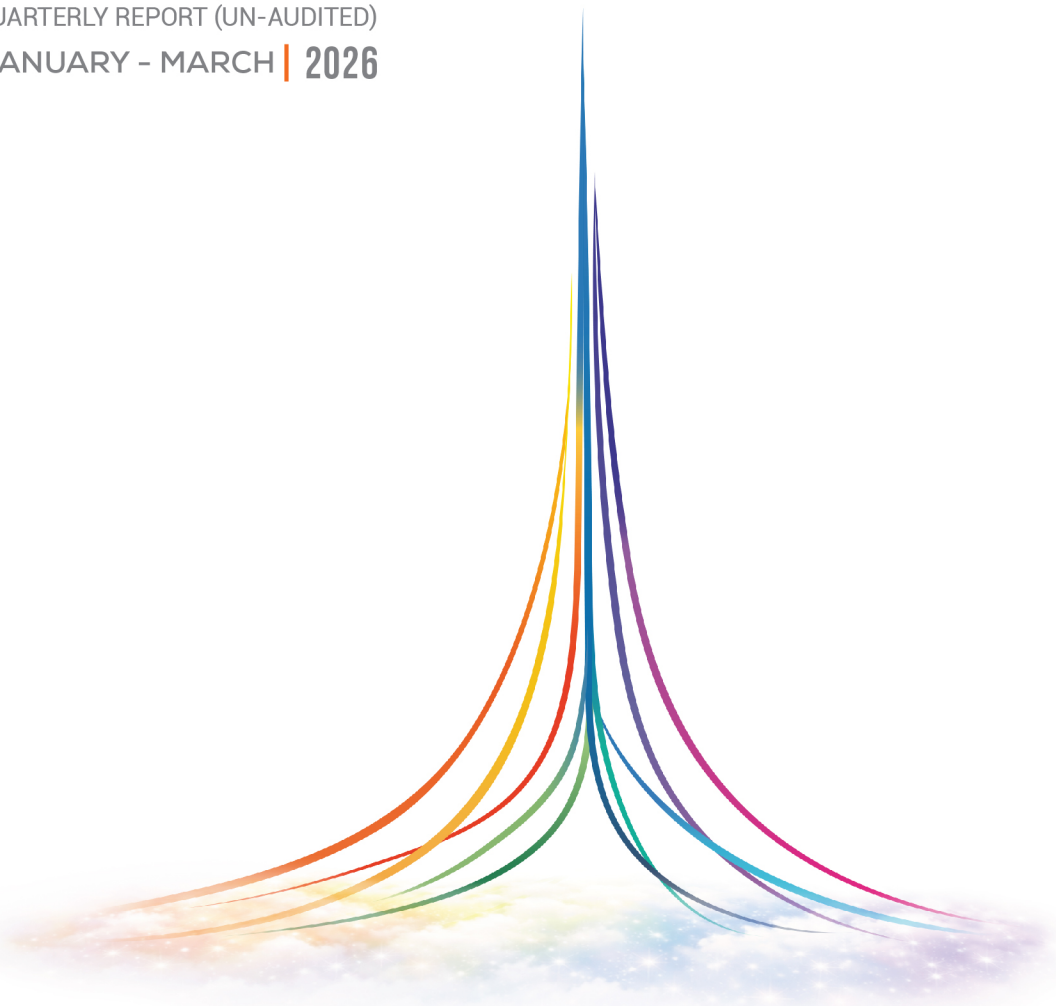


ALIGNED FOR IMPACT

QUARTERLY REPORT (UN-AUDITED)
JANUARY - MARCH | 2026



CORPORATE INFORMATION

BOARD OF DIRECTORS

Syed Ghazanfar Abbas Jilani.....	Director
Dr. Muhammad Amjad Saqib.....	Director
Mr. Mujahid Sherdil	Director
Mr. Ali Farhan	Director
Mr. Mohammad Mudassir Amray.....	Director
Mr. Asif Reza Sana.....	Director
Mr. Muhammad Naeem Khan	Director
Mr. Zafar Masud	President & CEO
Mr. Kamran Hafeez	Secretary to the Board

BOARD AUDIT COMMITTEE

Mr. Mohammad Mudassir Amray.....	Chairman
Syed Ghazanfar Abbas Jilani	Member
Mr. Muhammad Naeem Khan.....	Member
Mr. Mujahid Sherdil	Member

RISK MANAGEMENT, COMPLIANCE AND NPL REVIEW COMMITTEE (RMC&NRC)

Syed Ghazanfar Abbas Jilani	Chairman
Mr. Mohammad Mudassir Amray	Member
Dr. Muhammad Amjad Saqib.....	Member
Mr. Muhammad Naeem Khan	Member

HUMAN RESOURCE, COMPENSATION, PERFORMANCE EVALUATION AND NOMINATION COMMITTEE (HRCPE&NC)

Mr. Asif Reza Sana	Chairman
Dr. Muhammad Amjad Saqib.....	Member
Syed Ghazanfar Abbas Jilani	Member
Mr. Mujahid Sherdil	Member

STRATEGY, ISLAMIC AND PRIORITY SECTOR FINANCING COMMITTEE (SI&PSFC)

Dr. Muhammad Amjad Saqib.....	Chairman
Mr. Asif Reza Sana.....	Member
Mr. Mujahid Sherdil.....	Member
Mr. Ali Farhan.....	Member

INFORMATION TECHNOLOGY AND COMMUNICATIONS COMMITTEE (IT&CC)

Mr. Ali Farhan.....	Chairman
Mr. Mohammad Mudassir Amray	Member
Mr. Asif Reza Sana.....	Member
Syed Ghazanfar Abbas Jilani.....	Member

ENVIRONMENT, SOCIAL & GOVERNANCE COMMITTEE (ES&GC)

Mr. Muhammad Naeem Khan.....	Chairman
Mr. Mohammad Mudassir Amray	Member
Dr. Muhammad Amjad Saqib.....	Member
Mr. Ali Farhan	Member

AUDITORS

A.F. Ferguson & Co. Chartered Accountants

REGISTERED OFFICE

BOP Tower, 10-B, Block-E-II,
Main Boulevard, Gulberg-III, Lahore.
Telephones: +92 42 35783700-10
Fax No. +92 42 35783975 UAN: 111 200 100

REGISTRAR

M/s. Corplink (Pvt) Limited, Wings Arcade,
1-K, Commercial, Model Town, Lahore.
Telephones: +92 42 35916714, 35916719, 35839182
Fax No. +92 42 35869037

WEBSITE www.bop.com.pk

The Bank of Punjab

Directors' Report

Quarterly Financial Statements – March 31, 2026

On behalf of the Board of Directors, I am pleased to present Un-audited Condensed Interim Financial Statements of The Bank of Punjab for three months period ended March 31, 2026.

Pakistan's macroeconomic environment continued to improve steadily in H1 FY2026, supported by stabilizing external sector dynamics and policy continuity under the IMF program. Real GDP growth for Q2 FY2026 increased to 3.89% from 3.63% in Q1 FY2026, led by industrial sector growth of 7.4%, while agriculture and services sector growth remained modest at 2.72% and 3.69% respectively.

The fuel price spike has reversed the previous trend of easing inflation. Headline CPI inflation rose to 7.3% y/y in March 2026, breaching the State Bank of Pakistan's (SBP) medium-term target range of 5–7% for the first time since late 2024. Core inflation also remained elevated at 7.8% y/y, indicating broad-based price pressures.

The Board acknowledges and commends the exceptional performance of the Bank during 1st three months of 2026, which has significantly surpassed expectations, achieving record-breaking financial outcomes across all key performance metrics. This outstanding performance exemplifies the Bank's strategic foresight, operational excellence, and steadfast dedication to delivering enduring value for its stakeholders.

Financial Highlights:

	Rs. In Million
Profit before taxation	10,239.976
Taxation - net	5,466.127
Profit after taxation	4,773.849
Earnings per share (Rupees)	1.46

- Net Interest Income: 47% YoY Growth
- Non-Interest Income: 69% Growth in Fee-Based Income
- Operating Profit: 98% YoY Organic Growth
- Before Tax Profit: 155% YoY Growth

The Bank's record-breaking performance reflects the success of its strategic initiatives centered on core earnings enhancement and operational excellence. The 155% surge in before-tax profit and 98% growth in operating profit—achieved entirely through organic growth—demonstrate the Bank's ability to execute against market opportunities while maintaining disciplined risk management.

Net Interest Income expanded 47% to Rs. 22.1 billion, while non-interest income surged 35%, highlighting the Bank's successful diversification into high-margin fee-based services and capital markets products.

The Bank's balance sheet continues to strengthen with:

- Total Assets: Rs. 2,599 billion — demonstrating significant balance sheet expansion
- Deposits: Rs. 1,932 billion with 26% growth in Current Deposits — reflecting improvement in cost of funding
- Capital Adequacy Ratio: 13.37% — reinforcing significant headroom for future growth
- Gross Advances: Rs. 927 billion — positioned for continued loan portfolio expansion
- Investments & Lending to FIs: Rs. 1,429 billion in bonds, equities — reaffirm a disciplined & balanced asset allocation

The Bank has cemented its position as a trusted enabler of the Government of Punjab, managing critical public welfare initiatives while advancing provincial development objectives. This strategic partnership underscores BOP's systemic importance and creates recurring revenue streams with stable, predictable cash flows.

By prioritizing digital innovation, customer-centric solutions, and financial inclusion, the Bank continues to capture emerging opportunities in underserved markets while maintaining market leadership across core segments.

The Bank remains well-positioned to sustain its growth momentum. Its strong capital position, improving operational efficiency, and diversified revenue streams provide a solid foundation to navigate evolving market conditions while continuing to deliver sustainable returns to shareholders.

The Bank has achieved significant progress in its digital lending portfolio, disbursing over Rs. 200 billion through lending under Kissan, Karobar and Livestock Card Schemes. This growth reflects the Bank's continued focus on digital transformation and financial inclusion, enabling convenient access to credit for a broad customer base. The number of borrowers under these

digital initiatives reached approximately 1 million, demonstrating strong market confidence and the effectiveness of the Bank's technology-driven lending platforms.

In addition to above, over Rs. 65 billion has been disbursed under the Assan Karobar programs, supporting both SME and Agricultural sectors and contributing to entrepreneurship development and rural economic growth. Furthermore, under Apni Chat Apna Ghar scheme, with a program size of 40,000 houses, disbursement of over Rs. 2 billion has so far been made to facilitate affordable housing solutions. The Electric Taxi (E-Taxi) initiative, with a project size of Rs. 5 billion, aims to finance 1,100 electric vehicles to promote sustainable transportation while contributing to environmental conservation through reduced carbon emissions.

Collectively, these programs underscore the Bank's commitment to inclusive growth, innovation, sustainable economic development, and environmental stewardship. Additionally, the Bank has also been actively participating in other CSR-related activities directed toward the upliftment of all segments of society.

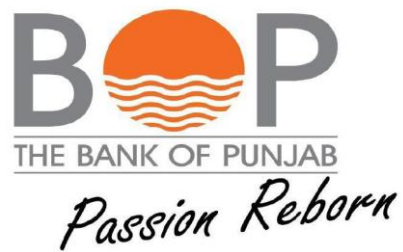
The Bank demonstrated sustained financial strength and operational excellence, supported by a solid credit profile and a disciplined governance framework. Its long-term entity rating of "AA+" and short-term rating of "A1+", reaffirmed by M/s PACRA, attest to the Bank's robust risk management practices, financial resilience, and institutional credibility. Maintaining a nationwide network of 901 fully digital branches including 210 Taqwa Islamic Banking branches and 17 sub-branches alongside 953 ATMs, the Bank continues to expand its reach and service efficiency. Through a comprehensive suite of offerings encompassing Mobile and Internet Banking, Credit Cards, Cash Management, and Branchless Banking, the Bank remains committed to meeting the dynamic financial needs of its growing and diverse customer base.

On behalf of the Board, profound appreciation is extended to the Bank's esteemed customers and shareholders for their steadfast trust and confidence. The Board also conveys its deep gratitude to the Government of the Punjab and the State Bank of Pakistan for their invaluable support and guidance. Furthermore, the Board recognizes and commends the management team and employees for their exemplary commitment, professionalism, and exceptional contributions, which continue to drive the Bank's enduring success and strategic progress.

For and on behalf of the Board

President/CEO

Chairman



**UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2026**

THE BANK OF PUNJAB
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 - net	5	82,546,517	111,746,522
Balances with other banks - net	6	10,206,564	5,442,677
Lendings to financial institutions - net	7	8,287,590	223,417,798
Investments - net	8	1,420,528,007	1,549,511,408
Advances - net	9	881,915,016	881,423,846
Property and equipment	10	30,569,703	29,761,745
Right-of-use assets	11	12,856,913	13,146,170
Intangible assets	12	2,628,370	2,702,385
Deferred tax assets - net	13	15,962,139	7,607,184
Other assets - net	14	133,915,538	126,924,032
Total assets		2,599,416,357	2,951,683,767
LIABILITIES			
Bills payable	16	10,633,274	9,139,194
Borrowings	17	381,125,651	624,807,992
Deposits and other accounts	18	1,932,209,803	2,051,536,304
Lease liabilities	19	18,156,491	18,267,085
Subordinated debts	20	30,812,558	30,812,558
Deferred tax liabilities		-	-
Other liabilities	21	129,068,219	112,981,210
Total liabilities		2,502,005,996	2,847,544,343
NET ASSETS		97,410,361	104,139,424
REPRESENTED BY			
Share capital - net	22	32,452,535	32,452,535
Reserves		21,769,097	20,814,327
Surplus on revaluation of assets - net of tax	23	2,679,164	10,692,754
Unappropriated profit		40,509,565	40,179,808
		97,410,361	104,139,424
CONTINGENCIES AND COMMITMENTS	24		

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

Chief Financial Officer

President

Chairman

Director

Director

THE BANK OF PUNJAB

**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31, 2026**

	Note	Period Ended	
		March 31, 2026	March 31, 2025
Rupees in '000'			
Mark-up / return / interest earned	25	66,864,690	68,964,174
Mark-up / return / interest expensed	26	44,779,855	53,920,472
Net mark-up / interest income		22,084,835	15,043,702
NON MARK-UP / INTEREST INCOME			
Fee and commission income	27	5,030,523	2,973,766
Dividend income		116,199	106,546
Foreign exchange income / (loss)		728,536	577,056
Income / (loss) from derivatives		-	-
(Loss) / gain on securities - net	28	(109,381)	770,715
Net loss on derecognition of financial assets measured at amortised cost	29	(302,931)	(276,737)
Other income	30	227,846	71,925
Total non-markup / interest income		5,690,792	4,223,271
Total income		27,775,627	19,266,973
NON MARK-UP / INTEREST EXPENSES			
Operating expenses	31	17,480,374	14,050,124
Workers' Welfare Fund		219,397	125,165
Other charges	32	961	656
Total non-markup / interest expenses		17,700,732	14,175,945
Profit before credit loss allowance		10,074,895	5,091,028
(Reversal) / charge of credit loss allowance and write offs - net	33	(165,081)	1,083,186
PROFIT BEFORE TAXATION		10,239,976	4,007,842
Taxation - net	34	5,466,127	2,209,988
PROFIT AFTER TAXATION		4,773,849	1,797,854
Basic earnings per share - Rupees	35	1.46	0.55
Diluted earnings per share - Rupees	36	1.46	0.55

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

Chief Financial Officer

President

Chairman

Director

Director

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

	Period Ended	
	March 31,	March 31,
	2026	2025
	Rupees in '000'	
Profit after taxation for the period	4,773,849	1,797,854
Other comprehensive income / (loss):		
Items that may be reclassified to profit and loss account in subsequent periods:		
Movement in surplus on revaluation of debt investments classified as FVOCI - net of tax	(7,355,548)	(884,093)
Items that will not be reclassified to profit and loss account in subsequent periods:		
Movement in surplus on revaluation of equity investments classified as FVOCI - net of tax	(241,814)	(254,583)
Total comprehensive (loss) / income for the period	<u>(2,823,513)</u>	<u>659,178</u>

