363,841	753,426,975
For the three month period ended March 31, 2025 (Un-audited)								
Branch banking	Corporate banking	Treasury	Consumer banking	Islamic banking	Foreign operations	Head Office / others	Total	
----- Rupees in '000 -----								
Profit and loss								
Net mark-up / return / profit	(18,336,188)	10,377,464	26,613,732	1,051,301	2,407,618	266,029	(552,309)	21,827,647
Inter segment revenue - net	28,225,621	(8,312,669)	(19,952,814)	(593,277)	(101,342)	(73,227)	807,708	-
Non mark-up / return / interest income	693,088	946,993	1,482,532	134,365	189,201	2,819	141,833	3,590,831
Total income	10,582,521	3,011,788	8,143,450	592,389	2,495,477	195,621	397,232	25,418,478
Segment direct expenses	5,087,490	208,681	112,124	510,849	1,304,411	72,707	2,655,114	9,951,376
Inter segment expense allocation	(128,961)	(58,682)	116	2,630	-	-	184,897	-
Total expenses	4,958,529	149,999	112,240	513,479	1,304,411	72,707	2,840,011	9,951,376
Credit loss allowance	(122,833)	281,794	-	8,327	87,700	-	810	255,798
Profit before tax	5,746,825	2,579,995	8,031,210	70,583	1,103,366	122,914	(2,443,589)	15,211,304
As at December 31, 2025 (Audited)								
Branch banking	Corporate banking	Treasury	Consumer banking	Islamic banking	Foreign operations	Head Office / others	Total	
----- Rupees in '000 -----								
Statement of financial position								
Cash and bank balances	39,713,267	-	52,665,636	102,803	29,816,282	114,418	-	122,412,406
Investments	-	10,120,611	1,840,134,305	-	163,750,022	13,228,464	1,535,581	2,028,768,983
Lendings to financial institutions	-	-	-	-	6,600,000	7,528,026	-	14,128,026
Advances - performing - net of credit loss allowance	26,502,676	353,989,560	-	21,945,763	166,356,832	2,185,007	14,851,636	585,831,474
Advances - non-performing - net of credit loss allowance	315,112	293,975	-	108,383	72,960	-	-	790,430
Others	3,935,204	22,944,180	38,335,112	680,778	21,079,591	278,114	55,817,271	143,070,250
Total Assets	70,466,259	387,348,326	1,931,135,053	22,837,727	387,675,687	23,334,028	72,204,488	2,895,001,568
Borrowings	1,060,876	23,136,571	942,714,152	2,761,911	23,492,461	1,400,615	-	994,566,586
Subordinated debts	-	-	-	-	-	-	6,000,000	6,000,000
Deposits and other accounts	1,029,651,457	284,823,966	-	3,200	312,152,823	4,634,386	65,917	1,631,331,749
Net inter segment balances - net	(990,090,551)	62,214,574	972,209,047	12,452,605	-	17,129,897	(73,915,572)	-
Others	29,844,477	17,173,215	16,211,854	7,620,011	21,205,973	169,130	19,132,464	111,357,124
Total liabilities	70,466,259	387,348,326	1,931,135,053	22,837,727	387,675,687	23,334,028	72,204,488	2,895,001,568
Equity	-	-	-	-	30,824,430	-	120,921,679	151,746,109
Total Equity and liabilities	70,466,259	387,348,326	1,931,135,053	22,837,727	387,675,687	23,334,028	72,204,488	2,895,001,568
Contingencies and commitments	12,285,507	433,612,602	273,353,287	541,416	21,023,984	1,995	1,472,377	742,291,168

37 RELATED PARTY TRANSACTIONS

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

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

Details of transactions with related parties and balances are as follows:

	As at March 31, 2026 (Un-audited)					As at December 31, 2025 (Audited)				
	Parent	Directors	Key management personnel & their relatives	Subsidiaries	Other related parties	Parent	Directors	Key management personnel & their relatives	Subsidiaries	Other related parties
----- Rupees in '000 -----										
Investments										
Opening balance	-	-	-	1,196,700	10,121,783	-	-	-	1,196,700	4,283,287
Investment made during the period / year	-	-	-	-	-	-	-	-	-	20,614
Investment redeemed / disposed off during the period / year	-	-	-	-	(15,837)	-	-	-	-	(119,316)
Revaluation adjustment	-	-	-	-	(2,236,546)	-	-	-	-	5,405,563
Transfer in / (out) - net	-	-	-	-	(21,837)	-	-	-	-	531,635
Closing balance	-	-	-	1,196,700	7,847,563	-	-	-	1,196,700	10,121,783
Advances										
Opening balance	7,971,901	3,570	202,082	499,457	12,809,917	17,970,281	1,292	266,833	71,926	13,638,055
Addition during the period / year	160,598,170	2,254	104,378	500,351	26,173,895	635,348,507	33,444	136,891	3,438,531	55,316,196
Repaid during the period / year	(160,281,514)	(2,111)	(29,759)	(500,000)	(8,017,189)	(645,346,886)	(31,083)	(91,762)	(3,011,000)	(56,144,334)
Transfer in / (out) - net	-	-	(14)	-	(2,245,876)	-	(83)	(109,880)	-	-
Closing balance	8,288,557	3,713	276,687	499,808	28,720,747	7,971,901	3,570	202,082	499,457	12,809,917
Credit loss allowance against advances	3	6	32	-	3,534,724	1,091	6	85	1,190	1,984,522
Other Assets										
Interest / mark-up accrued	151,966	51	30,019	-	711,211	187,427	55	28,581	-	233,036
Advance rent	1,057	-	-	-	-	2,000	-	-	-	1,670
Acceptances	2,975,957	-	-	-	483,709	-	-	-	-	75,070
Receivable from staff retirement fund	-	-	-	-	-	860,234	-	-	-	227,238
Other receivable	15,000	-	-	199,241	-	-	-	-	181,371	-
Borrowings										
Opening balance	-	-	-	-	2,761,911	-	-	-	-	4,252,855
Borrowings during the period / year	-	-	-	-	-	-	-	-	-	-
Settled during the period	-	-	-	-	(125,000)	-	-	-	-	(1,490,944)
Closing balance	-	-	-	-	2,636,911	-	-	-	-	2,761,911
Deposits and other accounts										
Opening balance	44,177,045	173,118	129,151	1,291,764	49,860,540	18,698,701	43,251	234,398	884,611	25,168,932
Received during the period / year	121,199,915	250,070	634,516	13,847,006	338,206,997	716,688,077	757,192	837,811	48,152,755	1,010,264,386
Withdrawn during the period / year	(117,293,633)	(235,695)	(460,792)	(13,371,517)	(344,255,212)	(691,209,733)	(713,783)	(790,873)	(47,745,602)	(985,995,795)
Transfer in / (out) - net	-	-	46	-	55,976	-	86,458	(152,185)	-	423,018
Closing balance	48,083,327	187,493	302,922	1,767,253	43,868,302	44,177,045	173,118	129,151	1,291,764	49,860,540
Other Liabilities										
Interest / mark-up payable	17,777	253	1,510	3,189	248,301	345,982	3,634	837	6	849,976
Payable to staff retirement fund	-	-	-	-	122,645	-	-	-	-	-
Acceptances	2,975,957	-	-	-	483,709	860,234	-	-	-	227,238
Security deposits payable	-	-	-	-	915,818	-	-	-	-	831,716
Others	-	-	57,088	-	36,851	-	-	60,244	-	25,426
Guarantees and Commitments										
Guarantees and Commitments	2,751,737	-	-	-	17,256,685	6,468,035	-	-	-	7,425,207
Others										
Dividend paid	1,823,893	-	-	-	18,336	6,513,901	-	-	-	63,689
Securities held as custodian	32,467,500	-	40,300	-	13,613,750	32,840,000	9,400	76,000	300,500	15,408,455

For the three months ended March 31, 2026 (Un-audited)					For the three months ended March 31, 2025 (Un-audited)				
Parent	Directors	Key management personnel & their relatives	Subsidiaries	Other related parties	Parent	Directors	Key management personnel & their relatives	Subsidiaries	Other related parties

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

Income

Mark-up / return / interest earned	152,017	138	2,028	351	590,469	277,159	145	14,372	-	183,130
Fee and commission income	300	-	-	-	29,280	681	-	-	-	11,240
Dividend income	-	-	-	-	91,842	-	-	-	44,064	99,133
Other Income	607	-	-	-	4,692	1,147	-	-	-	1,281

Expense

Mark-up / return / interest expensed	306,110	2,795	2,922	21,718	737,313	946,654	630	2,071	10,173	628,558
Charge to defined benefit plan	-	-	-	-	302,788	-	-	-	-	166,302
Contribution to defined contribution plan	-	-	-	-	149,736	-	-	-	-	116,555
Remuneration and allowances	-	-	436,944	-	2,987	-	-	210,237	-	2,968
Rent	796	-	-	-	73	753	-	-	-	66
Communications	-	-	-	-	125,138	-	-	-	-	60,473
Brokerage and Commission	-	-	-	45	39,922	-	-	-	-	22,530
Directors' Fee, Allowances	-	11,200	-	-	-	-	16,160	-	-	-
Marketing, advertisement and publicity	-	-	-	-	9,398	-	-	-	-	-
Others	-	-	-	-	-	1,356	-	-	-	-

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

38 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
	----- Rupees in '000 -----	
Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	<u>14,492,992</u>	<u>14,492,992</u>
Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier 1 (CET 1) Capital	123,708,336	119,371,547
Eligible Additional Tier 1 (ADT 1) Capital	5,150,000	5,425,000
Total Eligible Tier 1 Capital	128,858,336	124,796,547
Eligible Tier 2 Capital	14,640,979	31,153,056
Total Eligible Capital (Tier 1 + Tier 2)	<u>143,499,315</u>	<u>155,949,603</u>
Risk Weighted Assets (RWAs):		
Credit Risk	490,273,037	445,113,700
Market Risk	125,328,131	120,268,765
Operational Risk	156,830,777	156,830,777
Total	<u>772,431,945</u>	<u>722,213,242</u>
Common Equity Tier 1 Capital Adequacy Ratio	<u>16.02%</u>	<u>16.53%</u>
Tier 1 Capital Adequacy Ratio	<u>16.68%</u>	<u>17.28%</u>
Total Capital Adequacy Ratio	<u>18.58%</u>	<u>21.59%</u>
Leverage Ratio (LR):		
Eligible Tier-1 Capital	128,858,336	124,796,547
Total Exposures	3,699,338,534	3,370,148,603
Leverage Ratio	<u>3.48%</u>	<u>3.70%</u>
Liquidity Coverage Ratio (LCR):		
Total High Quality Liquid Assets	1,288,019,816	1,099,326,272
Total Net Cash Outflow	632,156,853	536,214,959
Liquidity Coverage Ratio	<u>203.75%</u>	<u>205.02%</u>
Net Stable Funding Ratio (NSFR):		
Total available stable funding	1,653,546,778	1,597,593,843
Total required stable funding	690,530,318	637,667,792
Net Stable Funding Ratio	<u>239.46%</u>	<u>250.54%</u>

38.1 The SBP in its application instructions for IFRS 9 has permitted the banks to adopt a transitional approach to phase in the initial impact of ECL for stage 1 and 2 financial assets over a period of five years. Had this relaxation not been availed, the Bank's CAR and Leverage Ratio would have been lower by 0.24% and 0.05% respectively.

39. Islamic Banking Business

The Bank is operating 368 (2025: 365) Islamic banking branches including 18 sub-branches (2025: 18) and 343 Islamic banking windows (2025: 1).