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

Chief Financial Officer

President

Chairman

Director

Director

THE BANK OF PUNJAB
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31, 2026

	Share capital - net		Reserves		Surplus / (Deficit) - net of tax on revaluation of		Unappropriated profit	Total
	Share capital	Discount on issue of shares	Share premium	Statutory	Investments	Property & equipment / NBAs		
	Rupees in '000'							
Balance as on December 31, 2024 - audited	32,715,693	(263,158)	2,215,040	15,411,761	1,013,947	6,940,423	34,497,439	92,531,145
Effect of remeasurement on adoption of IFRS-9 - net of tax	-	-	-	-	29,198	-	-	29,198
Balance as on January 01, 2025 - as restated	32,715,693	(263,158)	2,215,040	15,411,761	1,043,145	6,940,423	34,497,439	92,560,343
Profit after taxation for the period ended March 31, 2025	-	-	-	-	-	-	1,797,854	1,797,854
Other comprehensive income / (loss):								
Movement in deficit on revaluation of investments in debt instruments classified as FVOCI - net of tax	-	-	-	-	(884,093)	-	-	(884,093)
Movement in surplus on revaluation of equity investments classified as FVOCI - net of tax	-	-	-	-	(254,583)	-	-	(254,583)
Total other comprehensive loss - net of tax for the period ended March 31, 2025	-	-	-	-	(1,138,676)	-	-	(1,138,676)
Transfer to statutory reserve during the period	-	-	-	359,571	-	-	(359,571)	-
Transfer from surplus on revaluation of equity investments classified as FVOCI to unappropriated profit on disposal	-	-	-	-	(127,055)	-	264,698	137,643
Transfer from surplus on revaluation of fixed assets to unappropriated profit - net of tax	-	-	-	-	-	(37,754)	37,754	-
Transfer from surplus on revaluation of non banking assets to unappropriated profit - net of tax	-	-	-	-	-	(267)	267	-
Transactions with owners recorded directly in equity:								
Final cash dividend - December 31, 2024 declared subsequent to year end at 18% per share	-	-	-	-	-	-	(5,888,825)	(5,888,825)
	-	-	-	-	-	-	(5,888,825)	(5,888,825)
Balance as on March 31, 2025 - un-audited	32,715,693	(263,158)	2,215,040	15,771,332	(222,586)	6,902,402	30,349,616	87,468,339
Profit after taxation for the period ended December 31, 2025	-	-	-	-	-	-	14,139,776	14,139,776
Other comprehensive income / (loss):								
Remeasurement gain on defined benefit obligation	-	-	-	-	-	-	(146,737)	(146,737)
Movement in surplus on revaluation of investments in debt instruments classified as FVOCI - net of tax	-	-	-	-	3,925,715	-	-	3,925,715
Movement in surplus on revaluation of equity investments classified as FVOCI - net of tax	-	-	-	-	1,229,963	-	-	1,229,963
Movement in surplus on revaluation of property and equipment - net of tax	-	-	-	-	-	1,811	-	1,811
Movement in surplus on revaluation of non-banking assets - net of tax	-	-	-	-	-	9,532	-	9,532
Total other comprehensive income - net of tax for the period ended December 31, 2025	-	-	-	-	5,155,678	11,343	(146,737)	5,020,284
Transfer to statutory reserve during the period	-	-	-	2,827,955	-	-	(2,827,955)	-
Transfer from surplus on revaluation of equity investments classified as FVOCI to unappropriated profit on disposal	-	-	-	-	(722,395)	-	1,504,989	782,594
Transfer from surplus on revaluation of fixed assets to unappropriated profit - net of tax	-	-	-	-	-	(113,290)	113,290	-
Transfer from surplus on revaluation of non banking assets to unappropriated profit - net of tax	-	-	-	-	-	(773)	773	-
Transfer from surplus on revaluation of non banking assets to unappropriated profit on disposal	-	-	-	-	-	(317,625)	317,625	-
Transactions with owners recognized directly in equity:								
Interim cash dividend declared at 10% per share - June 30, 2025	-	-	-	-	-	-	(3,271,569)	(3,271,569)
	-	-	-	-	-	-	(3,271,569)	(3,271,569)
Balance as on December 31, 2025 - audited	32,715,693	(263,158)	2,215,040	18,599,287	4,210,697	6,482,057	40,179,808	104,139,424
Effect of transition to EIR method - net of tax (note 4.1.1)	-	-	-	-	-	-	590,212	590,212
Opening balance as at January 01, 2026 - as restated	32,715,693	(263,158)	2,215,040	18,599,287	4,210,697	6,482,057	40,770,020	104,729,636
Profit after taxation for the period ended March 31, 2026	-	-	-	-	-	-	4,773,849	4,773,849
Other comprehensive income / (loss)								
Movement in surplus on revaluation of investments in debt instruments classified as FVOCI - net of tax	-	-	-	-	(7,355,548)	-	-	(7,355,548)
Movement in surplus on revaluation of investments in equity instruments classified as FVOCI - net of tax	-	-	-	-	(241,814)	-	-	(241,814)
Total other comprehensive loss - net of tax for the period ended March 31, 2026	-	-	-	-	(7,597,362)	-	-	(7,597,362)
Transfer to statutory reserve during the period	-	-	-	954,770	-	-	(954,770)	-
Transfer of surplus on revaluation of equity investments classified as FVOCI to unappropriated profit on disposal	-	-	-	-	(379,931)	-	791,523	411,592
Transfer from surplus on revaluation of property and equipment to unappropriated profit - net of tax	-	-	-	-	-	(35,889)	35,889	-
Transfer from surplus on revaluation of non banking assets to unappropriated profit - net of tax	-	-	-	-	-	(408)	408	-
Transactions with owners recorded directly in equity:								
Final cash dividend - December 31, 2025 declared subsequent to year end at 15% per share	-	-	-	-	-	-	(4,907,354)	(4,907,354)
	-	-	-	-	-	-	(4,907,354)	(4,907,354)
Balance as on March 31, 2026 - un-audited	32,715,693	(263,158)	2,215,040	19,554,057	(3,766,596)	6,445,760	40,509,565	97,410,361

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

Chief Financial Officer

President

Chairman

Director

Director

THE BANK OF PUNJAB
UNCONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31, 2026

	Note	Period Ended	
		March 31, 2026	March 31, 2025
		Rupees in '000'	
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before taxation		10,239,976	4,007,842
Less: Dividend income		(116,199)	(106,546)
		10,123,777	3,901,296
Adjustments:			
Net mark-up / interest income excluding mark-up on lease liability against right of use assets & IFRS-09 adjustments - notional		(22,227,740)	(15,619,070)
Depreciation on property and equipment	31	905,068	775,400
Depreciation on non banking assets acquired in satisfaction of claims	31	8,297	8,165
Depreciation on ijarah assets under IFAS - 2	31	401,854	116,137
Depreciation on right-of-use assets	31	651,329	516,776
Amortization on intangible assets	31	123,131	105,463
Amortization of discount on debt securities - net		(6,439,467)	(2,962,297)
Mark-up on lease liability against right of use assets	26	606,410	575,368
Unrealized gain on revaluation of investments classified as FVTPL	28	(7,977)	(44,461)
Reversal of credit loss allowance against lending to financial institutions	33	(17,022)	(24,137)
(Reversal) / charge of credit loss allowance on investments	33	(59)	591,444
Credit loss allowance on advances	33	42,315	1,402,748
Credit loss allowance against other assets	33	75,412	129,538
Reversal of credit loss allowance against off balance sheet obligations	33	(184,982)	(862,182)
Credit loss allowance against balance with other banks	33	455	547
Reversal of credit loss allowance against balances with treasury banks	33	(81,200)	(154,772)
IFRS-09 adjustment on advances - notional		(691,105)	(1,616,512)
IFRS-09 adjustment on borrowings - notional		227,600	701,694
IFRS-09 adjustment on compensation expense - notional	31.1	333,825	746,598
Workers' Welfare Fund		219,397	125,165
Gain on termination of lease liability against right of use assets	30	(172,988)	(7,320)
Gain on sale of property and equipment - net	30	(32,334)	(38,515)
Realized loss / (gain) on sale of securities - net	28.1	117,358	(726,254)
Net loss on derecognition of financial assets measured at amortised cost	29	302,931	276,737
Provision for employees compensated absences		13,236	7,769
Provision for gratuity		173,024	131,898
		(25,653,232)	(15,844,073)
		(15,529,455)	(11,942,777)
(Increase) / decrease in operating assets:			
Lendings to financial institutions - net		215,147,230	223,804
Net investments in securities classified as FVTPL		243,234	19,102,352
Advances - net		(925,657)	9,032,940
Others assets - net (excluding non-banking assets and markup receivable)		(5,456,543)	(4,996,722)
		209,008,264	23,362,383
Increase / (decrease) in operating liabilities:			
Bills payable		1,494,080	4,006,328
Borrowings		(242,419,464)	(60,051,446)
Deposits and other accounts		(119,326,501)	7,733,134
Other liabilities - net (excluding provision for taxation - net, markup payable and payable to gratuity fund)		11,563,118	5,959,717
		(348,688,767)	(42,352,267)

THE BANK OF PUNJAB

UNCONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) (Continued...)

FOR THE PERIOD ENDED MARCH 31, 2026

	Period Ended	
	March 31, 2026	March 31, 2025
Rupees in '000'		
Payment made to gratuity fund	(704,791)	-
Mark-up / return / interest received	64,551,682	63,046,919
Mark-up / return / interest paid	(44,485,972)	(58,562,027)
Income tax paid	(6,068,058)	(3,541,936)
	<u>13,292,861</u>	<u>942,956</u>
Net cash used in operating activities	(141,917,097)	(29,989,705)
CASH FLOW FROM INVESTING ACTIVITIES		
Net investments in securities classified as FVOCI	121,899,506	34,868,698
Net investments in amortized cost securities	40,220	40,229
Dividends received	86,882	39,413
Investments in property and equipment	(1,723,809)	(1,031,145)
Investments in intangible assets	(49,116)	(34,001)
Proceeds from sale of property and equipment	43,116	40,281
Investment in subsidiary	(500,000)	-
Net cash flow from investing activities	119,796,799	33,923,475
CASH FLOW FROM FINANCING ACTIVITIES		
Payment of lease liability against right of use assets	(906,088)	(716,541)
Net cash used in financing activities	(906,088)	(716,541)
	<u>(23,026,386)</u>	<u>3,217,229</u>
(Decrease) / increase in cash and cash equivalents		
Effect of credit loss allowance changes on cash and cash equivalents	80,745	154,225
Cash and cash equivalents at beginning of the period	108,817,042	103,413,315
Cash and cash equivalents at end of the period	<u>85,871,401</u>	<u>106,784,769</u>
Cash and cash equivalents:		
Cash and balances with treasury banks - net	82,546,517	104,407,149
Balances with other banks - net	10,206,564	3,758,848
Call money lendings	-	300,000
Call borrowing	(3,900,000)	-
Overdrawn nostro accounts	(2,981,680)	(1,681,228)
	<u>85,871,401</u>	<u>106,784,769</u>

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

Chief Financial Officer

President

Chairman

Director

Director

THE BANK OF PUNJAB

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE PERIOD ENDED MARCH 31, 2026

1 STATUS AND NATURE OF BUSINESS

The Bank of Punjab (the Bank) was constituted in Pakistan pursuant to The Bank of Punjab Act, 1989. It was given the status of a scheduled bank by the State Bank of Pakistan (SBP) on September 19, 1994. It is principally engaged in commercial banking and related services with its registered office at BOP Tower, 10-B, Block E-II, Main Boulevard, Gulberg III, Lahore. The Bank has 901 branches including 17 sub branches and 210 Islamic banking branches (December 31, 2025: 901 branches including 17 sub branches and 210 Islamic banking branches) in Pakistan and Azad Jammu and Kashmir (AJK) at the period end. The Bank also has 674 Islamic banking windows (December 31, 2025: 534). The Bank's ordinary shares are listed on Pakistan Stock Exchange. The majority shares of the Bank are held by Government of the Punjab (GoPb). The Pakistan Credit Rating Agency (PACRA) assigned long term rating of AA+ and short term rating of A1+ to the Bank with stable outlook.

2 BASIS OF PREPARATION

In accordance with the directives of the Government of Pakistan regarding the conversion of the Banking system to Islamic modes, the 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 price on deferred payment basis. The purchases and sales arising under these arrangements are not reflected in these unconsolidated condensed interim financial statements as such but are restricted to the amount of facility actually utilized and the appropriate portion of profit thereon.

These unconsolidated condensed interim financial statements are separate financial statements of the Bank in which the investment in subsidiaries are stated at cost less impairment losses (if any) and has not been accounted for on the basis of reported results and net assets of the investee. Consolidated condensed interim financial statements of the Group are being issued separately.

The financial results of Islamic Banking business have been consolidated in these unconsolidated condensed interim financial statements for reporting purposes, after eliminating inter-branch transactions / balances. Key financial figures of the Islamic Banking business are disclosed in note 41 of these unconsolidated condensed interim financial statements.

2.1 Statement of compliance

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

- International Accounting Standard (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 as are notified under the Companies Act, 2017;
- Directives issued by the SBP and the Securities and Exchange Commission of Pakistan (SECP);
- Requirements of The Bank of Punjab Act, 1989; and
- Provisions of and directives issued under the Banking Companies Ordinance, 1962 and the Companies Act, 2017.

Wherever the requirements of the directives issued by the SBP and SECP, the Bank of Punjab Act, 1989, the Banking Companies Ordinance, 1962 and the Companies Act, 2017 differ with the requirements of these IFRS or IFAS, the requirements of the said directives, The Bank of Punjab Act, 1989, the Banking Companies Ordinance, 1962 and the Companies Act, 2017 take precedence.

2.1.2 SBP has deferred the applicability of International Accounting Standards 40, "Investment Property" for Banking Companies through BSD Circular letter No. 10 dated August 26, 2002. Further, the SECP has deferred applicability of IFRS 7 "Financial Instruments: Disclosures" on banks through S.R.O 411(1) / 2008 dated April 28, 2008. Accordingly, the requirements of these standards have not been considered in the preparation of these unconsolidated condensed interim financial statements.

2.1.3 The SBP through BPRD Circular No. 04 of 2015 dated February 25, 2015 has deferred applicability of "Islamic Financial Accounting Standard - 3" for Profit & Loss Sharing on Deposits (IFAS 3) issued by the Institute of Chartered Accountants of Pakistan and notified by the SECP, vide its SRO No. 571 of 2013 dated June 12, 2013 for Institutions offering Islamic Financial Services (IIFS). The standard will result in certain new disclosures in these unconsolidated condensed interim financial statements of the Bank.

2.1.4 The SECP vide its notification SRO 633 (I)/2014 dated July 10, 2014, adopted IFRS 10 "Consolidated Financial Statements" effective from the periods starting from September 30, 2014. However, vide its notification SRO 56 (I)/2016 dated January 28, 2016, it has been notified that the requirements of IFRS 10 and section 228 of the Companies Act, 2017 will not be applicable with respect to the investment in mutual funds established under trust structure.

2.1.5 The disclosures made in these unconsolidated condensed interim financial statements have been limited based on a format prescribed by the SBP vide BPRD Circular No. 02 dated February 09, 2023 and IAS-34, "Interim Financial Reporting". Accordingly, these unconsolidated condensed interim financial statements do not include all the information and disclosures required for annual unconsolidated financial statements, and these unconsolidated condensed interim financial statements should be read in conjunction with the annual audited unconsolidated financial statements of the Bank for the year ended December 31, 2025.

2.1.6 Amendments and interpretations of accounting standards that are effective in the current period:

There are certain new and amended standards, issued by the 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 operations and therefore are not detailed in these unconsolidated condensed interim financial statements.

2.1.7 New accounting standards and IFRS interpretations 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 operations except for:

	Effective date (annual periods beginning on or after)
- IFRS 18 - Presentation and Disclosure in Financial Statements	January 01, 2027
- IFRS 19 - Subsidiaries without Public Accountability: Disclosures	January 01, 2027

3 BASIS OF MEASUREMENT

3.1 These unconsolidated condensed interim financial statements have been prepared under the historical cost convention except for revaluation of freehold land and buildings on freehold land, revaluation of non banking assets acquired in satisfaction of claims, valuation of certain investments and commitments in respect of forward exchange contracts at fair value, right-of-use assets, lease liabilities and certain staff retirement benefits at present value and staff & subsidized loans disbursed under Temporary Economic Refinance Facility (TERF) are at fair value on initial recognition.