		(Un-audited)	(Audited)
		March 31, 2026	December 31, 2025
	Note	(Rupees in '000)	
ASSETS			
Cash and balances with treasury banks		25,965,514	27,337,908
Balances with other banks		1,523,743	2,478,374
Due from financial Institutions	39.1	13,896,800	6,600,000
Investments	39.2	160,680,622	163,750,022
Islamic financing and related assets - net	39.3	175,793,796	166,429,792
Property and Equipment		3,521,146	2,968,954
Right-of-use assets'		6,005,526	6,013,607
Other assets		19,991,919	12,097,030
Total assets		<u>407,379,066</u>	<u>387,675,687</u>
LIABILITIES			
Bills payable		5,305,076	6,517,679
Due to financial institutions		31,057,575	23,492,461
Deposits and other accounts	39.4	324,280,207	312,152,823
Due to head office		-	-
Lease liabilities		7,172,548	7,056,495
Other liabilities		8,876,158	7,631,799
		<u>376,691,564</u>	<u>356,851,257</u>
NET ASSETS		<u><u>30,687,502</u></u>	<u><u>30,824,430</u></u>
REPRESENTED BY			
Islamic Banking Fund		4,600,000	4,600,000
Deficit on revaluation of assets		(982,774)	954,680
Unappropriated profit	39.5	<u>27,070,276</u>	<u>25,269,750</u>
		<u><u>30,687,502</u></u>	<u><u>30,824,430</u></u>
CONTINGENCIES AND COMMITMENTS	39.6		

The profit and loss account of the Bank's Islamic banking branches for the quarter ended March 31, 2026 is as follows:

		(Un-audited)	
		Three month period ended	
		March 31, 2026	March 31, 2025
	Note	(Rupees in '000)	
Profit / return earned	39.7	8,648,933	4,880,233
Profit / return expensed	39.8	3,936,209	2,573,957
Net Profit / return		<u>4,712,724</u>	<u>2,306,276</u>
Other income			
Fee and Commission Income		252,728	99,579
Dividend Income		-	-
Foreign Exchange Income		21,562	21,718
Gain on securities		23,593	28,714
Other Income		51,592	59,234
Total other income		<u>349,475</u>	<u>209,245</u>
Total Income		<u>5,062,199</u>	<u>2,515,521</u>
Other expenses			
Operating expenses		3,083,005	1,325,350
Other charges		321	22
Total other expenses		<u>3,083,326</u>	<u>1,325,372</u>
Profit before credit loss allowance		<u>1,978,873</u>	<u>1,190,149</u>
Credit loss allowance / provisions and write offs - net		178,347	86,783
Profit before taxation		<u><u>1,800,526</u></u>	<u><u>1,103,366</u></u>

	March 31, 2026 (Un-audited)			December 31, 2025 (Audited)		
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
	(Rupees in '000)			(Rupees in '000)		
39.1 Due from financial institutions						
Secured	-	-	-	-	-	-
Unsecured	8,900,000	-	8,900,000	6,600,000	-	6,600,000
Bai Muajjal Receivable from other Financial Institutions	4,996,800	-	4,996,800	-	-	-
Bai Muajjal Receivable from State Bank of Pakistan	-	-	-	-	-	-
	13,896,800	-	13,896,800	6,600,000	-	6,600,000
Less: Credit Loss Allowance						
Stage 1	-	-	-	-	-	-
Stage 2	-	-	-	-	-	-
Stage 3	-	-	-	-	-	-
	-	-	-	-	-	-
Due from financial institutions - net of credit loss allowance	13,896,800	-	13,896,800	6,600,000	-	6,600,000

	March 31, 2026 (Un-audited)				December 31, 2025 (Audited)			
	Cost / amortized cost	Credit loss allowance	Surplus / (deficit)	Carrying value	Cost / amortized cost	Provision for diminution	Surplus / (deficit)	Carrying value
	(Rupees in '000)							
39.2 Investments by segments:								
Debt Instruments								
Classified / Measured at amortised cost								
Non Government Debt Securities	90,903	(90,903)	-	-	90,903	(90,903)	-	-
Classified / Measured at FVOCI								
Federal Government Securities:	-	-	-	-	-	-	-	-
- Ijarah Sukuks	155,826,553	-	(982,774)	154,843,779	156,948,891	-	954,680	157,903,571
Non Government Debt Securities	3,028,377	(154,099)	-	2,874,278	3,253,377	(154,099)	-	3,099,278
	158,854,930	(154,099)	(982,774)	157,718,057	160,202,268	(154,099)	954,680	161,002,849
Classified / Measured at FVTPL								
Non Government Debt Securities	2,047,311	-	21,075	2,068,386	2,040,185	-	7,126	2,047,311
Islamic Naya Pakistan Certificates	785,239	-	-	785,239	593,439	-	-	593,439
Units of Open end Mutual Fund	106,423	-	2,517	108,940	109,212	-	(2,789)	106,423
Total investments	161,884,806	(245,002)	(959,182)	160,680,622	163,036,007	(245,002)	959,017	163,750,022

	March 31, 2026 (Un-audited)				December 31, 2025 (Audited)			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	(Rupees in '000)							
39.2.1 Particulars of credit loss allowance								
Federal Government Securities	-	-	-	-	-	-	-	-
Non Government Debt Securities	4,099	-	240,903	245,002	4,099	-	240,903	245,002
	4,099	-	240,903	245,002	4,099	-	240,903	245,002

	(Un-audited)	(Audited)				
	March 31, 2026	December 31, 2025				
	(Rupees in '000)					
39.3 ISLAMIC FINANCING AND RELATED ASSETS						
Ijarah	16,776,135	16,035,057				
Murabaha - note 39.3.1	5,946,685	5,911,855				
Musharakah	19,786,767	52,322,201				
Diminishing Musharakah	57,532,777	46,970,551				
Salam	30,919,388	9,928,931				
Istisna	10,295,359	10,805,153				
Receivable against sale of Istisna / Salam Inventory	2,508,659	1,535,148				
Service Ijarah	5,052,355	5,167,210				
Wakalah	1,697,411	1,734,163				
Bai Muajjal	16,118,949	11,574,719				
Other Islamic Modes (Qard)	1,640,683	1,420,349				
Advances against Islamic assets - note 39.3.2	4,534,895	3,293,309				
Inventory related to Islamic financing - note 39.3.3	8,528,703	5,129,166				
Gross Islamic financing and related assets	181,338,766	171,827,812				
Less: Credit loss allowance against Islamic financings						
- Stage 1	439,387	478,842				
- Stage 2	250,524	456,386				
- Stage 3	4,855,059	4,462,792				
	5,544,970	5,398,020				
Islamic financing and related assets - net of Credit loss allowance	175,793,796	166,429,792				
39.3.1 Includes advance against Murabaha of Rs.527,366 thousand (December 31, 2025: Rs.162,347 thousand).						
39.3.2 Advance against Islamic assets						
	Ijarah	Musawamah	Diminishing Musharakah	Salam	Istisna	Total
	(Rupees in '000)					
March 31, 2026 (Un-audited)	2,018,681	-	2,516,214	-	-	4,534,895
December 31, 2025 (Audited)	1,542,635	-	1,750,674	-	-	3,293,309
39.3.3 Inventory related to Islamic financing						
	Murabaha	Musawamah	Diminishing Musharakah	Salam	Istisna	Total
	(Rupees in '000)					
March 31, 2026 (Un-audited)	25,427	1,279,079	-	2,717,352	4,506,845	8,528,703
December 31, 2025 (Audited)	-	1,019,055	-	1,770,180	2,339,931	5,129,166
					(Un-audited)	(Audited)
					March 31, 2026	December 31, 2025
					(Rupees in '000)	
39.4 DEPOSITS AND OTHER ACCOUNTS						
Customers						
Current deposits - non remunerative					168,892,027	145,136,462
Current deposits - remunerative					2,547,848	2,372,671
Savings deposits					106,786,161	111,490,556
Term deposits					21,650,246	19,863,500
Others					8,968,972	5,378,842
					308,845,254	284,242,031
Financial Institutions						
Current deposits - non remunerative					225,553	639,046
Current deposits - remunerative					17,183	9,147
Savings deposits					4,588,217	4,328,599
Term deposits					10,604,000	22,934,000
					15,434,953	27,910,792
					324,280,207	312,152,823
39.5 ISLAMIC BANKING BUSINESS UNAPPROPRIATED PROFIT						
Opening balance					25,269,750	19,270,458
Less: Impact of IFRS-9 - adoption					-	(63,166)
Balance as at January 01,					25,269,750	19,207,292
Add: Islamic banking profit for the period					1,800,526	6,062,458
Closing Balance					27,070,276	25,269,750
39.6 CONTINGENCIES AND COMMITMENTS						
-Guarantees					7,331,222	8,800,810
-Commitments					9,950,309	12,223,174
					17,281,531	21,023,984

		(Un-audited)	
		Three month period ended	
		March 31, 2026	March 31, 2025
		(Rupees in '000)	
39.7	PROFIT / RETURN EARNED ON FINANCING, INVESTMENTS AND PLACEMENTS		
	Profit earned on:		
	Financing	3,990,449	2,144,530
	Investments	4,329,237	2,700,005
	Placements	329,247	35,698
		<u>8,648,933</u>	<u>4,880,233</u>
39.8	PROFIT ON DEPOSITS AND OTHER DUES EXPENSED		
	Deposits and other accounts	2,777,145	1,879,144
	Due to financial institutions	825,200	289,111
	Due to head office	135,840	293,627
	Lease liability against right-of-use assets	198,024	112,075
		<u>3,936,209</u>	<u>2,573,957</u>
39.9	CHARITY FUND		
	Opening balance	18,107	29,496
	Additions during the period		
	- Received from customers on delayed payments	7,895	21,819
	- Profit on charity account	6	25
	- Others	183	731
		8,084	22,575
	Payments / utilization during the period		
	- Education	-	-
	- Relief related activities	-	-
	- Health	-	(33,964)
	- Orphanage	-	-
		-	(33,964)
	Closing balance	<u>26,191</u>	<u>18,107</u>

40 GENERAL

40.1 Non-adjusting events after the balance sheet date

The Board of Directors in its meeting held on April 27, 2026 has announced an interim cash dividend of Rs. 2 per share (March 31, 2025: nil) for the three month period ended March 31, 2026. These unconsolidated condensed interim financial statements for the three month period ended March 31, 2026 do not include the effect of this appropriation which will be accounted for subsequent to the period end.

40.2 Reclassification of comparative figures

Where necessary, comparative information has been reclassified, rearranged or additionally incorporated in these unconsolidated condensed interim financial statements.

41 DATE OF AUTHORIZATION

These unconsolidated condensed interim financial statements were authorized for issue by the Board of Directors on April 27, 2026.


Chief Financial Officer


President & CEO


Director


Director


Chairman



CONSOLIDATED
CONDENSED INTERIM
FINANCIAL STATEMENTS

FOR THE THREE MONTH PERIOD ENDED
MARCH 31, 2026


ASKARI BANK LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2026

		(Un-audited) March 31, 2026	(Audited) December 31, 2025
	Note	----- Rupees in '000 -----	
ASSETS			
Cash and balances with treasury banks	6	126,228,443	108,988,768
Balances with other banks	7	42,483,583	14,988,447
Lendings to financial institutions	8	59,933,366	14,128,026
Investments	9	2,204,647,205	2,028,240,826
Advances	10	601,936,548	586,121,904
Property and equipment	11	27,336,160	26,397,266
Right-of-use assets	12	15,311,186	15,128,302
Intangible assets	13	2,277,614	2,215,160
Deferred tax assets	20	4,193,821	-
Other assets	14	132,565,064	101,281,135
Total Assets		<u>3,216,912,990</u>	<u>2,897,489,834</u>
LIABILITIES			
Bills payable	15	18,108,869	23,259,370
Borrowings	16	1,278,190,885	994,566,586
Deposits and other accounts	17	1,689,249,557	1,630,039,984
Lease liabilities	18	18,135,690	17,642,967
Subordinated debts	19	6,000,000	6,000,000
Deferred tax liabilities	20	-	14,280,694
Other liabilities	21	66,858,986	58,992,466
Total Liabilities		<u>3,076,543,987</u>	<u>2,744,782,067</u>
NET ASSETS		<u>140,369,003</u>	<u>152,707,767</u>
REPRESENTED BY			
Share capital		14,492,992	14,492,992
Reserves		104,314,922	88,971,868
Surplus on revaluation of assets - net of tax	22	14,640,979	31,153,056
Unappropriated profit		6,304,405	17,498,418
Non-controlling interest		615,705	591,433
		<u>140,369,003</u>	<u>152,707,767</u>

CONTINGENCIES AND COMMITMENTS 23

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


Chief Financial Officer


President & CEO


Director


Director


Chairman

ASKARI BANK LIMITED

CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS ACCOUNT (UN-AUDITED)

FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2026

		Three month period ended	
		March 31, 2026	March 31, 2025
		----- Rupees in '000 -----	
	Note		
Mark-up / return / interest earned	25	74,677,316	75,935,646
Mark-up / return / interest expensed	26	52,526,449	54,012,365
Net mark-up / interest income		22,150,867	21,923,281
NON MARK-UP / INTEREST INCOME			
Fee and commission income	27	2,209,219	1,764,213
Dividend income		247,846	234,051
Foreign exchange income		836,870	707,506
Income / (loss) from derivatives		-	-
Gain on securities	28	1,952,189	828,675
Net gains / (loss) on derecognition of financial assets measured at amortised cost		-	-
Other income	29	143,552	173,959
Total non-markup / interest income		5,389,676	3,708,404
Total income		27,540,543	25,631,685
NON MARK-UP / INTEREST EXPENSES			
Operating expenses	30	13,736,057	9,943,690
Workers' welfare fund		135,800	156,478
Other charges	31	2,735	1,446
Total non-markup / interest expenses		13,874,592	10,101,614
Profit before credit loss allowance		13,665,951	15,530,071
Credit loss allowance / (reversals) and write offs - net	32	(81,521)	255,798
Extra ordinary / unusual items		-	-
PROFIT BEFORE TAXATION		13,747,472	15,274,273
Taxation	33	7,162,788	8,118,021
PROFIT AFTER TAXATION		6,584,684	7,156,252
Profit after taxation attributable to			
Non-controlling interest		24,272	31,521
Equity holders of the Bank		6,560,412	7,124,731
		6,584,684	7,156,252
----- Rupees -----			
Basic and diluted earnings per share	34	4.54	4.94

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


Chief Financial Officer


President & CEO


Director

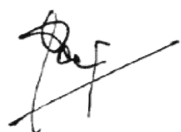

Director


Chairman

ASKARI BANK LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2026

	Three month period ended	
	March 31, 2026	March 31, 2025
	----- Rupees in '000 -----	
Profit after taxation for the period	6,584,684	7,156,252
Other comprehensive income		
Items that may be reclassified to statement of profit and loss account in subsequent periods:		
Effect of translation of net investment in Wholesale Bank Branch Bahrain	(21,578)	32,024
Movement in surplus on revaluation of debt investments through FVOCI - net of tax	(14,935,834)	(2,267,293)
	(14,957,412)	(2,235,269)
Items that will not be reclassified to statement of profit and loss account in subsequent periods:		
Movement in surplus on revaluation of equity investments through FVOCI - net of tax	(1,429,762)	539,277
Remeasurement (loss) / gain on defined benefit obligation	-	1,357
	(1,429,762)	540,634
Total comprehensive income	<u>(9,802,490)</u>	<u>5,460,260</u>
Total comprehensive income attributable to		
Non-controlling interest	24,272	32,186
Equity holders of the Bank	(9,826,762)	5,428,074
	<u>(9,802,490)</u>	<u>5,460,260</u>

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



Chief Financial Officer



President & CEO



Director



Director



Chairman

ASKARI BANK LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2026

	Surplus / (deficit) on revaluation of									
	Share capital	Exchange translation reserve	Merger reserve	Statutory reserve	General reserve	Investments	Property and equipment / Non banking assets	Un-appropriated profit	Non-Controlling Interest	Total
Balance as at January 1, 2025 (audited) - restated	14,492,992	1,862,044	128,355	19,850,796	52,848,932	6,591,154	10,967,967	16,087,122	469,340	123,298,702
Total comprehensive income for the three month ended March 31, 2025										
Profit after taxation for the three month period ended March 31, 2025	-	-	-	-	-	-	-	7,124,731	31,521	7,156,252
Other comprehensive income - net of tax										
Effect of translation of net investment in foreign branch	-	32,024	-	-	-	-	-	-	-	32,024
Movement in surplus on revaluation of debt investments through FVOCI - net of tax	-	-	-	-	-	(2,267,293)	-	-	-	(2,267,293)
Movement in surplus on revaluation of equity investments through FVOCI - net of tax	-	-	-	-	-	539,277	-	-	-	539,277
Remeasurement gain on defined benefit plan	-	-	-	-	-	-	-	692	665	1,357
	-	32,024	-	-	-	(1,728,016)	-	692	665	(1,694,635)
Transfer to										
Statutory reserve	-	-	-	712,473	-	-	-	(712,473)	-	-
General reserve	-	-	-	712,473	11,977,902	-	-	(11,977,902)	-	-
	-	-	-	712,473	11,977,902	-	-	(12,690,375)	-	-
Gain on disposal of equity securities measured at FVOCI - net of tax	-	-	-	-	-	(176,267)	-	176,267	-	-
Transactions with owners, recorded directly in equity										
Final dividend 2024	-	-	-	-	-	-	-	(4,347,898)	(42,336)	(4,390,234)
Balance as at March 31, 2025 (un-audited)	14,492,992	1,894,068	128,355	20,563,269	64,826,834	4,686,871	10,967,967	6,350,539	459,190	124,370,085
Total comprehensive income for the nine month period ended December 31, 2025										
Profit after taxation for the nine month period ended December 31, 2025	-	-	-	-	-	-	-	15,736,081	132,579	15,868,660
Other comprehensive income - net of tax										
Effect of translation of net investment in foreign branch	-	(8,517)	-	-	-	-	-	-	-	(8,517)
Movement in surplus on revaluation of debt investments through FVOCI - net of tax	-	-	-	-	-	13,118,482	-	-	-	13,118,482
Movement in surplus on revaluation of equity investments through FVOCI - net of tax	-	-	-	-	-	2,224,867	-	-	-	2,224,867
Remeasurement gain on defined benefit plan	-	-	-	-	-	-	-	21,519	(336)	21,183
Movement in surplus on revaluation of property and equipment	-	(8,517)	-	-	-	-	1,823,229	-	-	1,823,229
	-	(8,517)	-	-	-	15,343,349	1,823,229	21,519	(336)	17,179,244
Transfer from surplus on revaluation of assets to unappropriated profit on disposal	-	-	-	-	-	-	(980,987)	980,987	-	-
Transfer to										
Statutory reserve	-	-	-	1,567,859	-	-	-	(1,567,859)	-	-
General reserve	-	-	-	1,567,859	-	-	-	(1,567,859)	-	-
Gain on disposal of equity instruments measured at FVOCI - net of tax	-	-	-	-	-	(687,373)	-	687,373	-	-
Transactions with owners, recorded directly in equity										
Interim Dividend 2025: Rs 2 per share	-	-	-	-	-	-	-	(2,898,598)	-	(2,898,598)
Interim Dividend 2025: Rs 1.25 per share	-	-	-	-	-	-	-	(1,811,624)	-	(1,811,624)
Balance as at December 31, 2025 (audited)	14,492,992	1,885,551	128,355	22,131,128	64,826,834	19,342,847	11,810,209	17,498,418	591,433	152,707,767
Total comprehensive income for the three month period ended March 31, 2026										
Profit after taxation for the three month period ended March 31, 2026	-	-	-	-	-	-	-	6,560,412	24,272	6,584,684
Other comprehensive income - net of tax										
Effect of translation of net investment in foreign branch	-	(21,578)	-	-	-	-	-	-	-	(21,578)
Movement in surplus on revaluation of debt investments through FVOCI - net of tax	-	-	-	-	-	(14,935,834)	-	-	-	(14,935,834)
Movement in surplus on revaluation of equity investments through FVOCI - net of tax	-	-	-	-	-	(1,429,762)	-	-	-	(1,429,762)
	-	(21,578)	-	-	-	(16,365,596)	-	-	24,272	(16,362,902)
Transfer to										
Statutory reserve	-	-	-	656,616	-	-	-	(656,616)	-	-
General reserve	-	-	-	656,616	14,708,016	-	-	(14,708,016)	-	-
	-	-	-	656,616	14,708,016	-	-	(15,364,632)	-	-
Gain on disposal of equity securities measured at FVOCI - net of tax	-	-	-	-	-	(146,481)	-	146,481	-	-
Transactions with owners, recorded directly in equity										
Final dividend 2025: Rs. 1.75 per share	-	-	-	-	-	-	-	(2,536,274)	-	(2,536,274)
Balance as at March 31, 2026 (un-audited)	14,492,992	1,863,973	128,355	22,787,744	79,534,850	2,830,770	11,810,209	6,304,405	615,705	140,369,003

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



Chief Financial Officer



President & CEO



Director



Director




Chairman

ASKARI BANK LIMITED
CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2026

	Note	Three month period ended	
		March 31, 2026	March 31, 2025
----- Rupees in '000 -----			
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before taxation		13,747,472	15,211,304
Less: Dividend income		(247,846)	(278,115)
		<u>13,499,626</u>	<u>14,933,189</u>
Adjustments:			
Depreciation		583,379	436,747
Amortization	30	69,029	55,818
Depreciation on right-of-use assets	30	665,252	549,368
Interest expense on lease liability against ROU assets	26	532,251	435,482
Gain on termination of lease contracts	29	(5,303)	(1,638)
Charge for defined benefit plan		302,788	166,302
Credit loss allowance and write offs		(44,243)	278,473
Unrealised loss / (gain) on revaluation of securities - FVTPL	28	621,628	-
Gain on sale of property and equipment	29	(13,013)	(20,798)
		<u>2,711,768</u>	<u>1,899,754</u>
		<u>16,211,394</u>	<u>16,832,943</u>
Decrease / (increase) in operating assets			
Lendings to financial institutions		(45,797,910)	(21,332,083)
Securities classified as FVTPL		1,501,652	2,184,105
Advances		(16,875,029)	145,185,091
Other assets (excluding advance taxation)		(31,668,778)	(27,840,228)
		<u>(92,840,065)</u>	<u>98,196,885</u>
Increase / (decrease) in operating liabilities			
Bills payable		(5,150,501)	(46,587,938)
Borrowings from financial institutions		284,493,362	69,254,138
Deposits		59,209,573	23,916,529
Other liabilities		8,815,733	9,471,946
		<u>347,368,167</u>	<u>56,054,675</u>
		<u>270,739,496</u>	<u>171,084,503</u>
Payment made to defined benefit plan		(35,785)	(18,652)
Income tax paid		(7,305,247)	(9,514,930)
Net cash flow from operating activities		<u>263,398,464</u>	<u>161,550,921</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Net investments in securities classified as FVOCI		(212,780,795)	(148,084,649)
Net investments in amortized cost securities		(102,917)	39,876
Dividend received		119,560	260,624
Investments in property and equipment		(1,528,471)	(1,040,997)
Investments in intangible assets		(131,800)	(63,072)
Disposals of property and equipment		18,337	40,690
Effect of translation of net investment in Wholesale Bank Branch		(21,578)	32,024
Net cash flow used in investing activities		<u>(214,427,664)</u>	<u>(148,815,504)</u>
CASH FLOW FROM FINANCING ACTIVITIES			
Payments of lease obligation against right-of-use assets	18	(859,473)	(988,614)
Dividend paid		(2,507,453)	(4,218,446)
Net cash flow used in financing activities		<u>(3,366,926)</u>	<u>(5,207,060)</u>
Decrease in cash and cash equivalents		<u>45,603,874</u>	<u>7,526,869</u>
Cash and cash equivalents at beginning of the period		<u>122,576,600</u>	<u>144,281,319</u>
Cash and cash equivalents at end of the period		<u><u>168,180,474</u></u>	<u><u>151,808,188</u></u>