3.2 These unconsolidated condensed interim financial statements are presented in Pak Rupees, which is the Bank's functional and presentation currency.

4 MATERIAL ACCOUNTING POLICY INFORMATION

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

4.1 IFRS 09 - Financial Instruments**4.1.1 Transition to Effective Interest Rate (EIR) methodology**

The Bank adopted IFRS 9 effective from January 01, 2024, except for certain relaxations and extensions issued by the SBP from time to time. The impacts of these relaxations and extensions were incorporated in the annual financial statements of the Bank for the respective years ended December 31, 2024 and 2025, with the modified retrospective approach for restatement permitted under IFRS 9.

In addition, the SBP, in a separate instruction, through BPRD Circular Letter No. 1 dated January 22, 2025, allowed an extension for application of the Effective Interest Rate (EIR) up to December 31, 2025. During the current period, in accordance with the aforementioned instruction, the Bank has applied EIR on the financial instruments appearing as at January 1, 2026, and the cumulative impact of application of EIR amounting to Rs. 590.218 million, net of tax, has been recorded as an adjustment to equity at the beginning of the current period.

4.1.2 The SBP has directed the Banks through its BPRD Circular Letter No. 01 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 been adopted in its entirety for revenue recognition from Islamic operations, the profit before tax of the Bank would have been higher by Rs. 313 million (March 31, 2025: Rs. 793 million)

4.2 CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The basis for accounting judgments and key estimates adopted in 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.

4.3 FINANCIAL RISK MANAGEMENT

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

THE BANK OF PUNJAB

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

Rupees in '000'

5 CASH AND BALANCES WITH TREASURY BANKS - NET

In hand:

Local currency	25,469,929	29,661,102
Foreign currencies	3,920,446	3,202,466
	29,390,375	32,863,568

With SBP in:

Local currency current account	44,706,493	64,097,151
Foreign currency current account	2,233,226	2,205,969
Foreign currency deposit accounts	4,719,296	4,388,833
	51,659,015	70,691,953

With National Bank of Pakistan in:

Local currency current accounts	1,372,674	8,098,988
Prize bonds	227,550	276,310
Less: Credit loss allowance held against cash and balances with treasury banks	(103,097)	(184,297)
Cash and balances with treasury banks - net of credit loss allowance	82,546,517	111,746,522

6 BALANCES WITH OTHER BANKS - NET

In Pakistan:

Current accounts	30,488	9,983
Deposit accounts	-	-
	30,488	9,983

Outside Pakistan:

Current accounts	6,358,253	5,442,714
Deposit accounts	3,828,298	-
	10,186,551	5,442,714

Less: Credit loss allowance held against balances with other banks

	(10,475)	(10,020)
Balances with other banks - net of credit loss allowance	10,206,564	5,442,677

7 LENDINGS TO FINANCIAL INSTITUTIONS - NET

Repurchase agreement lendings (Reverse Repo)	3,791,220	156,438,450
Placements	4,500,000	67,000,000
	8,291,220	223,438,450
Less: Credit loss allowance held against lendings to financial institutions	(3,630)	(20,652)
Lendings to financial institutions - net of credit loss allowance	8,287,590	223,417,798

		March 31, 2026 (Un-audited)		December 31, 2025 (Audited)	
		Lendings	Credit loss allowance held	Lendings	Credit loss allowance held
Rupees in '000'					
Performing	Stage 1	4,500,000	3,630	67,000,000	20,652
Under performing	Stage 2	-	-	-	-
Non-performing:					
Substandard	Stage 3	-	-	-	-
Doubtful		-	-	-	-
Loss		-	-	-	-
		-	-	-	-
		4,500,000	3,630	67,000,000	20,652

8 INVESTMENTS - NET**8.1 Investments by type:**

		March 31, 2026 (Un-audited)				December 31, 2025 (Audited)			
		Cost / Amortized cost	Credit loss allowance	Surplus / (Deficit)	Carrying value	Cost / Amortized cost	Credit loss allowance	Surplus / (Deficit)	Carrying value
Rupees in '000'									
	Note								
FVTPL									
Federal government securities		1,293,924	-	(119)	1,293,805	1,514,950	-	(19,392)	1,495,558
Shares		324,004	-	8,096	332,100	305,100	-	18,900	324,000
Non government debt securities		752,173	(122,454)	-	629,719	752,199	(122,454)	-	629,745
		2,370,101	(122,454)	7,977	2,255,624	2,572,249	(122,454)	(492)	2,449,303
FVOCI									
Federal government securities	8.2	1,293,858,492	-	(5,940,174)	1,287,918,318	1,404,750,100	-	8,890,227	1,413,640,327
Shares		4,185,253	-	(412,108)	3,773,145	8,394,992	-	882,131	9,277,123
Mutual fund & investment trust units		3,173,426	-	(1,508,910)	1,664,516	3,173,426	-	(1,010,953)	2,162,473
Non government debt securities		298,123	(190,623)	(12,900)	94,600	333,956	(190,623)	(17,200)	126,133
Foreign securities		11,957	-	27,017	38,974	11,957	-	28,079	40,036
		1,301,527,251	(190,623)	(7,847,075)	1,293,489,553	1,416,664,431	(190,623)	8,772,284	1,425,246,092
Amortised cost									
Federal government securities		121,394,545	-	-	121,394,545	118,887,560	-	-	118,887,560
Non government debt securities		1,500,931	(608,133)	-	892,798	1,541,158	(608,192)	-	932,966
WAPDA bonds		400	(400)	-	-	400	(400)	-	-
		122,895,876	(608,533)	-	122,287,343	120,429,118	(608,592)	-	119,820,526
Subsidiaries	8.1.1	2,375,432	(164,945)	-	2,210,487	1,875,432	(164,945)	-	1,710,487
Associate	8.1.1	285,000	-	-	285,000	285,000	-	-	285,000
Total investments		1,429,453,660	(1,086,555)	(7,839,098)	1,420,528,007	1,541,826,230	(1,086,614)	8,771,792	1,549,511,408

8.1.1 The Bank has four subsidiary companies i.e. Punjab Modaraba Services (Private) Limited (PMSL), First Punjab Modaraba (FPM), BOP Capital Securities (Private) Limited (BOP CS) and BOP Exchange (Private) Limited (BOP Exchange). The wholly owned subsidiary company of the Bank is PMSL which exercises control over First Punjab Modaraba (FPM), as its management company and also has a direct economic interest in it. Further, the Bank also holds an investment in an associated company i.e. Punjab Life Insurance Company Limited (PLIC) (9.5% holding). The country of incorporation of all subsidiary and associated companies is Pakistan. Key financial results of subsidiary & associated companies are as follows:

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
	Rupees in '000'	
Investment in subsidiaries & associate		
Punjab Modaraba Services (Private) Limited - subsidiary	164,945	164,945
BOP Capital Securities (Private) Limited - subsidiary	210,487	210,487
BOP Exchange (Private) Limited - subsidiary	2,000,000	1,500,000
Punjab Life Insurance Company Limited - associate	285,000	285,000
	2,660,432	2,160,432
Less : Credit loss allowance held against Punjab Modaraba Services (Private) Limited	(164,945)	(164,945)
Closing balance	2,495,487	1,995,487

	PLIC		BOP Exchange		PMSL		FPM		BOP CS	
	March 31, 2026	December 31, 2025	March 31, 2026	December 31, 2025	March 31, 2026	December 31, 2025	March 31, 2026	December 31, 2025	March 31, 2026	December 31, 2025
	Un-audited	Audited	Un-audited	Audited	Un-audited	Audited	Un-audited	Audited	Un-audited	Audited
	Rupees in '000'									
Total assets	3,053,326	3,006,953	1,715,898	1,324,092	88,293	134,307	1,780,561	1,703,504	437,505	444,070
Total liabilities	39,824	4,588	132,322	126,774	110,429	108,740	2,245,452	2,182,098	158,393	175,798
Percentage of holding	9.50%	9.50%	100%	100%	100%	100%	39.16%	39.16%	100%	100%

	PLIC		BOP Exchange		PMSL		FPM		BOP CS	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
	Un-audited	Un-audited	Un-audited	Un-audited	Un-audited	Un-audited	Un-audited	Un-audited	Un-audited	Un-audited
	Rupees in '000'									
Revenue	47,996	-	12,881	5,663	-	1,564	59,826	68,188	34,933	14,882
Profit / (loss) after tax	11,646	-	(85,820)	(32,955)	2,557	(553)	(287)	15,310	14,395	5,317
Total comprehensive income / (loss)	11,646	-	(85,820)	(32,955)	(48,728)	3,310	(287)	15,310	15,027	5,588

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
	Rupees in '000'	
8.2 Investments given as collateral		
Market treasury bills	4,935,225	250,420,755
Pakistan investment bonds	313,387,497	311,423,718
	318,322,722	561,844,473

	Performing		Non performing		Total	
	(Un-audited) March 31, 2026	(Audited) December 31, 2025	(Un-audited) March 31, 2026	(Audited) December 31, 2025	(Un-audited) March 31, 2026	(Audited) December 31, 2025
9 ADVANCES - NET	Rupees in '000'					
Loans, cash credits, running finances, etc.	727,111,617	726,966,842	43,394,166	41,912,306	770,505,783	768,879,148
Islamic financing and related assets	130,555,026	132,168,449	2,334,967	2,247,218	132,889,993	134,415,667
Bills discounted and purchased	22,980,048	22,547,524	167,222	167,222	23,147,270	22,714,746
Advances - gross	880,646,691	881,682,815	45,896,355	44,326,746	926,543,046	926,009,561
Credit loss allowance against advances:						
-Stage 1	(5,005,808)	(4,918,727)	-	-	(5,005,808)	(4,918,727)
-Stage 2	(1,004,780)	(1,271,007)	(161,219)	(65,865)	(1,165,999)	(1,336,872)
-Stage 3	(1,776,798)	(972,324)	(34,417,585)	(35,095,952)	(36,194,383)	(36,068,276)
-General Provision	(2,261,840)	(2,261,840)	-	-	(2,261,840)	(2,261,840)
	(10,049,226)	(9,423,898)	(34,578,804)	(35,161,817)	(44,628,030)	(44,585,715)
Advances - net of credit loss allowance	870,597,465	872,258,917	11,317,551	9,164,929	881,915,016	881,423,846
					(Un-audited) March 31, 2026	(Audited) December 31, 2025

9.1 Particulars of advances (gross)

	Rupees in '000'	
In local currency	907,379,862	907,440,125
In foreign currencies	19,163,184	18,569,436
	926,543,046	926,009,561

9.2 Advances include Rs. 45,896,355 thousand (December 31, 2025: Rs. 44,326,746 thousand) which have been placed under non-performing / stage 2 and 3 status as detailed below:

Category of classification	Note	(Un-audited) March 31, 2026		(Audited) December 31, 2025	
		Non performing loans	Credit loss allowance	Non performing loans	Credit loss allowance
Other assets especially mentioned	9.2.1	2,503,165	161,219	129,318	65,865
Other assets especially mentioned		293,692	117,271	2,335,969	523,012
Substandard		3,341,750	1,381,971	1,001,064	413,294
Doubtful		5,803,231	2,863,429	5,474,823	2,683,844
Loss		33,954,517	30,054,914	35,385,572	31,475,802
Grand total		45,896,355	34,578,804	44,326,746	35,161,817

Stage-2
Stage-3

9.2.1 This includes non-performing portfolio of agricultural, small enterprise and infrastructure project financing classified as "Other Assets Especially Mentioned" as per the requirements of respective Prudential Regulations issued by the State Bank of Pakistan.

9.3 Particulars of credit loss allowance against advances	March 31, 2026 (Un-audited)				December 31, 2025 (Audited)					
	Stage 3	Stage 2	Stage 1	General Provision	Total	Stage 3	Stage 2	Stage 1	General Provision	Total
	Rupees in '000'									
Opening balance	36,068,276	1,336,872	4,918,727	2,261,840	44,585,715	44,616,459	1,871,299	3,557,876	-	50,045,634
Charge for the period / year	3,114,749	386,674	956,961	-	4,458,384	5,957,488	850,020	3,685,435	2,261,840	12,754,783
Reversals for the period / year	(2,988,642)	(557,547)	(869,880)	-	(4,416,069)	(4,792,119)	(1,384,447)	(2,324,584)	-	(8,501,150)
	126,107	(170,873)	87,081	-	42,315	1,165,369	(534,427)	1,360,851	2,261,840	4,253,633
Amounts written off	-	-	-	-	-	(220)	-	-	-	(220)
Amounts charged off during the period / year	-	-	-	-	-	(9,713,332)	-	-	-	(9,713,332)
Closing balance	36,194,383	1,165,999	5,005,808	2,261,840	44,628,030	36,068,276	1,336,872	4,918,727	2,261,840	44,585,715

The Bank has availed the benefit of Forced Sale Value (FSV) of collateral against non-performing advances as allowed vide BSD Circular No.1 dated October 21, 2011. This has resulted in decrease in credit loss allowance against non-performing advances by Rs. 472,735 thousand (December 31, 2025: Rs. 559,227 thousand). The FSV benefit availed is not available for cash or stock dividend. Further, the Bank has availed benefit of eligible collaterals for the calculation of ECL amounting to Rs. 741,222 thousand (December 31, 2025: Rs. 2,813,713 thousand).

9.4 Advances - particulars of credit loss allowance	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'								
Opening balance	Note	7,180,567	1,336,872	36,068,276	44,585,715	3,557,873	1,871,302	44,616,459	50,045,634
New advances		460,356	69,159	301,453	830,968	2,210,627	297,506	2,044,303	4,552,436
Advances derecognized or repaid		(169,621)	(80,775)	(121,265)	(371,661)	(492,432)	(392,872)	(1,764,744)	(2,650,048)
Transfer to stage 1		79,370	(78,746)	(624)	-	445,856	(350,861)	(94,995)	-
Transfer to stage 2		(221,103)	2,284,873	(2,063,770)	-	(76,895)	624,132	(547,237)	-
Transfer to stage 3		(11,432)	(214,704)	226,136	-	(23,799)	(202,859)	226,658	-
		137,570	1,979,807	(1,658,070)	459,307	2,063,357	(24,954)	(136,015)	1,902,388
General Provision	9.4.2	-	-	-	-	2,261,840	-	-	2,261,840
Amounts written off		-	-	-	-	-	-	(220)	(220)
Amounts charged off		-	-	-	-	-	-	(9,713,332)	(9,713,332)
Changes in risk parameters		(50,489)	(2,150,680)	1,784,177	(416,992)	(702,503)	(509,476)	1,301,384	89,405
Closing balance		7,267,648	1,165,999	36,194,383	44,628,030	7,180,567	1,336,872	36,068,276	44,585,715

9.4.1 This includes provision amounting to Rs. 664,883 thousand (December 31, 2025: Rs. 664,883 thousand) against Excess Over Limit exposure under digital lending portfolio on account of a system glitch, in an application managed by a vendor of the Bank.

9.4.2 This represents general provision maintained against advances extended under Public Sector initiatives for the Agriculture and SME sectors on prudence basis. The performance of these advances shall be assessed on quarterly basis to determine adequacy of the general provision maintained.

9.5 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'			
Performing	844,904,586	7,267,648	842,144,342	7,180,567
Underperforming	33,365,836	1,004,780	38,225,962	1,271,007
	878,270,422	8,272,428	880,370,304	8,451,574
Non-Performing:				
Other assets especially mentioned	2,503,165	161,219	126,571	65,865
Other assets especially mentioned	293,692	117,271	2,334,889	523,012
Substandard	3,341,750	1,381,971	1,001,064	413,294
Doubtful	5,803,231	2,863,429	5,474,823	2,683,844
Loss	33,954,517	30,054,914	35,385,572	31,475,802
	43,393,190	34,417,585	44,196,348	35,095,952
Underperforming	2,376,269	1,776,798	1,316,338	972,324
Total	926,543,046	44,628,030	926,009,561	44,585,715

THE BANK OF PUNJAB

		(Un-audited) March 31, 2026	(Audited) December 31, 2025
	Note	Rupees in '000'	
10 PROPERTY AND EQUIPMENT			
Capital work-in-progress	10.1	1,887,532	843,391
Property and equipment	10.2	<u>28,682,171</u>	<u>28,918,354</u>
		<u>30,569,703</u>	<u>29,761,745</u>
10.1 Capital work-in-progress			
Civil works		638,311	579,324
Advances to suppliers		<u>1,249,221</u>	<u>264,067</u>
		<u>1,887,532</u>	<u>843,391</u>
		(Un-audited)	(Un-audited)
		March 31,	March 31,
		2026	2025
10.2 Additions to property and equipment		Rupees in '000'	
The following additions / transfers have been made to property and equipment during the period:			
Capital work-in-progress - net		1,044,141	39,690
Property and equipment:			
Furniture and fixtures		68,436	58,341
Electrical and office equipments		73,995	315,306
Computer equipments		359,344	300,689
Lease hold improvements		177,253	90,033
Vehicles		640	227,086
		<u>679,668</u>	<u>991,455</u>
		<u>1,723,809</u>	<u>1,031,145</u>
10.3 Disposal of property and equipment:			
The net book value of property and equipment disposed off during the period is as follows:			
Furniture and fixtures		1,878	774
Electrical and office equipments		2,409	774
Lease hold improvements		6,495	218
Vehicles	10.3.1	-	-
		<u>10,782</u>	<u>1,766</u>
10.3.1	Gross carrying amount / cost of vehicles disposed off during the period was Rs. 23,412 thousand (March 31, 2025: Nil).		
		(Un-audited)	(Audited)
		March 31,	December 31,
		2026	2025
11 RIGHT-OF-USE ASSETS		Rupees in '000'	
As at January 01,			
Cost		22,394,457	19,966,779
Accumulated depreciation		<u>(9,248,287)</u>	<u>(7,101,015)</u>
Net carrying amount as at January 01,		13,146,170	12,865,764
Additions / modifications during the period / year		520,672	2,726,457
Terminations - at cost during the period / year		(232,680)	(298,779)
Depreciation on terminations during the period / year		74,080	126,944
Terminations - at book value		(158,600)	(171,835)
Depreciation charge for the period / year		<u>(651,329)</u>	<u>(2,274,216)</u>
Net carrying amount		<u>12,856,913</u>	<u>13,146,170</u>

THE BANK OF PUNJAB

		(Un-audited) March 31, 2026	(Audited) December 31, 2025
12	INTANGIBLE ASSETS		
	Intangible in progress	373,786	333,273
	Software and long term licenses	2,254,584	2,369,112
		<u>2,628,370</u>	<u>2,702,385</u>
		(Un-audited)	(Un-audited)
		March 31,	March 31,
		2026	2025
		Rupees in '000'	
12.1	Additions to intangible assets		
	The following additions / transfers have been made to intangible assets during the period:		
	Intangible in progress - net	40,513	(61,611)
	Intangible assets purchased	8,603	95,612
		<u>49,116</u>	<u>34,001</u>
		(Un-audited)	(Audited)
		March 31,	December 31,
		2026	2025
		Rupees in '000'	
13	DEFERRED TAX ASSETS - NET		
	Deductible temporary differences on:		
	Right of use assets net of lease liabilities	2,755,780	2,662,876
	Workers' Welfare Fund	1,552,039	1,437,953
	Deficit on revaluation of investments classified as FVOCI	4,080,479	-
	Credit loss allowance against off balance sheet obligations	265,203	361,394
	Credit loss allowance against lendings to financial institutions	1,888	10,739
	Credit loss allowance against balance with other banks	5,447	5,212
	Credit loss allowance against balance with treasury banks	53,610	95,834
	Credit loss allowance against investments	365,461	365,492
	Credit loss allowance against other assets	953,608	914,394
	Credit loss allowance against advances	11,131,256	10,865,712
		<u>21,164,771</u>	<u>16,719,606</u>
	Taxable temporary differences on:		
	Surplus on revaluation of property and equipment	(3,071,497)	(3,110,378)
	Surplus on revaluation of investments classified as FVOCI	-	(4,561,588)
	Impact of adoption of EIR methodology under IFRS-09	(779,395)	-
	Accelerated tax depreciation	(1,316,830)	(1,405,102)
	Surplus on revaluation of non banking assets acquired in satisfaction of claims	(34,910)	(35,354)
		<u>(5,202,632)</u>	<u>(9,112,422)</u>
		<u>15,962,139</u>	<u>7,607,184</u>

THE BANK OF PUNJAB

		(Un-audited)	(Audited)
		March 31,	December 31,
		2026	2025
14	OTHER ASSETS - NET	Rupees in '000'	
	Note		
		66,937,496	65,259,453
		187,249	243,389
		9,635,449	2,818,480
		3,759,227	3,674,098
	21	19,666,034	18,550,252
		16,828,504	16,573,483
		6,982,114	7,285,045
		430,401	249,582
		627,563	457,899
		53,128	13,632
		430,415	216,221
		36,790	36,790
		656,703	653,626
		47,050	48,098
		1,376,585	5,693,033
		219,175	219,175
		334,690	334,690
		280,854	3,863
		2,505,016	2,094,444
		2,906,196	1,768,753
		2,145,587	2,784,452
		136,046,226	128,978,458
	14.1	(2,773,313)	(2,697,901)
		133,272,913	126,280,557
	23	642,625	643,475
		133,915,538	126,924,032

THE BANK OF PUNJAB

		(Un-audited) March 31, 2026	(Audited) December 31, 2025
14.1	Credit loss allowance held against other assets	Rupees in '000'	
	Advances, deposits, advance rent & other prepayments	222,330	222,330
	Acceptances	88,585	85,180
	Income / mark-up accrued	520,362	449,215
	Non banking assets acquired in satisfaction of claims	30,876	30,876
	Zakat recoverable from NITL	36,790	36,790
	Fraud and forgeries	497,749	496,889
	Receivable against settlement arrangements	219,175	219,175
	Receivable against litigation expenses	334,690	334,690
	Others	822,756	822,756
		2,773,313	2,697,901
14.1.1	Movement in credit loss allowance held against other assets		
	Opening balance	2,697,901	1,332,437
	Charge for the period / year	185,268	1,610,372
	Reversals during the period / year	(109,856)	(244,820)
		75,412	1,365,552
	Amount written off	-	(88)
	Closing balance	2,773,313	2,697,901
14.1.2	This includes provision amounted to Rs. 4,548 thousand (December 31, 2025: Rs. 3,006 thousand) maintained against certain closed cases as per approval of the management.		
14.1.3	This includes amount recoverable from a service provider under settlement against certain disputed transaction. The Bank's claim is under consideration at service provider end, however, provision has been created on prudence basis and without prejudice to the Bank's claim against service provider.		
		(Un-audited) March 31, 2026	(Audited) December 31, 2025
15	CONTINGENT ASSETS	Rupees in '000'	
	Contingent assets	Nil	Nil
16	BILLS PAYABLE		
	In Pakistan	10,633,274	9,139,194
	Outside Pakistan	-	-
		10,633,274	9,139,194
17	BORROWINGS		
	Secured		
	Borrowings from SBP under:		
	Export Refinance Scheme (ERF)	15,450,075	17,633,451
	Long term financing facility (LTFF)	6,066,842	6,545,639
	Financing facility for Storage of Agriculture Produce (FFSAP)	387,575	400,112
	Finance facility for Special Persons	19,500	-
	Financing Scheme for Renewable Energy Performance Plateform (REPP)	4,783,795	4,983,962
	Refinancing facility for combating COVID-19	139,092	200,869
	Temporary Economic Refinance Scheme (TERF)	9,358,972	9,765,661
	Refinance and Credit Guarantee Scheme for Women Entrepreneurs	32,733	35,783
	Finance facility for SAAF Rozgar Reimbursement Credit	11,208,236	11,654,968
	Finance facility for Shamsi Tawanai Consumer	35,789	38,905
	Islamic Temporary Economic Refinance Facility (ITERF)	747,754	789,014
	Refinancing facility for Modernization of SMEs	120,578	132,875
	Refinance facility for Working Capital of SMEs	30,000	30,000
		48,380,941	52,211,239
	Repurchase agreement borrowings	317,360,725	558,128,341
	Borrowing from Pakistan Mortgage Refinance Company Limited (PMRC)	2,453,890	2,454,656
	Total secured	368,195,556	612,794,236
	Unsecured		
	Call borrowings	3,900,000	5,200,000
	Overdrawn nostro accounts	2,981,680	3,172,157
	Borrowing from Agence Francaise De Development (AFD)	6,048,415	3,641,599
	Total unsecured	12,930,095	12,013,756
		381,125,651	624,807,992

18 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	385,988,256	13,459,219	399,447,475	457,167,831	12,864,423	470,032,254
Savings deposits	876,814,227	6,604,996	883,419,223	707,245,769	4,948,228	712,193,997
Term deposits	601,029,731	20,973,901	622,003,632	780,906,332	22,400,840	803,307,172
Margin deposits	17,127,626	-	17,127,626	10,858,217	-	10,858,217
	1,880,959,840	41,038,116	1,921,997,956	1,956,178,149	40,213,491	1,996,391,640
Financial institutions:						
Current deposits	1,747,896	691,952	2,439,848	3,474,761	2,254,680	5,729,441
Savings deposits	6,713,603	2,784	6,716,387	21,579,125	2,838	21,581,963
Term deposits	1,029,000	-	1,029,000	27,822,366	-	27,822,366
Margin deposits	26,612	-	26,612	10,894	-	10,894
	9,517,111	694,736	10,211,847	52,887,146	2,257,518	55,144,664
	1,890,476,951	41,732,852	1,932,209,803	2,009,065,295	42,471,009	2,051,536,304

18.1 Current deposits include call deposits amounting to Rs. 32,978,518 thousand (December 31, 2025: Rs. 47,794,091 thousand).

	(Un-audited)	(Audited)
	March 31, 2026	December 31, 2025
	Rupees in '000'	
19 LEASE LIABILITIES		
Outstanding at the start of the period / year	18,267,085	17,101,125
Additions during the period / year	520,672	2,726,457
Mark-up accrued during the period / year	606,410	2,398,792
Terminations during the period / year	(331,588)	(411,022)
Payment of lease liabilities against right of use assets during the period / year	(906,088)	(3,548,267)
Outstanding at the end of the period / year	18,156,491	18,267,085
19.1 Liabilities outstanding		
Not later than one year	78,085	106,595
Later than one year and up to five years	2,084,176	2,361,932
Over five years	15,994,230	15,798,558
Total at the end of the period / year	18,156,491	18,267,085
19.1.1 For the purpose of discounting PKRV rates are being used.		
20 SUBORDINATED DEBTS		
Subordinated perpetual term finance certificates - ADT I	8,017,500	8,017,500
Subordinated perpetual term finance certificates - ADT I 2nd issue	3,950,000	3,950,000
Privately placed term finance certificates - II	4,287,100	4,287,100
Privately placed term finance certificates - III	6,993,000	6,993,000
Privately placed term finance certificates - IV	7,564,958	7,564,958
	30,812,558	30,812,558

20.1. Major terms and conditions of subordinated debts are as follows:

Description	ADT - I	ADT - I 2nd issue	TFCs - II	TFCs - III	TFCs - IV
Face value	100,000 PKR	100,000 PKR	100,000 PKR	100,000 PKR	100,000 PKR
Listed/unlisted	Listed	Un-listed	Un-listed	Un-listed	Un-listed
Feature	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative
Issue amount Rs. in '000'	8,017,500	3,950,000	4,300,000	7,000,000	7,569,500
Issue date	June 20, 2022	February 29, 2024	April 23, 2018	April 17, 2023	June 27, 2024
Maturity date	Perpetual	Perpetual	April 23, 2028	April 17, 2033	June 27, 2034
Rating	AA- (by PACRA)	AA- (by PACRA)	AA (by PACRA)	AA (by PACRA)	AA (by PACRA)
Tenor	Perpetual	Perpetual	10 Years.	10 Years.	10 Years.
Security	Unsecured and subordinated to all other indebtedness of the Bank including deposits except common shares.	Unsecured and subordinated to all other indebtedness of the Bank including deposits except common shares.	Unsecured and subordinated to all other indebtedness of the Bank including deposits.	Unsecured and subordinated to all other indebtedness of the Bank including deposits.	Unsecured and subordinated to all other indebtedness of the Bank including deposits.
Profit payment & frequency	Profit payable on half yearly basis in arrears on the outstanding principal amount, on a non-cumulative basis.	Profit payable on half yearly basis in arrears on the outstanding principal amount, on a non-cumulative basis.	Profit payable on half yearly basis in arrears on the outstanding principal amount.	Profit payable on half yearly basis in arrears on the outstanding principal amount.	Profit payable on half yearly basis in arrears on the outstanding principal amount.
Profit rate	Floating rate of return at base rate plus 200 bps p.a. (Base rate will be the average rate 'Ask side of the six month Karachi Inter Bank Offered Rate set at 1 (one business) day prior to the redemption date for the redemption amount payable on the immediately following redemption date).	Floating rate of return at base rate plus 200 bps p.a. (Base rate will be the average rate 'Ask side of the six month Karachi Inter Bank Offered Rate set at 1 (one business) day prior to the redemption date for the redemption amount payable on the immediately following redemption date).	Floating rate of return at base rate plus 125 bps p.a. (Base rate will be the average rate 'Ask side of the six month Karachi Inter Bank Offered Rate set at 1 (one business) day prior to the redemption date for the redemption amount payable on the immediately following redemption date).	Floating rate of return at base rate plus 125 bps p.a. (Base rate will be the average rate 'Ask side of the six month Karachi Inter Bank Offered Rate set at 1 (one business) day prior to the redemption date for the redemption amount payable on the immediately following redemption date).	Floating rate of return at base rate plus 125 bps p.a. (Base rate will be the average rate 'Ask side of the six month Karachi Inter Bank Offered Rate set at 1 (one business) day prior to the redemption date for the redemption amount payable on the immediately following redemption date).
Repayment	Not applicable.	Not applicable.	The TFC has been structured to redeem 0.02% of the issue amount semi-annually in the first 09 years after the issue and the remaining issue amount in two equal semi-annual installments of 49.82% each, in the 10th year.	The TFC has been structured to redeem 0.02% of the issue amount semi-annually in the first 09 years after the issue and the remaining issue amount in two equal semi-annual installments of 49.82% each, in the 10th year.	The TFC has been structured to redeem 0.36% of the issue amount semi-annually in the first 09 years after the issue and the remaining issue amount in two equal semi-annual installments of 49.82% each, in the 10th year.
Call / Put option	Callable after a period of 05 years. However no put option is available to the investors.				
Lock in clause	Neither profit nor principal may be paid (even at maturity) if such payments would result in a shortfall in the Bank's Minimum Capital Requirement (MCR) or Capital Adequacy Ratio (CAR) or increase any existing shortfall in MCR or CAR.				
Loss absorbency clause:	May be converted into ordinary shares or written off immediately (either partially or in full) at the discretion of the SBP, upon the occurrence of a point of non-viability ("PONV") event as defined in the Basel III guidelines, at the market value of the shares on the date of trigger of PONV on sole discretion of the SBP.				