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


Chief Financial Officer


President & CEO


Director


Director


Chairman

ASKARI BANK LIMITED
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2026

1 STATUS AND NATURE OF BUSINESS

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

Askari Bank Limited (the Bank) was incorporated in Pakistan on October 9, 1991 as a Public Limited Company and is listed on the Pakistan Stock Exchange. The registered office of the Bank is situated at AWT Plaza, the Mall, Rawalpindi. The Bank is a scheduled commercial bank and is principally engaged in the business of banking as defined in the Banking Companies Ordinance, 1962. The Fauji Consortium: comprising of Fauji Foundation (FF) and Fauji Fertilizer Company Limited (FFCL) collectively owned 71.91 (2025: 71.91) percent shares of the Bank. The ultimate parent of the Bank is Fauji Foundation. The Bank has 760 branches (2025: 757 branches); 759 in Pakistan and Azad Jammu and Kashmir including 368 (2025: 365) Islamic Banking branches and 66 (2025: 66) sub-branches and a Wholesale Bank Branch (WBB) in the Kingdom of Bahrain. The Pakistan Credit Rating Agency (PACRA) has assigned long term rating of AA+ and short term rating of A1+ to the Bank with stable outlook.

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

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

2 BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

2.1 Basis of Presentation and Consolidation

- 2.1.1** These consolidated financial statements represent financial statements of the Holding Company – Askari Bank Limited and its subsidiaries. The assets and liabilities of the subsidiaries have been consolidated on a line-by line basis and the investments held by the Holding Company is eliminated against the corresponding share capital of the subsidiaries in these consolidated financial statements.
- 2.1.2** These consolidated financial statements have been prepared in accordance with the format for preparation of the annual financial statements of the banks issued by the State Bank of Pakistan (SBP), vide its BPRD Circular No. 13 dated July 01, 2024.
- 2.1.3** In accordance with the directives of the Federal Government regarding the shifting of the banking system to Islamic modes, the State Bank of Pakistan (SBP) has issued various circulars from time to time. Permissible forms of trade-related modes of financing include purchase of goods by the banks from their customers and immediate resale to them at appropriate profit in price on deferred payment basis. The purchases and sales arising under the respective arrangements (except for Murabaha financings accounted for under Islamic Financial Accounting Standard – 1 “Murabaha”) are not reflected in these consolidated financial statements as such, but are restricted to the amount of facility actually utilized and the appropriate portion of profit thereon.
- 2.1.4** Items included in the consolidated financial statements are measured using the currency of the primary economic environment in which the Group operates. The consolidated financial statements are presented in Pakistan Rupee (Rupees), which is the Group’s functional and presentation currency. Figures have been rounded off to the nearest thousand of rupees unless otherwise stated.
- 2.1.5** Subsidiary is that enterprise in which the holding company directly or indirectly controls, beneficially owns or holds more than 50% of the voting securities or otherwise has the power to elect and appoint more than 50% of its directors. The financial statements of the subsidiary are included in the consolidated financial statements from the date control commences until the date that control ceases.

2.1.6 Material intra-group balances and transactions have been eliminated. Non-controlling interests are part of net results of the operations and of net assets of the subsidiaries attributable to interests which are not owned by the Group. Non-controlling interests are presented as separate item in the consolidated financial statements.

2.2 STATEMENT OF COMPLIANCE

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

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

Whenever the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 or the directives 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.

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

2.2.3 SBP vide BSD Circular Letter No. 10, dated August 26, 2002, has deferred the applicability of International Accounting Standard (IAS) 40, Investment Property for banking companies till further instructions. Moreover, SBP vide BPRD Circular No. 4, dated February 25, 2015, has deferred the applicability of Islamic Financial Accounting Standards (IFAS) 3, Profit and Loss Sharing on Deposits. Further, according to the notification of the SECP issued vide SRO 411(I)/2008 dated April 28, 2008, International Financial Reporting Standard (IFRS) 7, 'Financial Instruments: Disclosures' has not been made applicable for banks. Accordingly, the requirements of these standards have not been considered in the preparation of these consolidated condensed interim financial statements.

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

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Group's accounting periods beginning on or after January 1, 2026 but are considered not to be relevant or do not have any material effect on the Group's financial statements and therefore are not detailed in these consolidated condensed interim financial statements.

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

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

- IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18) (published in April 2024) with applicability date of January 01, 2027 by IASB. IFRS 18 when applicable shall impact the presentation of 'Statement of Profit and Loss Account' with certain additional disclosures in the consolidated financial statements.
- Amendments to IFRS 9 'Financial Instruments' and IFRS 7 'Financial Instruments: Disclosures' clarify the timing of recognition and derecognition of certain financial instruments including settlement of liabilities through banking instruments and channels including electronic transfers. Further, guidance on the SPPI assessment, and disclosure requirements for instruments with cash flow modifying features and equity instruments designated at FVOCI has also been amended. These amendments are effective from January 1, 2026. The amendment when applied may impact the accounting and presentation of the financial instruments.

3 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the preparation of these consolidated condensed interim financial statements are consistent with those applied in the preparation of the annual audited consolidated financial statements of the Group for the year ended December 31, 2025 except as disclosed below.

3.1 IFRS 9 - Financial Instruments

- 3.1.1** The Group had adopted IFRS 9 effective from January 1, 2024 with modified retrospective approach for restatement permitted under IFRS 9. The cumulative impact of initial application was recorded as an adjustment to equity at the beginning of the previous accounting period.
- 3.1.2** The SBP in a separate instruction BPRD/RPD/822456/25 dated January 22, 2025 has allowed extension for application of Effective Interest Rate upto December 31, 2025. During the current period, the Group has implemented SBP's instructions regarding application of effective interest rate.
- 3.1.3** The SBP has directed the Banks through its BPRD Circular Letter No. 1 dated January 22, 2025 to continue the existing revenue recognition methodology for Islamic Operations, including the requirements of IFAS 1 and IFAS 2 until further instructions. Had IFRS 9 been adopted in its entirety for revenue recognition from Islamic operations, the revenue of the Group would have been higher by Rs. 832,345 thousand.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

5 FINANCIAL RISK MANAGEMENT

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

		(Un-audited) March 31, 2026	(Audited) December 31, 2025
6 CASH AND BALANCES WITH TREASURY BANKS	Note	----- Rupees in '000 -----	
In hand			
Local currency		39,918,672	28,559,141
Foreign currencies		10,306,957	6,457,427
		<u>50,225,629</u>	<u>35,016,568</u>
With State Bank of Pakistan in			
Local currency current accounts		47,830,223	49,154,084
Foreign currency current account		11,412,876	6,935,682
Foreign currency deposit account		12,354,874	12,842,042
		<u>71,597,973</u>	<u>68,931,808</u>
With National Bank of Pakistan in			
Local currency current accounts		4,387,118	5,038,319
Prize Bonds		17,888	18,615
		<u>126,228,608</u>	<u>109,005,310</u>
Less: Credit loss allowance held against cash and balances with treasury banks		(165)	(16,542)
Cash and balances with treasury banks - net of credit loss allowance		<u>126,228,443</u>	<u>108,988,768</u>
7 BALANCES WITH OTHER BANKS			
In Pakistan			
In current accounts		1,598,169	1,708,710
In deposit accounts		803,527	1,048,522
		<u>2,401,696</u>	<u>2,757,232</u>
Outside Pakistan			
In current accounts		26,238,041	7,071,368
In deposit accounts		13,844,986	5,160,183
		<u>40,083,027</u>	<u>12,231,551</u>
		<u>41,681,196</u>	<u>13,940,261</u>
Less: Credit loss allowance held against balances with other banks		(1,140)	(336)
Balances with other banks - net of credit loss allowance		<u>42,483,583</u>	<u>14,988,447</u>
8 LENDINGS TO FINANCIAL INSTITUTIONS			
Call / clean money lendings		13,896,800	6,600,000
Repurchase agreement lendings (Reverse Repo)		38,663,011	-
Placements with financial institutions		7,373,555	7,528,026
Purchase under resale arrangement of equity securities		22,291	29,721
		<u>59,955,657</u>	<u>14,157,747</u>
Less: Credit loss allowance held against lending to financial institutions	8.1	(22,291)	(29,721)
Lendings to financial institutions - net of credit loss allowance		<u>59,933,366</u>	<u>14,128,026</u>

		March 31, 2026 (Un-audited)		December 31, 2025 (Audited)	
		Lending	Credit loss allowance / provision held	Lending	Credit loss allowance / provision held
8.1 Lendings To Financial Institutions - particulars of credit loss allowance		----- Rupees in '000 -----			
Domestic					
Performing	Stage 1	52,559,811	-	6,600,000	-
Non-performing	Stage 3				
Loss		22,291	22,291	29,721	29,721
		<u>52,582,102</u>	<u>22,291</u>	<u>6,629,721</u>	<u>29,721</u>
Overseas					
Performing	Stage 1	7,373,555	-	7,528,026	-
		<u>59,955,657</u>	<u>22,291</u>	<u>14,157,747</u>	<u>29,721</u>

9 INVESTMENTS

	March 31, 2026 (Un-audited)				December 31, 2025 (Audited)			
	Cost / amortized cost	Credit Loss allowance / Provision	Surplus / (deficit)	Carrying value	Cost / amortized cost	Credit Loss allowance / Provision	Surplus / (deficit)	Carrying value

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

9.1 Investments by type:

FVTPL

Shares	905,482	-	(155,083)	750,399	2,075,184	-	2,730	2,077,914
Units of open end mutual funds	2,593,542	-	(485,941)	2,107,601	2,791,490	-	(197,948)	2,593,542
Federal Government Securities	785,239	-	-	785,239	867,160	-	30,866	898,026
Non Government Debt Securities	3,465,491	-	19,396	3,484,887	3,517,573	-	(52,082)	3,465,491
	7,749,755	-	(621,628)	7,128,126	9,251,407	-	(216,434)	9,034,973

FVOCI

Federal Government Securities	2,128,954,015	(237,431)	(1,829,635)	2,126,886,949	1,916,513,443	(32,419)	29,278,307	1,945,759,331
Shares	7,193,271	-	7,748,591	14,941,862	6,501,734	-	11,031,317	17,533,051
Fully paid preference shares	27,314	-	(2,214)	25,100	27,314	-	(1,100)	26,214
Non Government Debt Securities	8,222,255	(365,161)	(19,305)	7,837,789	8,573,569	(391,163)	(10,925)	8,171,481
	2,144,396,855	(602,592)	5,897,437	2,149,691,700	1,931,616,060	(423,582)	40,297,599	1,971,490,077

Amortised cost

Federal Government Securities	47,830,340	(2,962)	-	47,827,378	47,727,423	(11,647)	-	47,715,776
Non Government Debt Securities	90,903	(90,903)	-	-	90,903	(90,903)	-	-
	47,921,243	(93,865)	-	47,827,378	47,818,326	(102,550)	-	47,715,776
Total investments	2,200,067,853	(696,457)	5,275,809	2,204,647,205	1,988,685,793	(526,132)	40,081,165	2,028,240,826

(Un-audited) (Audited)
March 31, December 31,
2026 2025

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

9.1.1 Investments given as collateral

The market value of investments given as collateral:

Market Treasury Bills	-	22,068,937
Pakistan Investment Bonds	1,036,578,118	780,800,697
Shares	286,361	379,380
	<u>1,036,864,479</u>	<u>803,249,014</u>

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
9.3 Credit loss allowance / provision against diminution in value of investments	----- Rupees in '000 -----	
9.3.1 Opening balance	526,132	1,086,264
Charge / (reversals) for the period / year	170,325	(560,132)
Closing balance	<u>696,457</u>	<u>526,132</u>

9.3.2 Particulars of credit loss allowance / provision against debt securities

		March 31, 2026 (Un-audited)		December 31, 2025 (Audited)	
		Outstanding Amount	Credit loss allowance held	Outstanding Amount	Credit loss allowance held
----- Rupees in '000 -----					
Domestic					
Performing	Stage 1	723,750	1,796	1,527,491	18,976
Non-performing	Stage 3				
Loss		<u>454,268</u>	<u>454,268</u>	<u>463,090</u>	<u>463,090</u>
Total		1,178,018	456,064	1,990,581	482,066
Overseas					
Performing	Stage 1	<u>35,956,419</u>	<u>240,393</u>	<u>13,228,712</u>	<u>44,066</u>
Total		<u>37,134,437</u>	<u>696,457</u>	<u>15,219,293</u>	<u>526,132</u>

9.4 The market value of securities classified as amortized cost as at March 31, 2026 is Rs. 45,565,744 thousand (December 31, 2025: Rs. 47,360,272 thousand).

10 ADVANCES	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					
Loans, cash credits, running finances, etc.	407,584,336	406,359,651	26,028,514	26,441,769	433,612,850	432,801,420
Islamic financing and related assets	176,232,655	167,292,060	5,106,111	4,535,752	181,338,766	171,827,812
Bills discounted and purchased	24,472,524	17,937,163	2,130,607	2,113,323	26,603,131	20,050,486
Advances - gross	608,289,515	591,588,874	33,265,232	33,090,844	641,554,747	624,679,718
Credit loss allowance against advances						
- Stage 1	(1,477,761)	(1,548,519)	-	-	(1,477,761)	(1,548,519)
- Stage 2	(6,167,409)	(4,708,881)	-	-	(6,167,409)	(4,708,881)
- Stage 3	-	-	(31,973,029)	(32,300,414)	(31,973,029)	(32,300,414)
	(7,645,170)	(6,257,400)	(31,973,029)	(32,300,414)	(39,618,199)	(38,557,814)
Advances - net of credit loss allowance	600,644,345	585,331,474	1,292,203	790,430	601,936,548	586,121,904

10.1 Particulars of advances (gross)	(Un-audited)	(Audited)
	March 31, 2026	December 31, 2025
	----- Rupees in '000 -----	
In local currency	597,085,138	583,064,620
In foreign currencies	44,469,609	41,615,098
	641,554,747	624,679,718

10.2 Advances include amount of Rs. 33,265,232 thousand (2025: Rs. 33,090,844 thousand) which have been placed under non-performing status / stage 3 as deta

Category of classification (Stage 3)	March 31, 2026 (Un-audited)		December 31, 2025 (Audited)	
	Non Performing Loans	Credit loss allowance	Non Performing Loans	Credit loss allowance
	----- Rupees in '000 -----			
Domestic				
Other Assets Especially Mentioned (OAEM)	180,861	91,795	422,081	209,943
Substandard	2,224,946	1,602,519	747,157	540,675
Doubtful	311,032	147,093	296,534	131,046
Loss	30,548,393	30,131,622	31,625,072	31,418,750
	33,265,232	31,973,029	33,090,844	32,300,414

10.3 Particulars of credit loss allowance against advances	March 31, 2026 (Un-audited)			Total
	Stage 1	Stage 2	Stage 3	
	----- Rupees in '000 -----			
Opening balance	1,548,519	4,708,881	32,300,414	38,557,814
Charge for the period	173,937	3,108,963	1,557,888	4,840,788
Reversal for the period	(244,695)	(1,650,434)	(1,885,273)	(3,780,403)
	(70,758)	1,458,528	(327,385)	1,060,385
Closing balance	1,477,761	6,167,409	31,973,029	39,618,199

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

10.4 Advances - particulars of credit loss allowance

	March 31, 2026 (Un-audited)		
	Stage 1	Stage 2	Stage 3
	Rupees in '000		
Opening balance	1,548,519	4,708,881	32,300,414
New Advances	155,837	1,754	-
Advances repaid	(220,783)	(75,576)	(425,103)
Transfer to / from stage 1	18,100	(17,908)	(192)
Transfer to / from stage 2	(22,974)	1,138,905	(1,115,931)
Transfer to / from stage 3	(938)	(1,556,950)	1,557,888
	(70,758)	(509,776)	16,662
Changes in risk parameters	-	1,968,304	(344,047)
Closing balance	1,477,761	6,167,409	31,973,029

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

		March 31, 2026 (Un-audited)		December 31, 2025 (Audited)	
		Outstanding amount	Credit loss allowance held	Outstanding amount	Credit loss allowance held
		Rupees in '000			
10.5 Advances - category of classification					
Domestic					
Performing	Stage 1	521,505,337	1,477,761	483,118,998	1,548,519
Underperforming	Stage 2	84,737,054	6,119,760	106,228,892	4,652,904
Non-Performing					
Other assets especially mentioned	Stage 3	180,861	91,795	422,081	209,943
Substandard		2,224,946	1,602,519	747,157	540,675
Doubtful		311,032	147,093	296,534	131,046
Loss		30,548,393	30,131,622	31,625,072	31,418,750
		33,265,232	31,973,029	33,090,844	32,300,414
Sub Total		639,507,623	39,570,550	622,438,734	38,501,837
Overseas					
Underperforming	Stage 2	2,047,124	47,649	2,240,984	55,977
Total		641,554,747	39,618,199	624,679,718	38,557,814

		(Un-audited) March 31, 2026	(Audited) December 31, 2025
11 PROPERTY AND EQUIPMENT	Note	----- Rupees in '000 -----	
Capital work-in-progress	11.1	1,562,501	1,551,028
Property and equipment		<u>25,773,659</u>	<u>24,846,238</u>
		<u>27,336,160</u>	<u>26,397,266</u>
11.1	This represents advances to suppliers and contractors.	(Un-audited) Three month period ended	
		March 31, 2026	March 31, 2025
11.2 Additions to property and equipment		----- Rupees in '000 -----	
The following additions have been made to property and equipment during the period:			
Capital work-in-progress		458,159	284,665
Property and equipment			
Renovation of premises		449,516	38,981
Furniture, fixtures and office equipment		278,606	153,696
Machine and equipment		460,512	279,345
Computer equipment		254,524	300,236
Vehicles		73,840	-
		<u>1,516,998</u>	<u>772,258</u>
Total		<u>1,975,157</u>	<u>1,056,923</u>
11.3 Disposal of property and equipment			
The net book value of property and equipment disposed off during the period is as follows:			
Renovation of premises		943	1,382
Furniture, fixtures and office equipment		3,415	2,391
Machine and equipment		656	1,387
Computer equipment		310	421
Vehicles		-	14,311
Total		<u>5,324</u>	<u>19,892</u>
12 RIGHT-OF-USE ASSETS		(Un-audited) March 31, 2026	(Audited) December 31, 2025
		----- Rupees in '000 -----	
Net carrying amount at January 1,		15,128,302	12,196,186
Additions during the period / year		1,095,816	5,689,674
Depreciation for the period / year		(665,252)	(329,295)
Deletions and other adjustments		(247,680)	(2,428,263)
Net carrying amount at period / year end		<u>15,311,186</u>	<u>15,128,302</u>
13 INTANGIBLE ASSETS			
Computer software		1,758,329	1,731,290
Capital work-in-progress		519,285	483,870
		<u>2,277,614</u>	<u>2,215,160</u>

		(Un-audited)	
		Three month period ended	
		March 31, 2026	March 31, 2025
		----- Rupees in '000 -----	
13.1 Additions to intangible assets			
The following additions have been made to intangible assets during the period:			
Capital work-in-progress		89,105	24,018
Computer software		96,385	39,055
		<u>185,490</u>	<u>63,073</u>

		(Un-audited) March 31, 2026	(Audited) December 31, 2025
		----- Rupees in '000 -----	
14 OTHER ASSETS	Note		
Income / mark-up accrued in local currency		85,496,194	59,313,288
Income / mark-up accrued in foreign currencies		1,606,602	955,802
Advances, deposits, advance rent and other prepayments	14.1	8,852,190	9,776,434
Advance taxation		8,970,342	9,566,189
Deferred cost on recognition of loan at fair value	14.2	4,218,665	4,412,757
Non-banking assets acquired in satisfaction of claims		360,372	366,160
Trade debts - unsecured - considered good		618,957	347,052
Receivable against trading of securities		7,342	147,388
Stationary and stamps in hand		506,719	413,469
Receivable from defined benefit plan		-	59,876
Dividend receivable		132,624	4,338
Margin against stand by letter of credit (SBLC)		102,447	158,828
Acceptances		17,838,742	12,242,718
Rebate receivable against home remittances		3,214,108	2,857,255
Others		625,365	787,774
		<u>132,550,669</u>	<u>101,409,328</u>
Less: Credit loss allowance / provision held against other assets	14.3	<u>(587,835)</u>	<u>(730,423)</u>
Other assets - net of credit loss allowance / provision		131,962,834	100,678,905
Surplus on revaluation of non-banking assets acquired in satisfaction of claims		602,230	602,230
Other assets - total		<u>132,565,064</u>	<u>101,281,135</u>

14.1 This includes the prepaid employment benefit recognized in connection with concessional staff facilities provided to employees. These facilities have been recognized at fair value on the date of disbursement due to the adoption of IFRS 9 as applicable in Pakistan. The resultant benefit arising from these concessional facilities is subsequently accounted for under IAS 19 Employee Benefits. The prepaid employee benefit is amortized in a manner that reflects the concessional facilities' income recognition. The current period amortization of prepaid employee benefit amounts to Rs. 603,314 thousand (March 31, 2025: Rs. 395,308 thousand).

14.2 This represents deferred portion of fair value loss arisen on initial recognition of loan to PIA Holding Company Limited (PIAHCL). SBP through its circular BPRD/BRD/PIAHCL/733688-2024 dated August 01, 2024 has allowed staggering of such fair value impact over a period of 6 years at rates of 5%, 10%, 15%, 20%, 25%, and 25% from year 1 to year 6. Accordingly, 15% is being amortized on time apportion basis during the current period (December 31, 2025: 10%).