21 OTHER LIABILITIES	Note	(Un-audited)	(Audited)
		March 31, 2026	December 31, 2025
Rupees in '000'			
Mark-up / return / interest payable in local currency		39,762,357	41,078,180
Mark-up / return / interest payable in foreign currencies		559,127	468,035
Mark-up payable on subordinated debts		1,189,819	505,215
Provision for taxation - net		3,158,712	3,408,359
Sundry creditors and accrued expenses		3,861,662	2,757,035
Lease key money		34,645,525	31,204,602
Acceptances	14	19,666,034	18,550,252
Payable to gratuity fund		173,024	704,791
Gratuity payable to key management personnel		44,318	44,318
Provision for employees compensated absences		215,061	207,343
Unrealized loss on revaluation of foreign bills and trade loans		149,031	119,909
Credit loss allowance against off-balance sheet obligations	21.2	553,989	738,971
Levies and taxes payable		888,781	1,244,917
Dividend payable		4,907,368	14
Unclaimed dividends		2,586	2,586
Payable to charity fund		13,077	4,166
Charges payable against financing of consumer assets		2,219,702	1,802,648
Workers' Welfare Fund	21.1	3,269,647	3,050,250
Deferred and unearned income		3,083,472	2,095,729
Clearing and settlement accounts		3,970,869	500,972
Credit loss guarantee received against advances		2,968,017	1,890,761
Payable on account of GoPb schemes		903,445	352,013
Others		2,862,596	2,250,144
		129,068,219	112,981,210

21.1 Supreme Court of Pakistan vide its order dated November 10, 2016 has held that the amendments made in the law introduced by the Federal Government for the levy of Workers Welfare Fund (WWF) were not lawful. The Federal Board of Revenue has filed review petitions against this order which are currently pending. Legal advice obtained on the matter indicates that consequent to filing of these review petitions the judgment may not currently be treated as conclusive. Accordingly, the Bank maintained provision in respect of WWF.

21.2 Credit loss allowance against off-balance sheet obligations	Note	(Un-audited)	(Audited)
		March 31, 2026	December 31, 2025
Rupees in '000'			
Opening balance		738,971	1,805,577
Charge for the period / year		96,180	394,861
Reversals during the period / year		(281,162)	(1,461,467)
	33	(184,982)	(1,066,606)
Closing balance		553,989	738,971

22 SHARE CAPITAL - NET**22.1 Authorized capital**

(Un-audited) March 31, 2026	(Audited) December 31, 2025		(Un-audited) March 31, 2026	(Audited) December 31, 2025
Number of shares			Rupees in '000'	
5,000,000,000	5,000,000,000	Ordinary / Preference shares of Rs. 10 each	50,000,000	50,000,000

The authorized capital of the Bank is fifty thousand million rupees divided into five thousand million ordinary or preference shares of ten rupees each. The Board of Directors approved increase in authorized share capital of the Bank to 10,000,000 thousand shares amounting to Rs. 100,000,000 thousand. The Bank has initiated the process for necessary amendments in the Bank of Punjab Act, 1989 through the Provincial Assembly of Punjab.

22.2 Issued, subscribed and paid up capital

(Un-audited) March 31, 2026	(Audited) December 31, 2025		(Un-audited) March 31, 2026	(Audited) December 31, 2025
Number of shares			Rupees in '000'	
		Note		
1,607,912,555	1,607,912,555	Ordinary shares of Rs. 10 each paid in cash	16,079,125	16,079,125
526,315,789	526,315,789	Ordinary shares of Rs. 10 each issued at discount	5,263,158	5,263,158
1,137,340,975	1,137,340,975	Issued as bonus shares	11,373,410	11,373,410
3,271,569,319	3,271,569,319		32,715,693	32,715,693
-	-	Less: Discount on issue of shares	(263,158)	(263,158)
3,271,569,319	3,271,569,319		32,452,535	32,452,535

GoPb held 57.47% shares in the Bank as at March 31, 2026 (December 31, 2025: 57.47%).

23 SURPLUS ON REVALUATION OF ASSETS - NET OF TAX

Surplus / (deficit) on revaluation of:

Securities measured at FVOCI - debt instruments	8.1	(7,461,984)	7,862,074
Securities measured at FVOCI - equity investments	8.1	(385,091)	910,210
Property and equipment		8,909,542	8,984,314
Non-banking assets acquired in satisfaction of claims	14	642,625	643,475
		1,705,092	18,400,073

Deferred tax on surplus / (deficit) on revaluation of:

Securities measured at FVOCI - debt instruments	3,880,232	(4,088,278)
Securities measured at FVOCI - equity investments	200,247	(473,309)
Property and equipment	(3,071,497)	(3,110,378)
Non-banking assets acquired in satisfaction of claims	(34,910)	(35,354)
	974,072	(7,707,319)
	2,679,164	10,692,754

24 CONTINGENCIES AND COMMITMENTS

Guarantees	24.1	170,818,255	159,015,216
Commitments	24.2	541,619,889	629,902,611
Other contingent liabilities	24.3	291,951	291,951
		712,730,095	789,209,778

THE BANK OF PUNJAB

		(Un-audited) March 31, 2026	(Audited) December 31, 2025
		Rupees in '000'	
24.1	Guarantees:	Note	
	Financial guarantees		46,170,384
	Performance guarantees		48,606,898
	Other guarantees:		
	Back to back guarantees		41,609,949
	Mobilization and bid bond guarantees		34,815,732
	Other guarantees		47,429,194
			47,766,322
			15,561,386
			15,732,308
			20,047,342
			12,093,956
			83,037,922
			75,592,586
			170,818,255
			159,015,216
24.2	Commitments:		
	Documentary credits and short-term trade-related transactions		
	- letters of credit		177,163,740
	Commitments in respect of:		
	- forward foreign exchange contracts	24.2.1	267,213,390
	- forward Government securities transactions	24.2.2	265,923,625
	- forward lending	24.2.3	146,400,000
	Commitments for acquisition of:		
	- property and equipment		56,912,498
	- intangible assets		149,508
			310,087
			75,253
			76,724
			541,619,889
			629,902,611
24.2.1	Commitments in respect of forward foreign exchange contracts		
	Purchase		134,108,361
	Sale		138,875,962
			133,105,029
			127,047,663
			267,213,390
			265,923,625
24.2.2	Commitments in respect of forward Government securities transactions		
	Purchase		21,660,500
	Sale		79,800,000
			18,445,000
			66,600,000
			40,105,500
			146,400,000
24.2.3	Commitments in respect of forward lending		
	Undrawn formal standby facilities, credit lines and other commitments to lend	24.2.3.1	56,912,498
			50,851,386
24.2.3.1	These represent commitments that are irrevocable because they cannot be withdrawn at the discretion of the Bank without the risk of incurring significant penalty or expense. In addition, the Bank makes revocable commitments that do not attract any significant penalty or expense if the facility is unilaterally withdrawn.		
24.3	Other contingent liabilities	24.3.1	291,951
24.3.1	For tax years 2014 - 2024, the tax department disputed Bank's treatment on certain issues, where the Bank's appeals are pending at various appellate forums. Such issues inter alia principally include disallowance of expenses for initial depreciation allowances, non deduction of withholding tax on profit, non availability of underlying records and provision for non performing loans.		291,951
	The Bank has filed appeals which are pending at various appellate forums. In addition, certain decisions made in favour of the Bank are being contested by the department at higher forums. No provision has been made in these unconsolidated condensed interim financial statements regarding the aforesaid additional tax demand and already issued favourable decisions where the tax department is in appeal, as the management is of the view that the issues will be decided in the Bank's favour as and when these are taken up by the Appellate authorities.		
24.4	Claims against the Bank not acknowledged as debts		
	An amount of Rs. 50,721,819 thousand (December 31, 2025: Rs. 55,348,429 thousand) involved in the claims filed against the Bank are yet to be adjudicated by the concerned Courts as the same have been filed as outburst to Bank's recovery suits. Up till now, in no case, any claim has been adjudicated, determined or decreed by the Courts against the Bank. Moreover, there is no likelihood of decreeing the suits against the Bank because, the claims are frivolous.		

THE BANK OF PUNJAB

		(Un-audited) March 31, 2026	(Un-audited) March 31, 2025
25	MARK-UP / RETURN / INTEREST EARNED		
		Rupees in '000'	
	Loans and advances	24,694,356	24,278,819
	Investments	40,865,438	42,439,333
	Lendings to financial institutions	554,295	553,692
	Balances with banks	59,496	75,818
	IFRS-09 adjustments - notional:		
	Staff loans	333,825	746,598
	Other loans	357,280	869,914
		<u>66,864,690</u>	<u>68,964,174</u>
25.1	Interest income recognised on:		
	Financial assets measured at amortised cost	29,369,654	30,520,411
	Financial assets measured at FVOCI	36,720,160	35,427,867
	Financial assets measured at FVTPL	774,876	3,015,896
		<u>66,864,690</u>	<u>68,964,174</u>
26	MARK-UP / RETURN / INTEREST EXPENSED		
	Deposits and other accounts	31,147,766	37,661,342
	Borrowings	11,854,018	13,835,244
	Subordinated debts	944,061	1,146,824
	Mark-up on lease liability against right of use assets	606,410	575,368
	IFRS-09 adjustment on borrowings - notional	227,600	701,694
		<u>44,779,855</u>	<u>53,920,472</u>
27	FEE AND COMMISSION INCOME		
	Branch banking customer fees	110,416	113,157
	Consumer finance related fees	152,071	160,216
	Card related fees	1,667,499	1,256,463
	Credit related fees	585,147	212,727
	Investment banking fees	240,120	247,339
	Branchless banking fees	463,908	33,435
	Commission on trade	385,897	537,235
	Commission on guarantees	453,527	102,074
	Commission on cash management	599,680	50,569
	Commission on remittances including home remittances	(206,554)	(161,940)
	Commission on bancassurance	117,640	71,339
	SMS banking income	461,172	351,152
		<u>5,030,523</u>	<u>2,973,766</u>
28	(LOSS) / GAIN ON SECURITIES - NET		
	Realized (loss) / gain on sale of securities - net	(117,358)	726,254
	Unrealized gain - measured at FVTPL	7,977	44,461
		<u>(109,381)</u>	<u>770,715</u>
28.1	Realized (loss) / gain on sale of securities - net:		
	Federal government securities	(126,334)	871,308
	Non government debt securities	8,976	8,976
	Shares	-	(154,030)
		<u>(117,358)</u>	<u>726,254</u>
28.2	Realized (loss) / gain on sale of securities - net:		
	Net gain / (loss) on financial assets measured at FVTPL:		
	- Designated upon initial recognition	1,222	(113,814)
	- Mandatorily measured at FVTPL	8,976	8,976
	Net (loss) / gain on financial assets measured at FVOCI	(127,556)	831,092
		<u>(117,358)</u>	<u>726,254</u>
29	NET LOSS ON DERECOGNITION OF FINANCIAL ASSETS MEASURED AT AMORTISED COST		
	Loss on derecognition on financial assets measured at amortised cost	(302,931)	(276,737)
		<u>(302,931)</u>	<u>(276,737)</u>
29.1	This includes amortization of deferred loss / modification impact(s) on PIA Corporation Limited and other parties.		

		THE BANK OF PUNJAB	
		(Un-audited) March 31, 2026	(Un-audited) March 31, 2025
		Rupees in '000'	
30	OTHER INCOME	Note	
	Rent on property	3,943	3,714
	Gain on sale of property and equipment - net	32,334	38,515
	Gain on termination of lease liability against right of use assets	172,988	7,320
	Notice pay on resignations	18,581	21,861
	Claim decided in favour of Bank against litigation	-	515
		<u>227,846</u>	<u>71,925</u>
31	OPERATING EXPENSES		
	Total compensation expense	31.1 8,867,871	7,862,174
	Property expense:		
	Rent and taxes	4,585	4,584
	Insurance	3,168	5,429
	Utilities cost	355,530	341,042
	Security	2,371	652
	Repair and maintenance including janitorial charges	57,766	58,191
	Depreciation	327,917	279,339
	Depreciation on right of use assets	651,329	516,776
		<u>1,402,666</u>	<u>1,206,013</u>
	Information technology expenses:		
	Software maintenance	633,753	501,680
	Hardware maintenance	18,376	19,261
	Depreciation on computer equipment	303,770	266,890
	Amortization on intangible assets	123,131	105,463
	Network charges	160,695	151,060
		<u>1,239,725</u>	<u>1,044,354</u>
	Other operating expenses:		
	Directors' fees and allowances	21,904	13,791
	Fees and allowances to shariah board	5,145	3,794
	Legal and professional charges	313,941	113,792
	Subscription charges	25,745	32,503
	Outsourced staff services costs	433,272	251,299
	Travelling and conveyance	86,740	95,036
	NIFT clearing charges	37,116	38,198
	Depreciation	273,381	229,171
	Depreciation on non banking assets acquired in satisfaction of claims	8,297	8,165
	Depreciation on ijarah assets under IFAS - 2	401,854	116,137
	Training and development	12,323	29,890
	Postage and courier charges	95,243	92,318
	Stationery and printing	128,006	189,253
	Marketing, advertisement and publicity	262,140	118,361
	Insurance	39,717	88,250
	Deposit protection fee	232,295	187,254
	Repair and maintenance	197,551	218,606
	Entertainment expenses	80,944	74,953
	Vehicle running expenses	27,968	28,525
	Fuel for generator	98,165	88,241
	Commission and brokerage	274,140	164,823
	SMS banking charges	198,569	195,258
	Bank charges	42,157	39,748
	Card related expenses	1,805,855	874,068
	Cash remittance charges	233,000	264,189
	Branch license fee	24,785	22,825
	CNIC verification / ECIB charges	460,601	186,030
	Organizational development	19,471	12,716
	Promotional expenses for public sector programs	75,057	48,174
	Miscellaneous expenses	54,730	112,215
		<u>5,970,112</u>	<u>3,937,583</u>
		<u>17,480,374</u>	<u>14,050,124</u>
31.1	This includes IFRS-09 adjustment on staff loans - notional amounting to Rs. 333,825 thousand (March 31, 2025: Rs. 746,598 thousand)		
		(Un-audited) March 31, 2026	(Un-audited) March 31, 2025
32	OTHER CHARGES	Rupees in '000'	
	Penalties imposed by SBP	50	656
	Operational loss	911	-
		<u>961</u>	<u>656</u>

THE BANK OF PUNJAB

		(Un-audited) March 31, 2026	(Un-audited) March 31, 2025
		Rupees in '000'	
33	(REVERSAL) / CHARGE OF CREDIT LOSS ALLOWANCE AND WRITE OFFS - NET		
	Reversal of credit loss allowance against lending to financial institutions	7	(17,022)
	(Reversal) / charge of credit loss allowance against investments	8.3.1	(59)
	Credit loss allowance / provision against loans & advances	9.3	42,315
	Reversal of credit loss allowance against balances with treasury banks	5	(81,200)
	Credit loss allowance against other assets	14.1.1	75,412
	Reversal of credit loss allowance against off balance sheet obligations	21.2	(184,982)
	Credit loss allowance against balance with other banks	6	455
		<u>(165,081)</u>	<u>1,083,186</u>
34	TAXATION - NET		
	Current	34.1	5,818,411
	Deferred		(352,284)
			<u>5,466,127</u>
34.1	This includes provision for super tax in accordance with Income Tax Ordinance, 2001.		<u>2,209,988</u>
35	BASIC EARNINGS PER SHARE		
	Profit after taxation for the period (Rs in '000')		4,773,849
	Weighted average number of ordinary shares (No.).		1,797,854
	Basic earnings per share - Rs.		<u>3,271,569,319</u>
			<u>3,271,569,319</u>
			<u>1.46</u>
			<u>0.55</u>
36	DILUTED EARNINGS PER SHARE		
	There were no convertible dilutive potential ordinary shares outstanding as at reporting dates.		
37	FAIR VALUE OF FINANCIAL INSTRUMENTS		
	The fair value of quoted securities other than those classified as held to maturity, is based on quoted market price. Quoted securities classified as held to maturity are carried at cost. The fair value of unquoted equity securities, other than investments in subsidiaries, is determined on the basis of valuation methodologies.		
	The fair value of unquoted debt securities, fixed term loans, other assets, other liabilities, fixed term deposits and borrowings cannot be calculated with sufficient reliability due to the absence of a current and active market for these assets and liabilities and reliable data regarding market rates for similar instruments.		
	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 these are either short-term in nature or, in the case of customer loans and deposits, are frequently reprised.		
37.1	The Bank measures fair value 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 measurement using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly. (i.e. derived from prices).		
	Level 3: Fair value measurements using input for the asset or liability that are not based on observable market data (i.e. unobservable inputs).		
37.1.1	Valuation techniques used in determination of fair values within level 2 and level 3		

Item	Valuation approach and input used
Federal Government securities	The fair value of Federal Government securities is determined using the prices / rates available on Mutual Funds Association of Pakistan (MUFAP).
Non-Government debt securities	The fair value of non-government debt securities is determined using the prices / rates available on MUFAP
Mutual Fund units	The fair values of investments in mutual fund units are determined based on their net asset values as published at the close of reporting date.
Forward foreign exchange contracts	The fair values of forward foreign exchange contracts and forward Government securities transactions are determined using forward pricing calculations.
Unlisted shares	The fair value of unquoted equity investments is determined using the discounted cash flow (DCF) method / market multiple approach, based on the investee company's projected cash flows / available financial information. In cases where such projections are not available, the Bank estimates fair value as the lower of the investment's cost or its break-up value.
Fixed assets and non-banking assets acquired in satisfaction of claims	Land, buildings on freehold land and non-banking assets acquired in satisfaction of claims are revalued on a periodic basis using professional valuers. The valuation is based on their assessment of the market value of the assets.

37.2 Fair value of financial assets

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 categorized:

March 31, 2026 (Un-audited)				
Carrying value / Notional value	Level 1	Level 2	Level 3	Total
On balance sheet financial instruments				
Financial assets measured at fair value:				
Government securities	1,289,212,123	-	1,289,212,123	1,289,212,123
Shares	4,105,245	4,016,510	88,735	4,105,245
Non-Government debt securities	724,319	-	724,319	724,319
Mutual fund & investment trust units	1,664,516	-	1,664,516	1,664,516
Foreign securities	38,974	-	38,974	38,974
Subsidiary companies	2,210,487	-	2,210,487	2,210,487
Associated company	285,000	-	285,000	285,000
Financial assets disclosed but not measured at fair value:				
Government securities	121,394,545	-	117,628,125	117,628,125
Non-Government debt securities	892,798	-	892,798	892,798
Off balance sheet financial instruments:				
Forward purchase of foreign exchange contracts	133,276,523	-	133,276,523	133,276,523
Forward sale of foreign exchange contracts	131,842,776	-	131,842,776	131,842,776
Forward purchase of Government Securities transaction	21,660,500	-	21,660,500	21,660,500
Forward sale of Government securities transactions	18,445,000	-	18,445,000	18,445,000
December 31, 2025 (Audited)				
Carrying value / Notional value	Level 1	Level 2	Level 3	Total
On balance sheet financial instruments				
Financial assets measured at fair value:				
Federal government securities	1,415,135,885	-	1,415,135,885	1,415,135,885
Shares	9,601,123	9,515,608	85,515	9,601,123
Non-Government debt securities	755,878	-	755,878	755,878
Mutual funds & investment trust units	2,162,473	2,045,638	116,835	2,162,473
Foreign securities	40,036	-	40,036	40,036
Subsidiary companies	1,710,487	-	1,710,487	1,710,487
Associated company	285,000	-	285,000	285,000
Financial assets disclosed but not measured at fair value:				
Federal government securities	118,887,560	-	122,858,845	122,858,845
Non-Government debt securities	932,966	-	932,966	932,966
December 31, 2025 (Audited)				
Carrying value / Notional value	Level 1	Level 2	Level 3	Total
Off balance sheet financial instruments:				
Forward purchase of foreign exchange contracts	137,714,546	-	137,714,546	137,714,546
Forward sale of foreign exchange contracts	125,670,026	-	125,670,026	125,670,026
Forward purchase of Government Securities transaction	79,800,000	-	79,800,000	79,800,000
Forward sale of Government Securities transaction	66,600,000	-	66,600,000	66,600,000

37.3 Fair value of non financial assets

March 31, 2026 (Un-audited)				
Carrying value / Notional value	Level 1	Level 2	Level 3	Total
Non financial assets measured at fair value:				
Property and equipment (land & building)	16,592,808	-	16,592,808	16,592,808
Non banking assets acquired in satisfaction of claims	4,370,976	-	4,370,976	4,370,976
December 31, 2025 (Audited)				
Carrying value / Notional value	Level 1	Level 2	Level 3	Total
Non financial assets measured at fair value:				
Property and equipment (land & building)	16,722,737	-	16,722,737	16,722,737
Non banking assets acquired in satisfaction of claims	4,286,697	-	4,286,697	4,286,697

38 SEGMENT INFORMATION

38.1 Segment details with respect to business activities

	(Un-audited)						
	March 31, 2026						
	Corporate and investment banking	Cards and public sector deposits	Consumer banking group	Treasury	Islamic	Others including Head Office	Total
	Rupees in '000'						
Statement of profit & loss account							
Mark-up / return / profit	9,892,397	3,663,955	7,916,685	38,417,648	6,351,599	622,406	66,864,690
Inter segment (cost) / revenue - net	(4,295,019)	19,596,019	10,111,538	(25,061,499)	(22,226)	(328,813)	-
Non mark-up / return / interest income	1,313,796	3,025,627	598,074	533,380	308,644	(88,729)	5,690,792
Total income	<u>6,911,174</u>	<u>26,285,601</u>	<u>18,626,297</u>	<u>13,889,529</u>	<u>6,638,017</u>	<u>204,864</u>	<u>72,555,482</u>
Segment total expenses	<u>6,002,874</u>	<u>18,762,752</u>	<u>13,060,507</u>	<u>11,302,558</u>	<u>4,946,946</u>	<u>8,404,950</u>	<u>62,480,587</u>
Profit before credit loss allowance and tax	<u>908,300</u>	<u>7,522,849</u>	<u>5,565,790</u>	<u>2,586,971</u>	<u>1,691,071</u>	<u>(8,200,086)</u>	<u>10,074,895</u>
Credit loss allowance	<u>(1,017,640)</u>	<u>392,356</u>	<u>544,248</u>	<u>(86,748)</u>	<u>3,473</u>	<u>(750)</u>	<u>(165,061)</u>
Profit / (loss) before tax	<u><u>1,925,940</u></u>	<u><u>7,130,493</u></u>	<u><u>5,021,542</u></u>	<u><u>2,673,719</u></u>	<u><u>1,687,598</u></u>	<u><u>(8,199,336)</u></u>	<u><u>10,239,956</u></u>
Balance sheet							
Cash and bank balances	-	223,432	27,520,246	49,873,556	15,135,847	-	92,753,081
Investments - net	863,152	-	-	1,302,294,209	117,370,646	-	1,420,528,007
Net inter segment lending	-	752,001,936	432,104,881	-	4,770,924	27,315,157	1,216,192,898
Lendings to financial institutions	-	-	-	3,791,220	4,496,370	-	8,287,590
Advances - performing	352,745,558	110,465,381	264,678,563	-	129,921,873	12,786,090	870,597,465
- non-performing - net	4,207,256	3,092,747	3,127,570	-	882,067	7,911	11,317,551
Others	33,968,528	13,376,312	14,632,931	25,304,561	20,375,441	88,274,890	195,932,663
Total assets	<u><u>391,784,494</u></u>	<u><u>879,159,808</u></u>	<u><u>742,064,191</u></u>	<u><u>1,381,263,546</u></u>	<u><u>292,953,168</u></u>	<u><u>128,384,048</u></u>	<u><u>3,815,609,255</u></u>
Borrowings	34,562,827	-	16,757,298	324,242,405	5,563,121	-	381,125,651
Subordinated debts	-	-	-	-	-	30,812,558	30,812,558
Deposits and other accounts	178,206,130	863,462,998	639,187,521	-	251,353,154	-	1,932,209,803
Net inter segment borrowing	160,002,944	-	-	1,056,189,954	-	-	1,216,192,898
Others	19,012,573	15,696,810	86,119,374	831,187	10,395,580	25,802,460	157,857,984
Total liabilities	<u>391,784,474</u>	<u>879,159,808</u>	<u>742,064,193</u>	<u>1,381,263,546</u>	<u>267,311,855</u>	<u>56,615,018</u>	<u>3,718,198,894</u>
Equity							<u>97,410,361</u>
Total equity and liabilities							<u><u>3,815,609,255</u></u>
Contingencies and commitments	<u>310,994,600</u>	<u>-</u>	<u>30,280,116</u>	<u>303,043,839</u>	<u>68,119,589</u>	<u>291,951</u>	<u>712,730,095</u>

(Un-audited)
March 31, 2025

	Corporate and investment banking	Cards and public sector deposits	Consumer banking group	Treasury	Islamic	Others including Head Office	Total
Rupees in '000'							
Statement of profit & loss account							
Mark-up / return / profit	15,687,669	110,877	6,508,514	40,864,397	4,826,539	966,178	68,964,174
Inter segment revenue - net	(7,078,644)	24,413,289	11,186,627	(25,916,344)	(685)	(2,604,243)	-
Non mark-up / return / interest income	994,383	1,608,270	448,936	45,827	145,105	980,750	4,223,271
Total income	9,603,408	26,132,436	18,144,077	14,993,880	4,970,959	(657,315)	73,187,445
Segment total expenses	7,960,569	21,968,706	13,760,061	13,021,502	3,799,065	7,586,514	68,096,417
Profit before credit loss allowance and tax	1,642,839	4,163,730	4,384,016	1,972,378	1,171,894	(8,243,829)	5,091,028
Credit loss allowance	141,735	449,074	169,625	(92,614)	491,947	(76,581)	1,083,186
Profit / (loss) before tax	1,501,104	3,714,656	4,214,391	2,064,992	679,947	(8,167,248)	4,007,842
(Audited) December 31, 2025							
Balance sheet							
Cash and bank balances	-	190,118	34,687,859	61,760,512	20,550,710	-	117,189,199
Investments - net	903,661	-	-	1,431,923,987	116,683,760	-	1,549,511,408
Net inter segment lending	-	753,710,611	556,523,199	-	3,030,374	33,564,829	1,346,829,013
Lendings to financial institutions	-	-	-	221,420,747	1,997,051	-	223,417,798
Advances - performing	422,531,230	106,517,334	197,515,122	-	130,680,448	15,014,783	872,258,917
- non-performing	2,798,404	1,629,792	2,952,000	-	1,777,315	7,418	9,164,929
Others	35,491,690	6,587,853	21,839,615	23,737,472	18,822,850	73,662,036	180,141,516
Total assets	461,724,985	868,635,708	813,517,795	1,738,842,718	293,542,508	122,249,066	4,298,512,780
Borrowings	48,872,487	-	2,626,436	566,500,498	6,808,571	-	624,807,992
Subordinated debts	-	-	-	-	-	30,812,558	30,812,558
Deposits and other accounts	218,020,501	855,075,604	727,292,451	-	251,147,748	-	2,051,536,304
Net inter segment borrowing	177,270,371	-	-	1,169,558,642	-	-	1,346,829,013
Others	17,561,626	13,560,104	83,598,908	2,783,578	11,156,976	11,726,297	140,387,489
Total liabilities	461,724,985	868,635,708	813,517,795	1,738,842,718	269,113,295	42,538,855	4,194,373,356
Equity							104,139,424
Total equity and liabilities							4,298,512,780
Contingencies and commitments	305,984,951	-	27,885,919	417,169,343	46,912,843	364,256	798,317,312

Due to change in reportable sub-business segments, the figures of comparative period are realigned for the purpose of comparison.

39 RELATED PARTY TRANSACTIONS

The Bank has related party transactions with its subsidiaries, employee benefit plans, directors and Key Management Personnel. 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.

	(Un-audited) March 31, 2026					(Audited) December 31, 2025						
	Directors	Key management personnel	Subsidiary companies and managed modaraba	Associate	Employee funds	Other related parties	Directors	Key management personnel	Subsidiary companies and managed modaraba	Associate	Employee funds	Other related parties
	Rupees in '000'											
Lendings to financial institutions:												
Opening balance	-	-	2,000,000	-	-	-	-	-	1,985,000	-	-	-
Addition during the period / year	-	-	-	-	-	-	-	-	4,000,000	-	-	-
Repaid during the period / year	-	-	-	-	-	-	-	-	3,985,000	-	-	-
Closing balance	-	-	2,000,000	-	-	-	-	-	2,000,000	-	-	-
Credit loss allowance against lendings to financial institutions	-	-	2,949	-	-	-	-	-	2,949	-	-	-
Investments (gross):												
Opening balance	-	-	1,875,432	285,000	-	-	-	-	1,375,432	-	-	-
Addition during the period / year	-	-	500,000	-	-	-	-	-	500,000	285,000	-	-
Repaid during the period / year	-	-	-	-	-	-	-	-	-	-	-	-
Closing balance	-	-	2,375,432	285,000	-	-	-	-	1,875,432	285,000	-	-
Credit loss allowance for diminution in value of investments	-	-	164,945	-	-	-	-	-	164,945	-	-	-
Advances (gross):												
Opening balance	-	543,321	-	-	-	27,684	-	527,614	-	-	-	-
Addition during the period / year	-	10,060	-	3,200	-	-	-	198,393	-	-	-	30,000
Repaid during the period / year	-	100,802	-	-	-	1,417	-	182,686	-	-	-	2,316
Closing balance	-	452,579	-	3,200	-	26,267	-	543,321	-	-	-	27,684
Credit loss allowance held against advances	-	5,890	-	10	-	84	-	7,694	-	-	-	89
Fair value loss held against advances	-	201,092	-	-	-	-	-	208,103	-	-	-	-
Other assets - advance deposits and prepayments	-	-	100,000	-	-	-	-	-	100,000	-	-	-
Other assets - markup receivable	-	96,773	79,532	-	-	67	-	25,187	55,614	-	-	71
Credit loss allowance against other assets	-	2,057	117	-	-	5	-	623	38	-	-	5
Right of use assets	-	-	-	-	-	78,328	-	-	-	-	-	79,974
Lease liability against right of use assets	-	-	-	-	-	5,227	-	-	-	-	-	5,057
Deposits and other accounts:												
Opening balance	16,544	63,004	588,491	2,684,614	1,399,082	1,990,851	22,222	116,930	723,563	-	2,587,664	874,152
Received during the period / year	17,067	340,688	13,083,176	8,693,049	2,976,266	1,037,393	29,745	2,030,987	31,561,051	122,250,831	6,542,556	3,612,472
Withdrawn during the period / year	8,988	292,074	13,045,370	8,713,304	2,749,590	2,138,201	35,423	2,084,913	31,696,123	119,566,217	7,731,138	2,495,773
Closing balance	24,623	111,618	626,297	2,664,359	1,625,758	890,043	16,544	63,004	588,491	2,684,614	1,399,082	1,990,851
Markup & commission payable	33	282	12,845	44,123	-	19,446	62	289	3,219	11,820	-	615
Contingencies (non funded exposure)	-	-	-	-	-	55,939	-	-	-	-	-	56,300

	March 31, 2026 (Un-audited)					March 31, 2025 (Un-audited)						
	Directors	Key management personnel	Subsidiary companies and managed modaraba	Associate	Employee Funds	Other related parties	Directors	Key management personnel	Subsidiary companies and managed modaraba	Associate	Employee Funds	Other related parties
	Rupees in '000'											
Income:												
Mark-up / return / interest earned	-	12,394	54	-	-	862	-	6,154	91,087	-	-	-
Fee and commission income	9	260	2,949	-	-	122	24	198	14	-	-	1,017
Other income (rental)	-	-	3,943	-	-	-	-	-	3,769	-	-	-
Expense:												
Mark-up expensed on deposits	33	949	354	21,798	22,903	25,558	561	2,464	6,520	-	44,600	22,031
Depreciation on right of use assets	-	-	-	-	-	1,646	-	-	-	-	-	1,107
Mark-up on lease liability against right of use assets	-	-	-	-	-	170	-	-	-	-	-	584
Compensation expense	-	487,102	-	-	-	-	-	419,788	-	-	-	-
Commission expense	-	-	10,145	-	-	-	-	-	3,105	-	-	-
Training and development	-	-	-	-	-	1,540	-	-	-	-	-	6,209
Outsourced staff services cost	-	-	2,154	-	-	-	-	-	-	-	-	-
Directors fee and allowances	21,904	-	-	-	-	-	13,791	-	-	-	-	-

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

39.2 The GoPb holds controlling interest (57.47% shareholding) in the Bank and therefore entities which are owned and / or controlled by the GoPb, or where the GoPb may exercise significant influence, are related parties of the Bank. The Bank in the ordinary course of business enters into transaction with Government-related entities. Such transactions include lending to, deposits from and provision of other banking services to Government-related entities. The detail of transactions are as follows:

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
	Rupees in '000'	
Advances	6,792,519	6,832,672
Credit loss allowance held against advances	6,343	5,148
Deposits and other accounts	949,409,668	929,677,436
Bills payable	216,186	435,155
Subordinated debts	13,122,981	13,122,981
Acceptances	71,929	71,929
Contingencies and commitments	34,392,968	31,106,542
Credit loss allowance against off balance sheet obligations	80	107
Mark-up receivable	10,841,882	7,398,490
Credit loss allowance against other assets	181	3
Mark-up payable on subordinated debts	374,582	206,698
Mark-up payable on deposits and other accounts	24,838,622	34,402,345
	(Un-audited) March 31, 2025	(Un-audited) March 31, 2025
	Rupees in '000'	
Mark-up earned	222,370	359,691
Mark-up expensed	16,654,967	19,120,708
Fee and Commission Income	254,348	-
Income on contingencies and commitments	75,361	82,968
Mark-up expense on subordinated debts	397,783	482,988

39.3 The Bank made contribution of Rs. 204,156 thousand and Rs. 704,791 thousand (March 31, 2025: Rs. 171,610 thousand and Nil) to employees provident fund and gratuity fund during the year respectively.