		(Un-audited) March 31, 2026	(Audited) December 31, 2025
		----- Rupees in '000 -----	
14.3 Credit loss allowance / provision held against other assets			
Advances, deposits, advance rent and other prepayments		4,838	4,838
Acceptances		395,888	538,317
Others		187,109	187,268
		<u>587,835</u>	<u>730,423</u>

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
14.3.1 Movement in credit loss allowance / provision held against other assets	----- Rupees in '000 -----	
Opening balance	730,423	478,632
(Reversal) / charge for the period / year - net	(142,588)	251,791
Closing balance	<u>587,835</u>	<u>730,423</u>
15 BILLS PAYABLE		
In Pakistan	<u>18,108,869</u>	<u>23,259,370</u>
16 BORROWINGS		
Secured		
Borrowings from the State Bank of Pakistan under:		
- Export refinance scheme	8,315,500	9,456,104
- Long term financing facility	4,177,698	4,525,856
- Financing facility for storage of agricultural produce	80,000	56,200
- Renewable energy financing facility	3,233,777	3,382,492
- Refinance from SBP		
- Credit guarantee scheme for women entrepreneurs	48,123	54,573
- Temporary economic refinance facility	5,589,806	5,944,439
- Modernization of SME	284,221	302,878
- Combating COVID-19	-	73,958
- Rupee based discounting of bills / receivable	3,537,540	3,705,624
- Special persons	340	360
- Working capital financing	-	40,000
	<u>25,267,005</u>	<u>27,542,484</u>
Repurchase agreement borrowings		
- State Bank of Pakistan	1,018,217,497	704,004,760
- Financial institutions	33,184,064	92,479,644
	<u>1,051,401,561</u>	<u>796,484,404</u>
Refinance from Pakistan Mortgage Refinance Company	2,636,911	2,761,911
Total secured	<u>1,079,305,477</u>	<u>826,788,799</u>
Unsecured		
Call borrowings	113,760,500	165,175,390
Overdrawn nostro accounts	531,552	1,400,615
Bai Muajjal - Financial institutions	83,197,589	-
Acceptance	1,395,767	1,201,782
Total unsecured	<u>198,885,408</u>	<u>167,777,787</u>
	<u>1,278,190,885</u>	<u>994,566,586</u>

17 DEPOSITS AND OTHER ACCOUNTS	March 31, 2026 (Un-audited)			December 31, 2025 (Audited)		
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
	----- Rupees in '000 -----					
Customers						
Current deposits	528,901,548	33,820,956	562,722,504	464,930,070	34,773,304	499,703,374
Savings deposits	842,922,899	58,168,168	901,091,067	841,460,015	69,598,202	911,058,217
Fixed deposits	174,392,324	31,957,912	206,350,236	155,411,683	32,219,310	187,630,993
	1,546,216,771	123,947,036	1,670,163,807	1,461,801,768	136,590,816	1,598,392,584
Financial institutions						
Current deposits	1,066,824	51,110	1,117,934	1,558,139	199,083	1,757,222
Savings deposits	7,259,913	63,903	7,323,816	6,892,451	53,727	6,946,178
Fixed deposits	10,644,000	-	10,644,000	22,944,000	-	22,944,000
	18,970,737	115,013	19,085,750	31,394,590	252,810	31,647,400
	<u>1,565,187,508</u>	<u>124,062,049</u>	<u>1,689,249,557</u>	<u>1,493,196,358</u>	<u>136,843,626</u>	<u>1,630,039,984</u>

18 LEASE LIABILITIES	(Un-audited)	(Audited)
	March 31, 2026	December 31, 2025
	----- Rupees in '000 -----	
Outstanding amount at the start of the period / year	17,642,967	14,174,653
Additions during the period / year	1,095,816	5,689,674
Lease payments including interest	(859,473)	(3,836,902)
Interest expense for the period / year	532,301	2,004,672
Termination and other adjustments	(275,921)	(389,130)
Outstanding amount at the end of the period / year	<u>18,135,690</u>	<u>17,642,967</u>
18.1 Contractual maturities of lease liabilities		
Not later than one year	1,403,444	1,285,724
Later than one year and upto five years	7,332,397	6,963,150
Over five years	9,399,849	9,394,093
Total at the end of the period / year	<u>18,135,690</u>	<u>17,642,967</u>

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

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

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

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
Note	----- Rupees in '000 -----	
20 DEFERRED TAX (ASSETS) / LIABILITIES		
Temporary taxable / (deductible) differences on		
- Accelerated tax depreciation	432,149	521,674
- Surplus on revaluation of investments	3,066,667	20,954,752
- Lease liabilities net of right-of-use assets	(1,734,097)	(1,810,790)
- Credit loss allowance against advances and others	(5,958,540)	(5,384,942)
	<u>(4,193,821)</u>	<u>14,280,694</u>
21 OTHER LIABILITIES		
Mark-up / return / interest payable in local currency	10,634,953	10,723,369
Mark-up / return / interest payable in foreign currencies	882,402	1,403,007
Unearned commission and income on bills discounted	1,463,084	1,443,072
Accrued expenses	5,148,771	6,941,446
Advance payments	416,445	338,529
Acceptances	17,838,742	12,242,718
Dividend payable	357,455	328,634
Advance against sale of properties	161,395	142,290
Mark to market loss on forward foreign exchange contracts	104,982	9,100
Branch adjustment account	1,849,799	1,424,599
Payable to defined benefit plan	124,903	-
Provision for employees' compensated absences	1,070,434	988,210
Security deposit against lease / ijarah financing	7,772,743	6,360,164
Levies and taxes payable	1,257,837	1,620,392
Workers' Welfare Fund	2,586,596	2,451,596
Switch settlement accounts	9,646,578	5,480,541
Deferred grant on subsidised refinance loans	68,388	78,610
Trade and other payables	1,942,476	2,544,403
Credit loss allowance against off-balance sheet obligations	333,421	1,442,783
Others	3,197,582	3,029,003
	<u>66,858,986</u>	<u>58,992,466</u>
21.1 Credit loss allowance / provision against off-balance sheet obligations		
Opening balance	1,442,783	755,760
Impact of ECL recognised on adoption of IFRS 9	-	103,899
Opening balance - restated	1,442,783	859,659
(Reversal) / charge for the period / year - net	(1,109,362)	583,124
Closing balance	<u>333,421</u>	<u>1,442,783</u>
22 SURPLUS ON REVALUATION OF ASSETS - NET OF TAX		
Surplus on revaluation of:		
- Securities measured at FVOCI - Debt	(1,848,940)	29,267,382
- Securities measured at FVOCI - Equity	7,746,377	11,030,217
- Property and equipment	11,207,979	11,207,979
- Non-banking assets acquired in satisfaction of claims	602,230	602,230
	<u>17,707,646</u>	<u>52,107,808</u>
Deferred tax on surplus on revaluation of:		
- Securities measured at FVOCI - Debt	961,449	(15,219,039)
- Securities measured at FVOCI - Equity	(4,028,116)	(5,735,713)
	<u>(3,066,667)</u>	<u>(20,954,752)</u>
	<u>14,640,979</u>	<u>31,153,056</u>

		(Un-audited) March 31, 2026	(Audited) December 31, 2025
		----- Rupees in '000 -----	
23	CONTINGENCIES AND COMMITMENTS		
	- Guarantees	330,049,220	293,435,427
	- Commitments	422,451,993	447,746,557
	- Other contingent liabilities	925,762	1,109,184
		<u>753,426,975</u>	<u>742,291,168</u>
23.1	Guarantees		
	Financial guarantees	13,426,321	16,865,466
	Performance guarantees	176,660,004	173,693,662
	Other guarantees	139,962,895	102,876,299
		<u>330,049,220</u>	<u>293,435,427</u>
23.2	Commitments		
	Documentary credits and short-term trade-related transactions		
	- letters of credit	242,108,321	149,611,561
	Commitments in respect of:		
	- forward foreign exchange contracts	156,881,427	249,321,861
	- forward government securities transactions	800,000	23,000,000
	- forward non government securities transactions	385,338	1,715,934
	Commitments for acquisition of:		
	- property and equipment	832,127	849,893
	- intangible assets	345,951	253,849
	- undrawn loan commitments	21,098,829	22,993,459
		<u>422,451,993</u>	<u>447,746,557</u>
23.2.1	Commitments in respect of forward foreign exchange contracts		
	Purchase	71,501,715	144,329,274
	Sale	85,379,712	104,992,587
		<u>156,881,427</u>	<u>249,321,861</u>
	The above commitments have maturities falling within one year.		
23.2.2	Commitments in respect of forward government securities transactions		
	Purchase	800,000	11,000,000
	Sale	-	12,000,000
		<u>800,000</u>	<u>23,000,000</u>
23.2.3	Commitments in respect of forward non government securities transactions		
	Purchase	91,903	-
	Sale	293,435	1,715,934
		<u>385,338</u>	<u>1,715,934</u>
23.2.4	Undrawn loan commitments		
	The Group makes commitments to extend credit in the normal course of business but these being revocable commitments do not attract any significant penalty or the expense if the facility is unilaterally withdrawn, other than commitments in respect of syndicated long term financings amounting to Rs 21,098,829 thousand (December 31, 2025: Rs 22,993,459 thousand).		
		(Un-audited) March 31, 2026	(Audited) December 31, 2025
23.3	Other contingent liabilities	----- Rupees in '000 -----	
	These represent certain claims by third parties against the Group, which are being contested in the Courts of law. Based on legal advice and / or internal assessment, management is confident that the matters will be decided in Group's favour and the possibility of any outcome against the Group is remote and accordingly no provision has been made in these consolidated condensed interim financial statements.	391,364	574,236
	This represents stand by letters of credit issued by a correspondent bank on behalf of the Group.	534,398	534,948
		<u>925,762</u>	<u>1,109,184</u>
23.4	Tax related contingencies are disclosed in note 33.1 to these consolidated condensed interim financial statements.		

24 DERIVATIVE INSTRUMENTS

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

		(Un-audited)	
		Three month period ended	
		March 31, 2026	March 31, 2025
		----- Rupees in '000 -----	
25	MARK-UP / RETURN / INTEREST EARNED	Note	
	Loans and advances	15,349,078	18,947,834
	Investments	58,015,268	55,880,898
	Lendings to financial institutions	411,919	150,736
	Balances with banks	205,196	245,303
	Securities purchased under resale agreements (Reverse Repo)	92,541	315,567
	Amortization of loans under IFRS 9	603,314	395,308
		<u>74,677,316</u>	<u>75,935,646</u>
26	MARK-UP / RETURN / INTEREST EXPENSED		
	Deposits	22,812,913	25,263,097
	Borrowings	28,517,158	27,457,668
	Subordinated debts	178,889	399,877
	Cost of foreign currency swaps against foreign currency deposits / borrowings	290,558	326,454
	Interest expense on lease liability against ROU assets	532,251	435,482
	Amortization of deferred cost on recognition of loan at fair value	14.2	194,680
		<u>52,526,449</u>	<u>54,012,365</u>
27	FEE AND COMMISSION INCOME		
	Branch banking customer fees	244,575	262,207
	Consumer finance related fees	52,850	29,700
	Card related fees (debit and credit cards)	515,758	505,215
	Credit related fees	157,180	138,506
	Investment banking fees	102,080	20,735
	Commission on trade	378,800	270,942
	Commission on guarantees	411,986	322,679
	Commission on remittances including home remittances	96,695	15,743
	Commission on cash management	37,900	15,635
	Commission on bancassurance	9,204	7,273
	Others	202,191	175,578
		<u>2,209,219</u>	<u>1,764,213</u>
28	GAIN ON SECURITIES		
	Realised gain	28.1	2,573,817
	Unrealised (loss) / gain on securities measured at FVTPL		(621,628)
			<u>1,952,189</u>
28.1	Realised gain on:		
	Measured at FVOCI		
	Federal government securities		2,527,558
	Measured at FVTPL		
	Shares		46,259
			<u>2,573,817</u>
			<u>983,313</u>