39.4 The Bank has allocated 3rd floor, National Tower, 28-Egerton road, Lahore to PMSL for its utilization and grants PMSL the authority to assign, sub-let or otherwise transfer possession of the premises or any portion thereof, on an arm's length basis, to its associated entities for business and commercial purposes, under its regulatory framework.

39.5 Advances to employees as at March 31, 2026, other than key management personnel, net of deferred fair value adjustments amounted to Rs.17,647,395 thousand (December 31, 2025: Rs. 17,648,625 thousand) with markup receivable of Rs. 1,419,411 thousand (December 31, 2025: Rs.1,345,583 thousand) and markup income of Rs.392,023 thousand (March 31, 2025: Rs. 354,734 thousand) and fee & commission income of Rs. 15,358 thousand (March 31, 2025: Rs. 14,100 thousand). The ECL on said advances including markup and unutilized limits amounted to Rs. 473,574 thousand (December 31, 2025: Rs. 471,990 thousand). Compensation expense includes deferred cash bonus for President / CEO, key management personnel and other material risk takers / controllers. Deferred cash bonus as on March 31, 2026 stood at Rs. 162,836 thousand (December 31, 2025: Rs. 128,175 thousand).

39.6 In terms of service agreement of President / CEO, certain benefits including provision of Bank maintained cars, medical insurance cover etc. are also available to him. Further, certain executives are also entitled for Bank maintained car along with driver, corporate club membership and mobile phone as per Bank's policy.

39.7 The Bank held government securities in fiduciary capacity for its employee fund, GOPb & other related parties in IPS account amounting to Rs. 9,952,700 thousand (December 31, 2025: Rs. 9,021,700 thousand)

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
	Rupees in '000'	
40 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS		
Minimum Capital Requirement (MCR):		
Paid-up capital including share premium (net of losses)	34,667,575	34,667,575
Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier 1 (CET 1) Capital	88,868,516	92,594,272
Eligible Additional Tier 1 (ADT 1) Capital	11,967,500	11,967,500
Total Eligible Tier 1 Capital	100,836,016	104,561,772
Eligible Tier 2 Capital	21,869,894	29,249,551
Total Eligible Capital (Tier 1 + Tier 2)	122,705,910	133,811,323
Risk Weighted Assets (RWAs):		
Credit risk	690,211,889	676,450,427
Market risk	96,219,272	133,202,612
Operational risk	131,320,931	131,320,931
Total	917,752,092	940,973,970
Common equity tier I capital adequacy ratio	9.68%	9.84%
Tier I CAR (%)	10.99%	11.11%
Total CAR (%)	13.37%	14.22%
40.1 Leverage Ratio (LR):		
Eligible Tier-I Capital	100,836,016	104,561,772
Total exposures	3,140,154,431	3,363,545,140
LR (%)	3.21%	3.11%
40.2 Liquidity Coverage Ratio (LCR):		
Total high quality liquid assets	1,079,496,140	1,044,794,202
Total net cash outflow	563,335,577	517,654,929
LCR (%)	191.63%	201.83%
40.3 Net Stable Funding Ratio (NSFR):		
Total available stable funding	1,434,213,024	1,501,658,047
Total required stable funding	863,558,937	883,472,667
NSFR (%)	166.08%	169.97%
40.4 The Bank availed the benefit of stage I and II staggering as allowed by SBP vide IFRS-09 application instructions. Had this relaxation not availed, the CAR, LR and NSFR would have been 13.36%, 3.09% and 165.89% respectively.		

41 ISLAMIC BANKING BUSINESS

The Bank has started Islamic banking operations in the year 2013. As at close of the March 31, 2026, the Bank is operating 210 Islamic banking branches (December 31, 2025: 210 Islamic banking branches) and 674 Islamic banking windows (December 31, 2025: 534).

**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 - net		11,387,547	17,123,462
Balances with other banks - net		3,748,300	3,427,248
Due from financial institutions - net	41.1	4,496,370	1,997,051
Investments - net	41.2	117,370,646	116,683,760
Islamic financing and related assets - net	41.3	130,803,940	132,457,763
Property and equipment		2,297,878	2,347,799
Right of use assets		3,210,629	3,301,907
Intangible assets		11,180	11,708
Due from head office		4,770,924	3,030,374
Other assets - net		14,855,754	13,161,436
Total assets		292,953,168	293,542,508
LIABILITIES			
Bills payable		981,424	1,185,243
Due to financial institutions		5,563,121	6,808,571
Deposits and other accounts	41.4	251,353,154	251,147,748
Lease liabilities		4,363,194	4,390,951
Other liabilities		5,050,962	5,580,782
		267,311,855	269,113,295
NET ASSETS		25,641,313	24,429,213
REPRESENTED BY			
Islamic banking fund		2,000,000	2,000,000
Reserves		13,535	14,001
(Deficit) / surplus on revaluation of assets		(162,605)	312,447
Unappropriated profit	41.5	23,790,383	22,102,765
		25,641,313	24,429,213
CONTINGENCIES AND COMMITMENTS	41.6		

**ISLAMIC BANKING BUSINESS
STATEMENT OF PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31, 2026**

	Note	Period Ended	
		March 31, 2026	March 31, 2025
Rupees in '000'			
Profit / return earned	41.7	6,351,599	4,826,539
Profit / return expensed	41.8	2,875,324	2,164,027
Net profit / return		3,476,275	2,662,512
Fee and commission income		312,774	181,515
Dividend income		-	-
Foreign exchange loss - net		(31,172)	(50,189)
Gain on securities - net		-	107
Other income		27,042	13,672
		308,644	145,105
Total income		3,784,919	2,807,617
Operating expenses		2,093,848	1,635,623
Workers' Welfare Fund		-	-
Other charges		-	100
		2,093,848	1,635,723
Profit before credit loss allowance		1,691,071	1,171,894
Credit loss allowance and write offs - net		3,453	491,947
Profit before taxation		1,687,618	679,947
Taxation	41.9	-	-
Profit after taxation		1,687,618	679,947

	March 31, 2026 (Un-audited)			December 31, 2025 (Audited)				
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total		
41.1 DUE FROM FINANCIAL INSTITUTIONS	Rupees in '000'							
Placements	4,500,000	-	4,500,000	2,000,000	-	2,000,000		
Less: Credit loss allowance	(3,630)	-	(3,630)	(2,949)	-	(2,949)		
	<u>4,496,370</u>	<u>-</u>	<u>4,496,370</u>	<u>1,997,051</u>	<u>-</u>	<u>1,997,051</u>		
41.1.1	Profit rate on these placements ranging from 10.50% to 10.91% (December 31, 2025: 10.90% to 11.14%). These placements are unsecured (December 31, 2025: Secured against GoPb Ijara Sukuks).							
41.2 INVESTMENTS - NET	March 31, 2026 (Un-audited)				December 31, 2025 (Audited)			
	Cost/ Amortized cost	Credit loss allowance	Surplus / (Deficit)	Carrying value	Cost / Amortized cost	Credit loss allowance	Surplus / (Deficit)	Carrying value
Investments by segment:	Rupees in '000'							
FVTPL								
Federal government securities								
- Islamic Naya Pakistan Certificate	409,483	-	-	409,483	322,201	-	-	322,201
	<u>409,483</u>	<u>-</u>	<u>-</u>	<u>409,483</u>	<u>322,201</u>	<u>-</u>	<u>-</u>	<u>322,201</u>
FVOCI								
Federal government securities								
- Ijara Sukuk	103,688,261	-	(302,200)	103,386,061	102,565,732	-	172,852	102,738,584
	<u>103,688,261</u>	<u>-</u>	<u>(302,200)</u>	<u>103,386,061</u>	<u>102,565,732</u>	<u>-</u>	<u>172,852</u>	<u>102,738,584</u>
Amortised cost								
Federal Government securities								
- Ijara Sukuk	9,522,090	-	-	9,522,090	9,529,795	-	-	9,529,795
- Bai Muajjal	3,160,214	-	-	3,160,214	3,160,214	-	-	3,160,214
Non government debt securities	1,500,931	(608,133)	-	892,798	1,541,158	(608,192)	-	932,966
	<u>14,183,235</u>	<u>(608,133)</u>	<u>-</u>	<u>13,575,102</u>	<u>14,231,167</u>	<u>(608,192)</u>	<u>-</u>	<u>13,622,975</u>
Total investments	<u>118,280,979</u>	<u>(608,133)</u>	<u>(302,200)</u>	<u>117,370,646</u>	<u>117,119,100</u>	<u>(608,192)</u>	<u>172,852</u>	<u>116,683,760</u>
							(Un-audited)	(Audited)
							March 31, 2026	December 31, 2025
							Rupees in '000'	
41.2.1 Particulars of credit loss allowance - non government debt securities								
Stage 1							1,065	1,124
Stage 2							-	-
Stage 3							607,068	607,068
							<u>608,133</u>	<u>608,192</u>
41.3 ISLAMIC FINANCING AND RELATED ASSETS - NET								
Ijarah							10,079,222	8,515,516
Murabaha							258,340	261,848
Musharaka							15,839,349	20,428,804
Diminishing musharaka							74,117,494	75,135,626
Payment against documents							55,304	55,304
Waqala							4,714,765	4,107,244
Istisna							17,377,757	15,786,835
Musawamah financing							9,617,246	8,732,339
Tijarah financing							830,516	1,392,151
Gross islamic financing and related assets							<u>132,889,993</u>	<u>134,415,667</u>
Less: credit loss allowance against Islamic financings								
-Stage 1							519,130	469,962
-Stage 2							241,492	218,987
-Stage 3							<u>1,325,431</u>	<u>1,268,955</u>
							<u>2,086,053</u>	<u>1,957,904</u>
Islamic financing and related assets - net							<u>130,803,940</u>	<u>132,457,763</u>
41.4 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	77,934,203	2,535,573	80,469,776	83,549,224	2,152,123	85,701,347		
Savings deposits	133,152,138	559,646	133,711,784	125,553,606	485,182	126,038,788		
Term deposits	29,017,879	6,534,059	35,551,938	31,464,235	6,432,976	37,897,211		
Margin deposits	90,452	-	90,452	41,434	-	41,434		
	<u>240,194,672</u>	<u>9,629,278</u>	<u>249,823,950</u>	<u>240,608,499</u>	<u>9,070,281</u>	<u>249,678,780</u>		
Financial institutions:								
Current deposits	15,201	133,938	149,139	48,653	69,567	118,220		
Savings deposits	1,380,051	14	1,380,065	1,350,573	-	1,350,573		
Term deposits	-	-	-	-	-	-		
Margin deposits	-	-	-	175	-	175		
	<u>1,395,252</u>	<u>133,952</u>	<u>1,529,204</u>	<u>1,399,401</u>	<u>69,567</u>	<u>1,468,968</u>		
	<u>241,589,924</u>	<u>9,763,230</u>	<u>251,353,154</u>	<u>242,007,900</u>	<u>9,139,848</u>	<u>251,147,748</u>		
41.4.1	Current deposits include call deposits amounting to Rs. 5,712,340 thousand (December 31, 2025: Rs. 6,266,180 thousand).							

THE BANK OF PUNJAB

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
41.5 UNAPPROPRIATED PROFIT - ISLAMIC BANKING BUSINESS	Rupees in '000'	
Opening balance	22,102,765	17,713,483
Islamic banking profit for the period / year	1,687,618	4,389,282
Closing balance	<u>23,790,383</u>	<u>22,102,765</u>
41.6 CONTINGENCIES AND COMMITMENTS		
Guarantees:		
Financial guarantees	18,200	18,200
Performance guarantees	3,311,913	2,488,032
Other guarantees	10,958,760	3,745,185
	<u>14,288,873</u>	<u>6,251,417</u>
Commitments:		
Documentary credits and short-term trade-related transactions - letters of credit	20,305,341	14,627,627
Commitments in respect of forward lending	29,025,563	21,457,478
Commitments in respect of purchase forward foreign exchange contracts	4,487,878	4,553,767
Commitments for acquisition of:		
- fixed assets	718	1,513
- intangible assets	11,216	21,041
	<u>53,830,716</u>	<u>40,661,426</u>
	<u>68,119,589</u>	<u>46,912,843</u>
	(Un-audited) March 31, 2026	(Un-audited) March 31, 2025
	Rupees in '000'	
41.7 PROFIT / RETURN EARNED OF FINANCING, INVESTMENTS AND PLACEMENT		
Profit earned on:		
Financing	3,240,104	2,513,511
Investments	3,000,001	1,811,520
Placements	57,849	385,260
IFRS-09 adjustments - notional:		
Staff loans	39,816	79,002
Other loans	13,829	37,246
	<u>6,351,599</u>	<u>4,826,539</u>
41.8 PROFIT ON DEPOSITS AND OTHER DUES EXPENSED		
Deposits and other accounts	2,481,220	2,322,560
Markup on lease liability against right of use assets	2,020	130,417
Markup on call borrowings	298,145	8,697
Markup on borrowings from SBP	46,628	24,848
Profit on deposits from conventional head office	22,226	685
IFRS-09 adjustment on borrowings - notional	25,085	(323,180)
	<u>2,875,324</u>	<u>2,164,027</u>

41.9 The Bank calculates and files a single corporate tax return as per the requirements of Income Tax Ordinance, 2001. Segmental calculation is not required for filing. However, considering the format requirement of the financial statements to disclose Islamic Banking segment's tax charge separately, a notional net tax charge for Islamic Banking is expected to be Rs. 894,438 thousand (March 31, 2025: Rs. 360,372 thousand).

41.10 During the period, no new pool has been created.

42 DATE OF AUTHORIZATION FOR ISSUE

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

43 GENERAL

43.1 Figures have been rounded off to the nearest thousand rupees, unless otherwise specified.

43.2 Corresponding figures have been re-arranged or re-classified wherever necessary, for better and fair presentation. However, no significant reclassification or re-arrangement has been made during the period except for restatement on account of EIR adoption as per IFRS 9 as mentioned in note 4.1.1 of these unconsolidated condensed interim financial statements.