		(Un-audited)	
		Three month period ended	
		March 31, 2026	March 31, 2025
		----- Rupees in '000 -----	
29	OTHER INCOME	Note	
	Gain on sale of property and equipment - net		13,013
	Rent of lockers		14,262
	Recovery of expenses from customers		102,658
	Gain on termination of lease contracts under IFRS 16 Leases - net		5,303
	Amortization of deferred liability under IFRS 9		8,316
			<u>143,552</u>
			<u>173,959</u>
30	OPERATING EXPENSES		
	Total compensation expenses	30.1	6,843,270
	Property expense		
	Rent and taxes		66,607
	Insurance		37,552
	Utilities cost		427,535
	Security cost (including guards)		366,608
	Repair & maintenance (including janitorial charges)		229,518
	Depreciation on right-of-use assets		665,252
	Depreciation		140,411
			<u>1,933,483</u>
	Information technology expenses		
	Software maintenance		404,864
	Hardware maintenance		79,205
	Depreciation		174,440
	Amortisation		69,029
	Network charges		149,989
			<u>877,527</u>
	Other operating expenses		
	Directors' fees, allowances		11,200
	Fees and allowances to Shariah Board		2,987
	Rates, taxes, insurance etc.		69,756
	Legal and professional charges		41,885
	Travelling, conveyance and entertainment		185,689
	Brokerage and commission		90,574
	NIFT clearing charges		45,307
	Repair and maintenance		318,232
	Communications		261,562
	Postage & Courier		26,599
	Stationery and printing		343,132
	Marketing, advertisement and publicity		455,864
	Auditors' remuneration		17,458
	Depreciation		268,528
	Security service charges		218,823
	Training and development		32,507
	Deposit premium expense		295,200
	Outsourced service cost		357,543
	Card Related Expenses		584,492
	CNIC Verification		81,843
	Other expenditure		372,596
			<u>4,081,777</u>
			<u>2,614,709</u>
			<u>13,736,057</u>
			<u>9,943,690</u>
30.1	Total compensation expense		
	Managerial remuneration		5,241,422
	Charge for defined benefit / contribution plan		452,524
	Amortization of loans under IFRS 9		603,314
	Other staff cost	30.1.1	546,010
			<u>6,843,270</u>
			<u>5,169,716</u>
30.1.1	Other staff cost includes incentive to consumer sales staff, dearness allowance, cash handling allowance, staff group insurance, provision for severance etc.		

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

		(Un-audited)	
		Three month period ended	
		March 31, 2026	March 31, 2025
		----- Rupees in '000 -----	
32	CREDIT LOSS ALLOWANCE / PROVISIONS AND WRITE OFFS - NET		
	Credit loss allowance for diminution in value of investments	170,325	89,028
	Charge / (reversal) of credit loss allowance against loans and advances	1,060,385	(555,637)
	Reversal of credit loss allowance against other assets	(142,588)	(9,172)
	Reversal of credit loss allowance against lendings to financial institutions	(7,430)	(5,453)
	(Reversal) / charge of credit loss allowance against off-balance sheet obligations	(1,109,362)	759,242
	Reversal of credit loss allowance against cash and balances with treasury banks	(16,377)	-
	Credit loss allowance against cash and bank balances	804	465
	Recovery of written off / charged off bad debts	(37,278)	(22,675)
		<u>(81,521)</u>	<u>255,798</u>
33	TAXATION		
	Current	7,742,406	7,708,243
	Deferred	(579,618)	409,778
		<u>7,162,788</u>	<u>8,118,021</u>
33.1	Tax status and contingencies		

i) The Group has filed tax returns for and up to tax year 2025. The assessments for and up to tax year 2025 were amended by the tax authorities creating accumulated additional tax demand, mainly in the matters of admissibility of recoveries against doubtful debts for Rs 1,540 million, provision for diminution in the value of investments for Rs 3,144.44 million, bad debts written off for Rs 243.897 million, provision for substandard advances for Rs 74.95 million, Provision against other assets/ fixed assets for Rs 165.2 million, disallowance ECL charge 910.929 million, interest on lease assets 833.760 million, disallowance of employee benefit expenses Rs 1,162.244 million and other disallowances of expenses/credits for Rs 2,262 million. Group's appeals against these orders are currently pending before Commissioner Appeals, Appellate Tribunal and Islamabad High Court. The management and tax advisor of the Group are confident that these matters will be decided in favor of the Group and consequently no provision has been made thereon. Tax payments by the Group against certain matters are being carried forward as receivable, as management and tax advisor of the Group are confident of their realization.

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

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

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

(Un-audited)	
for the period ended	
March 31, 2026	March 31, 2025

34 BASIC AND DILUTED EARNINGS PER SHARE

Profit for the period - Rupees in '000	6,584,684	7,156,252
Weighted average number of Ordinary Shares - numbers	1,449,299,207	1,449,299,207
Basic earnings per share - Rupees	4.54	4.94

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

35 FAIR VALUE MEASUREMENTS

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

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

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

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

35.1 Fair value of financial instruments

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

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

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

	March 31, 2026 (Un-audited)			
	Level 1	Level 2	Level 3	Total
----- Rupees in '000 -----				
On balance sheet financial instruments				
Financial assets - measured at fair value				
Investments				
Federal government securities	96,042,700	2,031,629,488	-	2,127,672,188
Shares	11,827,617	-	3,864,644	15,692,261
Units of open end mutual funds	975,044	1,132,557	-	2,107,601
Fully paid preference shares	25,100	-	-	25,100
Non government debt securities	1,529,432	9,884,147	-	11,413,579
	<u>110,399,893</u>	<u>2,042,646,192</u>	<u>3,864,644</u>	<u>2,156,910,729</u>

Financial assets - disclosed but not measured at fair value

Investments				
Federal government securities	-	47,827,378	-	47,827,378
	<u>110,399,893</u>	<u>2,090,473,570</u>	<u>3,864,644</u>	<u>2,204,738,108</u>

Off-balance sheet financial instruments - measured at fair value

Forward purchase of foreign exchange	-	(522,154)	-	(522,154)
Forward sale of foreign exchange	-	417,172	-	417,172

	December 31, 2025 (Audited)			
	Level 1	Level 2	Level 3	Total
----- Rupees in '000 -----				

On balance sheet financial instruments

Financial assets - measured at fair value

Investments				
Federal government securities	97,331,600	1,849,325,757	-	1,946,657,357
Shares	15,746,321	-	3,864,644	19,610,965
Units of open end mutual funds	1,186,616	1,406,926	-	2,593,542
Fully paid preference shares	26,214	-	-	26,214
Non government debt securities	1,126,677	10,510,295	-	11,636,972
	<u>115,417,428</u>	<u>1,861,242,978</u>	<u>3,864,644</u>	<u>1,980,525,050</u>

Financial assets - disclosed but not measured at fair value

Investments				
Federal government securities	-	47,715,776	-	47,715,776
	<u>115,417,428</u>	<u>1,908,958,754</u>	<u>3,864,644</u>	<u>2,028,240,826</u>

Off-balance sheet financial instruments - measured at fair value

Forward purchase of foreign exchange	-	(1,194,100)	-	(1,194,100)
Forward sale of foreign exchange	-	1,185,000	-	1,185,000

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

	(Un-audited)	(Audited)
	March 31, 2026	December 31, 2025
----- Rupees in '000 -----		
35.3 Fair value of non financial assets	Level 3	Level 3
Fixed assets		
Property and equipment (freehold and leasehold land)	15,164,996	15,164,996
Other assets		
Non-banking assets acquired in satisfaction of claims	962,602	968,390

35.4 Valuation techniques used in determination of fair values

35.4.1 Fair value of financial assets

(a) Financial instruments in level 1

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

(b) Financial instruments in level 2

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

(c) Financial instruments in level 3

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

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

35.4.2 Fair value of non financial assets

Certain categories of property and equipment (freehold and leasehold land), asset held for sale and non banking assets acquired in satisfaction of claims are carried at revalued amounts (level 3 measurement) determined by professional valuers. The valuations are conducted by the valuation experts appointed by the Group which are also on the panel of the State Bank of Pakistan.

35.4.3 Valuation techniques

Item	Valuation approach and input used
Market Treasury Bills (MTB) / Pakistan Investment Bonds (PIB), and GoP Sukuks (GIS) including their forward contracts	The fair value of MTBs and PIBs are derived using PKRV rates. Floating rate PIBs are revalued using PKFRV rates. The fair value of GoP sukuks listed on the Pakistan Stock Exchange has been determined through closing rates of the Pakistan Stock Exchange. The fair value of other GIS are revalued using PKISRV rates.
GoP Euro Bonds	The fair value of overseas government sukuks, and overseas bonds are determined on the basis of price available on Reuters.
Debt Securities (TFCs and Sukuk other than Government)	Investment in sukuks, debt securities (comprising term finance certificates, bonds and any other security issued by a company or a body corporate for the purpose of raising funds in the form of redeemable capital) are valued on the basis of the rates announced by the Mutual Funds Association of Pakistan in accordance with the methodology prescribed by the Securities and Exchange Commission of Pakistan.
Shares - listed	The fair value of investments in listed equity securities are valued on the basis of closing quoted market price available at the Pakistan Stock Exchange.
Shares - unlisted	The fair value of investments in unlisted equity securities are valued on the basis of income and market approach.
Preference shares - unlisted	The fair value of investment in unlisted preference shares are valued at market approach.
Forward foreign exchange contracts	The valuation has been determined by interpolating the FX revaluation rates announced by the SBP.
Property and equipment, asset held for sale and non banking assets acquired in satisfaction of claims	Land and non banking assets acquired in satisfaction of claims are valued on a periodic basis using professional valuers. The valuation is based on their assessments of the market value of the assets. Asset held for sale is carried at sale price that is reasonable in relation to its fair value.

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

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

36 SEGMENT INFORMATION

36.1 Segment details with respect to business activities

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

For the three month period ended March 31, 2026 (Un-audited)							
Branch banking	Corporate banking	Treasury	Consumer banking	Islamic banking	Foreign operations	Head Office / others	Total
----- Rupees in '000 -----							
Profit and loss							
Net mark-up / return / profit	(15,087,401)	3,575,942	26,312,540	973,738	4,777,914	346,527	22,150,867
Inter segment revenue - net	24,199,831	(2,886,802)	(22,159,709)	(514,609)	(135,840)	(110,429)	-
Non mark-up / return / interest income	768,829	719,347	3,014,143	134,044	351,214	5,788	5,389,676
Total income	9,881,259	1,408,487	7,166,974	593,173	4,993,288	241,886	27,540,543
Segment direct expenses	5,048,116	166,503	211,272	572,786	3,014,415	75,709	13,874,592
Inter segment expense allocation	537,503	(3,376)	4,833	64,374	-	(603,334)	-
Total expenses	5,585,619	163,127	216,105	637,160	3,014,415	75,709	13,874,592
Credit loss allowance	(377,699)	(79,361)	3,930	2,991	178,347	1,718	(81,521)
Profit before tax	4,673,339	1,324,721	6,946,938	(46,978)	1,800,526	(928,699)	13,747,472
As at March 31, 2026 (Un-audited)							
Branch banking	Corporate banking	Treasury	Consumer banking	Islamic banking	Foreign operations	Head Office / others	Total
----- Rupees in '000 -----							
Statement of financial position							
Cash and bank balances	39,331,784	-	99,747,715	102,447	27,489,257	197,126	168,712,026
Investments	-	8,251,481	1,997,069,549	-	160,680,622	35,716,026	2,204,647,205
Lendings to financial institutions	-	-	38,640,720	-	13,896,800	7,373,555	59,933,366
Advances - performing - net of credit loss allowance	20,528,398	264,469,587	1,561,324	22,939,385	175,542,744	2,047,124	600,646,437
Advances - non-performing - net of credit loss allowance	329,265	615,858	-	93,936	251,052	-	1,290,111
Others	3,682,884	17,273,951	71,219,409	2,473,998	29,518,591	961,344	181,683,845
Total Assets	63,872,331	290,610,877	2,208,238,717	25,609,766	407,379,066	46,295,175	3,216,912,990
Borrowings	1,446,679	17,520,386	1,208,209,444	2,636,911	31,057,575	17,184,064	1,278,190,885
Subordinated debts	-	-	-	-	-	-	6,000,000
Deposits and other accounts	1,166,064,646	195,750,936	-	3,150	324,280,207	3,150,618	1,689,249,557
Net inter segment balances - net	(1,115,461,668)	72,543,477	995,846,209	20,782,247	4,600,000	18,651,349	3,038,386
Others	11,822,674	4,796,078	4,183,064	2,187,458	21,353,782	7,309,144	51,451,345
Total liabilities	63,872,331	290,610,877	2,208,238,717	25,609,766	381,291,564	46,295,175	3,076,543,987
Equity	-	-	-	-	26,087,502	-	114,281,501
Total Equity and liabilities	63,872,331	290,610,877	2,208,238,717	25,609,766	407,379,066	46,295,175	3,216,912,990
Contingencies and commitments	11,607,609	537,823,909	157,577,557	541,362	44,512,697	-	753,426,975
For the three month period ended March 31, 2025 (Un-audited)							
Branch banking	Corporate banking	Treasury	Consumer banking	Islamic banking	Foreign operations	Head Office / others	Total
----- Rupees in '000 -----							
Profit and loss							
Net mark-up / return / profit	(18,336,188)	10,377,464	26,613,732	1,051,301	2,407,618	266,029	21,923,281
Inter segment revenue - net	28,225,621	(8,312,669)	(19,952,814)	(593,277)	(101,342)	(73,227)	-
Non mark-up / return / interest income	693,088	946,993	1,482,532	134,365	189,201	2,819	3,708,404
Total income	10,582,521	3,011,788	8,143,450	592,389	2,495,477	195,621	25,631,685
Segment direct expenses	5,087,490	208,681	112,124	510,849	1,304,411	72,707	2,805,352
Inter segment expense allocation	(128,961)	(58,682)	116	2,630	-	184,897	-
Total expenses	4,958,529	149,999	112,240	513,479	1,304,411	72,707	10,101,614
Credit loss allowance	(122,833)	281,794	-	8,327	87,700	-	255,798
Profit before tax	5,746,825	2,579,995	8,031,210	70,583	1,103,366	122,914	15,274,273
As at December 31, 2025 (Audited)							
Branch banking	Corporate banking	Treasury	Consumer banking	Islamic banking	Foreign operations	Head Office / others	Total
----- Rupees in '000 -----							
Statement of financial position							
Cash and bank balances	39,713,267	-	52,665,636	102,803	29,816,282	114,418	123,977,215
Investments	-	10,120,611	1,840,134,305	-	163,750,022	13,228,464	2,028,240,826
Lendings to financial institutions	-	-	-	-	6,600,000	7,528,026	14,128,026
Advances - performing - net of credit loss allowance	26,502,676	353,989,560	-	21,945,763	166,356,832	2,185,007	585,331,474
Advances - non-performing - net of credit loss allowance	315,112	293,975	-	108,383	72,960	-	790,430
Others	3,935,204	22,944,180	38,335,112	680,778	21,079,591	278,114	145,021,864
Total Assets	70,466,259	387,348,326	1,931,135,053	22,837,727	387,675,687	23,334,028	2,897,489,834
Borrowings	1,060,876	23,136,571	942,714,152	2,761,911	23,492,461	1,400,615	994,566,586
Subordinated debts	-	-	-	-	-	-	6,000,000
Deposits and other accounts	1,029,651,457	284,823,966	-	3,200	312,152,823	4,634,386	1,630,039,984
Net inter segment balances - net	(990,090,551)	62,214,574	972,209,047	12,452,605	-	17,129,897	(73,915,572)
Others	29,844,477	17,173,215	16,211,854	7,620,011	21,205,973	169,130	21,950,837
Total liabilities	70,466,259	387,348,326	1,931,135,053	22,837,727	356,851,257	23,334,028	2,744,782,067
Equity	-	-	-	-	30,824,430	-	121,883,337
Total Equity and liabilities	70,466,259	387,348,326	1,931,135,053	22,837,727	387,675,687	23,334,028	2,897,489,834
Contingencies and commitments	12,285,507	433,612,602	273,353,287	541,416	21,023,984	1,995	742,300,568

37 RELATED PARTY TRANSACTIONS

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

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

Details of transactions with related parties and balances are as follows:

	As at March 31, 2026 (Un-audited)				As at December 31, 2025 (Audited)			
	Parent	Directors	Key management personnel & their relatives	Other related parties	Parent	Directors	Key management personnel & their relatives	Other related parties
	Rupees in '000							
Investments								
Opening balance	-	-	-	10,121,783	-	-	-	4,283,287
Investment made during the period / year	-	-	-	-	-	-	-	20,614
Investment redeemed / disposed off during the period / year	-	-	-	(15,837)	-	-	-	(119,316)
Revaluation adjustment	-	-	-	(2,236,546)	-	-	-	5,405,563
Transfer in / (out) - net	-	-	-	(21,837)	-	-	-	531,635
Closing balance	-	-	-	7,847,563	-	-	-	10,121,783
Advances								
Opening balance	7,971,901	3,570	202,082	12,809,917	17,970,281	1,292	266,833	13,638,055
Addition during the period / year	227,539,072	2,254	104,550	77,882,813	635,348,507	33,444	136,891	55,316,196
Repaid during the period / year	(227,222,417)	(2,111)	(29,931)	(59,726,107)	(645,346,886)	(31,083)	(91,762)	(56,144,334)
Transfer in / (out) - net	-	-	(14)	(2,245,876)	-	(83)	(109,880)	-
Closing balance	8,288,556	3,713	276,687	28,720,747	7,971,901	3,570	202,082	12,809,917
Credit loss allowance against advances	3	6	32	3,534,724	1,091	6	85	1,984,522
Other Assets								
Interest / mark-up accrued	151,966	51	30,019	711,211	187,427	55	28,581	233,036
Advance rent	1,057	-	-	-	2,000	-	-	1,670
Acceptances	2,975,957	-	-	483,709	-	-	-	75,070
Receivable from staff retirement fund	-	-	-	-	860,234	-	-	227,238
Other receivable	15,000	-	-	-	-	-	-	-
Borrowings								
Opening balance	-	-	-	2,761,911	-	-	-	4,252,855
Borrowings during the period / year	-	-	-	-	-	-	-	-
Settled during the period	-	-	-	(125,000)	-	-	-	(1,490,944)
Closing balance	-	-	-	2,636,911	-	-	-	2,761,911
Deposits and other accounts								
Opening balance	44,177,045	173,118	129,151	49,860,540	18,698,701	43,251	234,398	25,168,932
Received during the period / year	121,199,915	250,070	634,516	338,206,997	716,688,077	757,192	837,811	1,010,264,386
Withdrawn during the period / year	(117,293,633)	(235,695)	(460,792)	(344,255,212)	(691,209,733)	(713,783)	(790,873)	(985,995,795)
Transfer in / (out) - net	-	-	46	55,976	-	86,458	(152,185)	423,018
Closing balance	48,083,327	187,493	302,922	43,868,302	44,177,045	173,118	129,151	49,860,540
Other Liabilities								
Interest / mark-up payable	17,777	253	1,510	248,301	345,982	3,634	837	849,976
Payable to staff retirement fund	-	-	-	124,903	-	-	-	-
Acceptances	2,975,957	-	-	483,709	860,234	-	-	227,238
Security deposits payable	-	-	-	915,818	-	-	-	831,716
Others	-	-	57,088	36,851	-	-	60,244	25,426
Guarantees and Commitments								
Guarantees and Commitments	2,751,737	-	-	17,256,685	6,468,035	-	-	7,425,207
Others								
Dividend paid	1,823,893	-	-	18,336	6,513,901	-	-	63,689
Securities held as custodian	32,467,500	-	40,300	13,613,750	32,840,000	9,400	76,000	15,408,455

For the three months ended March 31, 2026 (Un-audited)				For the three months ended March 31, 2025 (Un-audited)			
Parent	Directors	Key management personnel & their relatives	Other related parties	Parent	Directors	Key management personnel & their relatives	Other related parties

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

Income

Mark-up / return / interest earned	152,017	138	2,028	590,469	277,159	145	14,372	183,130
Fee and commission income	300	-	-	29,280	681	-	-	11,240
Dividend income	-	-	-	91,842	-	-	-	99,133
Other Income	607	-	-	4,692	1,147	-	-	1,281

Expense

Mark-up / return / interest expensed	306,110	2,795	2,922	737,313	946,654	630	2,071	628,558
Charge to defined benefit plan	-	-	-	302,788	-	-	-	166,302
Contribution to defined contribution plan	-	-	-	149,736	-	-	-	116,555
Remuneration and allowances	-	-	436,944	2,987	-	-	210,237	2,968
Rent	796	-	-	73	753	-	-	66
Communications	-	-	-	125,138	-	-	-	60,473
Brokerage and Commission	-	-	-	39,922	-	-	-	22,530
Directors' Fee, Allowances	-	11,200	-	-	-	16,160	-	-
Marketing, advertisement and publicity	-	-	-	9,398	-	-	-	-
Others	-	-	-	-	1,356	-	-	-

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

38 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
----- Rupees in '000 -----		
Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	14,492,992	14,492,992
Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier 1 (CET 1) Capital	123,939,753	119,608,528
Eligible Additional Tier 1 (ADT 1) Capital	5,150,000	5,425,000
Total Eligible Tier 1 Capital	129,089,753	125,033,528
Eligible Tier 2 Capital	14,640,979	31,153,056
Total Eligible Capital (Tier 1 + Tier 2)	143,730,732	156,186,584
Risk Weighted Assets (RWAs):		
Credit Risk	479,192,043	435,314,278
Market Risk	125,328,131	120,409,673
Operational Risk	158,647,574	158,647,574
Total	763,167,749	714,371,525
Common Equity Tier 1 Capital Adequacy Ratio	16.24%	16.74%
Tier 1 Capital Adequacy Ratio	16.91%	17.50%
Total Capital Adequacy Ratio	18.83%	21.86%
Leverage Ratio (LR):		
Eligible Tier-1 Capital	129,089,753	125,033,528
Total Exposures	3,699,839,346	3,372,505,442
Leverage Ratio	3.49%	3.71%
Liquidity Coverage Ratio (LCR):		
Total High Quality Liquid Assets	1,288,284,477	1,099,921,936
Total Net Cash Outflow	631,464,840	536,822,653
Liquidity Coverage Ratio	204.02%	204.89%
Net Stable Funding Ratio (NSFR):		
Total available stable funding	1,653,555,305	1,598,153,177
Total required stable funding	691,085,657	686,998,141
Net Stable Funding Ratio	239.27%	232.63%

38.1 The SBP in its application instructions for IFRS 9 has permitted the banks to adopt a transitional approach to phase in the initial impact of ECL for stage 1 and 2 financial assets over a period of five years. Had this relaxation not been availed, the Group's CAR and Leverage Ratio would have been lower by 0.24% and 0.05% respectively.

39 GENERAL

39.1 Non-adjusting events after the balance sheet date

The Board of Directors in its meeting held on April 27, 2026 has announced an interim cash dividend of Rs. 2 per share (March 31, 2025: nil) for the three month period ended March 31, 2026. These consolidated condensed interim financial statements for the three month period ended March 31, 2026 do not include the effect of this appropriation which will be accounted for subsequent to the period end.


39.2 Reclassification of comparative figures

Where necessary, comparative information has been reclassified, rearranged or additionally incorporated in these consolidated condensed interim financial statements.

40 DATE OF AUTHORIZATION

These consolidated condensed interim financial statements were authorized for issue by the Board of Directors on April 27, 2026.


Chief Financial Officer


President & CEO


Director


Director


Chairman



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