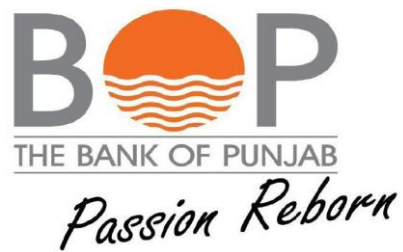
Chief Financial Officer

President

Chairman

Director

Director



**CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2026**

THE BANK OF PUNJAB AND ITS SUBSIDIARIES
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 - net	5	83,083,702	111,971,791
Balances with other banks - net	6	10,467,757	5,626,479
Lendings to financial institutions - net	7	6,291,590	221,421,798
Investments - net	8	1,418,589,207	1,548,043,219
Advances - net	9	883,349,829	882,763,832
Property and equipment	10	30,785,692	29,987,166
Right-of-use assets	11	12,934,427	13,229,973
Intangible assets	12	2,651,490	2,727,709
Deferred tax assets - net	13	16,072,298	7,724,369
Other assets - net	14	134,108,745	127,243,450
Total assets		2,598,334,737	2,950,739,786
LIABILITIES			
Bills payable	16	10,633,274	9,139,194
Borrowings	17	381,125,651	624,807,992
Deposits and other accounts	18	1,931,583,507	2,050,947,814
Lease liabilities	19	18,252,143	18,367,358
Subordinated debts	20	30,812,558	30,812,558
Deferred tax liabilities		-	-
Other liabilities	21	129,420,138	113,343,838
Total liabilities		2,501,827,271	2,847,418,754
NET ASSETS		96,507,466	103,321,032
REPRESENTED BY			
Share capital - net	22	32,452,535	32,452,535
Reserves		21,852,503	20,897,733
Surplus on revaluation of assets - net of tax	23	2,682,046	10,695,407
Non controlling interest		1,096,930	1,090,389
Unappropriated profit		38,423,452	38,184,968
		96,507,466	103,321,032
CONTINGENCIES AND COMMITMENTS	24		

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

Chief Financial Officer

President

Chairman

Director

Director

THE BANK OF PUNJAB AND ITS SUBSIDIARIES

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

FOR THE PERIOD ENDED MARCH 31, 2026

	Note	Period Ended	
		March 31, 2026	March 31, 2025
Rupees in '000'			
Mark-up / return / interest earned	25	66,926,048	68,975,451
Mark-up / return / interest expensed	26	44,814,879	53,922,860
Net mark-up / interest income		22,111,169	15,052,591
NON MARK-UP / INTEREST INCOME			
Fee and commission income	27	5,062,122	3,257,241
Dividend income		117,299	106,546
Foreign exchange income / (loss)		741,417	577,056
Income / (loss) from derivatives		-	-
(Loss) / gain on securities - net	28	(105,097)	770,313
Net loss on derecognition of financial assets measured at amortised cost	29	(302,931)	(276,737)
Other income	30	223,903	74,132
Total non-markup / interest income		5,736,713	4,508,551
Total income		27,847,882	19,561,142
NON MARK-UP / INTEREST EXPENSES			
Operating expenses	31	17,647,512	14,413,480
Workers' Welfare Fund		219,397	125,165
Other charges	32	961	656
Total non-markup / interest expenses		17,867,870	14,539,301
Profit before credit loss allowance		9,980,012	5,021,841
(Reversal) / charge of credit loss allowance and write offs - net	33	(179,274)	997,898
Share of profit from associate		1,106	-
PROFIT BEFORE TAXATION		10,160,392	4,023,943
Taxation - net	34	5,471,275	2,229,631
PROFIT AFTER TAXATION		4,689,117	1,794,312
PROFIT ATTRIBUTABLE TO:			
Equity holders of the Bank		4,682,576	1,729,312
Non controlling interest		6,541	65,000
		4,689,117	1,794,312
Basic earnings per share - Rupees	35	1.43	0.53
Diluted earnings per share - Rupees	36	1.43	0.53

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

Chief Financial Officer

President

Chairman

Director

Director

THE BANK OF PUNJAB AND ITS SUBSIDIARIES
CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31, 2026

	Period Ended	
	March 31,	March 31,
	2026	2025
	Rupees in '000'	
Profit after taxation for the period	4,689,117	1,794,312
Other comprehensive income / (loss):		
Items that may be reclassified to profit and loss account in subsequent periods:		
Movement in surplus on revaluation of debt investments classified as FVOCI - net of tax	(7,355,548)	(881,789)
Items that will not be reclassified to profit and loss account in subsequent periods:		
Movement in surplus on revaluation of equity investments classified as FVOCI - net of tax	(241,585)	(227,417)
Total comprehensive (loss) / income for the period	(2,908,016)	685,106
PROFIT ATTRIBUTEABLE TO:		
Equity holders of the Bank	(2,914,557)	620,106
Non controlling interest	6,541	65,000
	(2,908,016)	685,106

Chief Financial Officer

President

Chairman

Director

Director

THE BANK OF PUNJAB AND ITS SUBSIDIARIES
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31, 2026

	Share capital - net		Capital Reserves		Surplus / (Deficit) - net of tax on revaluation of		Non controlling interest	Unappropriated profit	Total
	Share capital	Discount on issue of shares	Share premium	Statutory	Investments	Property & equipment / NBAs			
	Rupees in '000'								
Balance as on December 31, 2024 - audited	32,715,693	(263,158)	2,215,040	15,495,167	1,011,643	6,940,423	954,312	33,046,272	92,115,392
Effect of remeasurement on adoption of IFRS-9 - net of tax	-	-	-	-	29,198	-	-	-	29,198
Balance as on January 01, 2025 - as restated	32,715,693	(263,158)	2,215,040	15,495,167	1,040,841	6,940,423	954,312	33,046,272	92,144,590
Profit after taxation for the period ended March 31, 2025	-	-	-	-	-	-	65,000	1,729,312	1,794,312
Other comprehensive income / (loss):									
Movement in deficit on revaluation of investments in debt instruments classified as FVOCI - net of tax	-	-	-	-	(881,789)	-	-	-	(881,789)
Movement in surplus on revaluation of equity investments classified as FVOCI - net of tax	-	-	-	-	(227,417)	-	-	-	(227,417)
Total other comprehensive loss - net of tax for the period ended March 31, 2025	-	-	-	-	(1,109,206)	-	-	-	(1,109,206)
Transfer to statutory reserve during the period	-	-	-	359,571	-	-	-	(359,571)	-
Transfer from surplus on revaluation of equity investments classified as FVOCI to unappropriated profit on disposal	-	-	-	-	(127,055)	-	-	264,698	137,643
Transfer from surplus on revaluation of fixed assets to unappropriated profit - net of tax	-	-	-	-	-	(37,754)	-	37,754	-
Transfer from surplus on revaluation of non banking assets to unappropriated profit - net of tax	-	-	-	-	-	(267)	-	267	-
Transactions with owners recorded directly in equity:									
Final cash dividend - December 31, 2024 declared subsequent to year end at 18% per share	-	-	-	-	-	-	-	(5,888,825)	(5,888,825)
	-	-	-	-	-	-	-	(5,888,825)	(5,888,825)
Balance as on March 31, 2025 - un-audited	32,715,693	(263,158)	2,215,040	15,854,738	(195,420)	6,902,402	1,019,312	28,829,907	87,078,514
Profit after taxation for the period ended December 31, 2025	-	-	-	-	-	-	71,077	13,664,645	13,735,722
Other comprehensive income / (loss):									
Remeasurement gain on defined benefit obligation	-	-	-	-	-	-	-	(146,737)	(146,737)
Movement in surplus on revaluation of investments in debt instruments classified as FVOCI - net of tax	-	-	-	-	3,925,715	-	-	-	3,925,715
Movement in surplus on revaluation of equity investments classified as FVOCI - net of tax	-	-	-	-	1,205,450	-	-	-	1,205,450
Movement in surplus on revaluation of property and equipment - net of tax	-	-	-	-	-	1,811	-	-	1,811
Movement in surplus on revaluation of non-banking assets - net of tax	-	-	-	-	-	9,532	-	-	9,532
Total other comprehensive income - net of tax for the period ended December 31, 2025	-	-	-	-	5,131,165	11,343	-	(146,737)	4,995,771
Transfer to statutory reserve during the period	-	-	-	2,827,955	-	-	-	(2,827,955)	-
Transfer from surplus on revaluation of equity investments classified as FVOCI to unappropriated profit on disposal	-	-	-	-	(722,395)	-	-	1,504,989	782,594
Transfer from surplus on revaluation of fixed assets to unappropriated profit - net of tax	-	-	-	-	-	(113,290)	-	113,290	-
Transfer from surplus on revaluation of non banking assets to unappropriated profit - net of tax	-	-	-	-	-	(773)	-	773	-
Transfer from surplus on revaluation of non banking assets to unappropriated profit on disposal	-	-	-	-	-	(317,625)	-	317,625	-
Transactions with owners recognized directly in equity:									
Interim cash dividend declared at 10% per share - June 30, 2025	-	-	-	-	-	-	-	(3,271,569)	(3,271,569)
	-	-	-	-	-	-	-	(3,271,569)	(3,271,569)
Balance as on December 31, 2025 - audited	32,715,693	(263,158)	2,215,040	18,682,693	4,213,350	6,482,057	1,090,389	38,184,968	103,321,032
Effect of transition to EIR method - net of tax (note 4.1.1)								590,212	590,212
Opening balance as at January 01, 2026 - as restated	32,715,693	(263,158)	2,215,040	18,682,693	4,213,350	6,482,057	1,090,389	38,775,180	103,911,244
Profit after taxation for the period ended March 31, 2026							6,541	4,682,576	4,689,117
Other comprehensive income / (loss):									
Movement in surplus on revaluation of investments in debt instruments classified as FVOCI - net of tax	-	-	-	-	(7,355,548)	-	-	-	(7,355,548)
Movement in surplus on revaluation of investments in equity instruments classified as FVOCI - net of tax	-	-	-	-	(241,585)	-	-	-	(241,585)
Total other comprehensive loss - net of tax for the period ended March 31, 2026	-	-	-	-	(7,597,133)	-	-	-	(7,597,133)
Transfer to statutory reserve during the period	-	-	-	954,770	-	-	-	(954,770)	-
Transfer of surplus on revaluation of equity investments classified as FVOCI to unappropriated profit on disposal	-	-	-	-	(379,931)	-	-	791,523	411,592
Transfer from surplus on revaluation of property and equipment to unappropriated profit - net of tax	-	-	-	-	-	(35,889)	-	35,889	-
Transfer from surplus on revaluation of non banking assets to unappropriated profit - net of tax	-	-	-	-	-	(408)	-	408	-
Transactions with owners recorded directly in equity:									
Final cash dividend - December 31, 2025 declared subsequent to year end at 15% per share	-	-	-	-	-	-	-	(4,907,354)	(4,907,354)
	-	-	-	-	-	-	-	(4,907,354)	(4,907,354)
Balance as on March 31, 2026 - un-audited	32,715,693	(263,158)	2,215,040	19,637,463	(3,763,714)	6,445,760	1,096,930	38,423,452	96,507,466

Chief Financial Officer

President

Chairman

Director

Director

THE BANK OF PUNJAB AND ITS SUBSIDIARIES
CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31, 2026

	Note	Period Ended	
		March 31, 2026	March 31, 2025
		Rupees in '000'	
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before taxation		10,160,392	4,023,943
Less: Dividend income & profit of associate		(118,405)	(106,546)
		10,041,987	3,917,397
Adjustments:			
Net mark-up / interest income excluding mark-up on lease liability against right of use assets & IFRS-09 adjustments - notional		(22,257,198)	(15,630,765)
Depreciation on property and equipment	31	916,408	780,178
Depreciation on non banking assets acquired in satisfaction of claims	31	8,297	8,165
Depreciation on ijarah assets under IFAS - 2	31	415,013	128,881
Depreciation on right-of-use assets	31	656,820	520,377
Amortization on intangible assets	31	123,614	106,006
Amortization of discount on debt securities - net		(6,439,467)	(2,962,297)
Mark-up on lease liability against right of use assets	26	609,534	578,174
Unrealized gain on revaluation of investments classified as FVTPL	28	(7,652)	(47,088)
Realized gain on deliverable future contracts	28	-	-
Reversal of credit loss allowance against lending to financial institutions	33	(17,022)	(24,137)
(Reversal) / charge of credit loss allowance on investments	33	(59)	591,444
Credit loss allowance on advances	33	28,122	1,315,804
Credit loss allowance against other assets	33	75,412	129,538
Reversal of credit loss allowance against off balance sheet obligations	33	(184,982)	(862,182)
Credit loss allowance against balance with other banks	33	455	890
Reversal of credit loss allowance against balances with treasury banks	33	(81,200)	(153,459)
IFRS-09 adjustment on advances - notional		(691,105)	(1,616,512)
IFRS-09 adjustment on borrowings - notional		227,600	701,694
IFRS-09 adjustment on compensation expense - notional	31.1	333,825	746,598
Workers' Welfare Fund		219,397	125,165
Gain on termination of lease liability against right of use assets	30	(172,988)	(7,320)
Gain on sale of property and equipment - net	30	(32,334)	(39,158)
Realized loss / (gain) on sale of securities - net	28.1	112,749	(723,225)
Net loss on derecognition of financial assets measured at amortised cost	29	302,931	276,737
Provision for employees compensated absences		13,236	7,769
Provision for gratuity		173,024	131,898
		(25,667,570)	(15,916,825)
		(15,625,583)	(11,999,428)
(Increase) / decrease in operating assets:			
Lendings to financial institutions - net		215,147,230	320,994
Net investments in securities classified as FVTPL		207,521	18,796,937
Advances - net		(430,603)	9,483,456
Others assets - net (excluding non-banking assets and markup receivable)		(6,018,230)	(5,623,184)
		208,905,918	22,978,203
Increase / (decrease) in operating liabilities:			
Bills payable		1,494,080	4,006,328
Borrowings		(242,419,464)	(60,051,446)
Deposits and other accounts		(119,364,307)	8,212,507
Other liabilities - net (excluding provision for taxation - net, markup payable and payable to gratuity fund)		11,500,901	6,083,928
		(348,788,790)	(41,748,683)

THE BANK OF PUNJAB AND ITS SUBSIDIARIES
CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) (Continued...)
FOR THE PERIOD ENDED MARCH 31, 2026

	Period Ended	
	March 31, 2026	March 31, 2025
Rupees in '000'		
Payment made to gratuity fund	(704,791)	-
Mark-up / return / interest received	64,718,792	63,058,196
Mark-up / return / interest paid	(44,464,053)	(58,609,818)
Income tax paid	(6,075,192)	(3,543,609)
	<u>13,474,756</u>	<u>904,769</u>
Net cash used in operating activities	(142,033,699)	(29,865,139)
CASH FLOW FROM INVESTING ACTIVITIES		
Net investments in securities classified as FVOCI	121,679,587	34,852,666
Net investments in amortized cost securities	272,082	40,229
Dividends received	87,982	39,413
Investments in property and equipment	(1,725,717)	(1,079,271)
Investments in intangible assets	(47,395)	(48,269)
Proceeds from sale of property and equipment	43,116	40,924
Net cash flow from investing activities	120,309,655	33,845,692
CASH FLOW FROM FINANCING ACTIVITIES		
Payment of lease liability against right of use assets	(913,035)	(720,715)
Net cash used in financing activities	(913,035)	(720,715)
	<u>(22,637,079)</u>	<u>3,259,838</u>
(Decrease) / increase in cash and cash equivalents		
Effect of credit loss allowance changes on cash and cash equivalents	80,745	152,569
Cash and cash equivalents at beginning of the period	109,226,113	103,644,349
Cash and cash equivalents at end of the period	<u>86,669,779</u>	<u>107,056,756</u>
Cash and cash equivalents:		
Cash and balances with treasury banks - net	83,083,702	104,604,784
Balances with other banks - net	10,467,757	3,833,200
Call money lendings	-	300,000
Call borrowing	(3,900,000)	-
Overdrawn nostro accounts	(2,981,680)	(1,681,228)
	<u>86,669,779</u>	<u>107,056,756</u>

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

Chief Financial Officer

President

Chairman

Director

Director

THE BANK OF PUNJAB AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31, 2026

1 STATUS AND NATURE OF BUSINESS

The Bank of Punjab Group (the Group) comprises of The Bank of Punjab (the Bank) / (the Parent), Punjab Modaraba Services (Private) Limited (the Management Company), First Punjab Modaraba (the Modaraba), BOP Exchange (Private) Limited and BOP Capital Securities (Private) Limited formerly, Punjab Capital Securities (Private) Limited. Further, during the year, the Bank also made an investment in an associated company i.e. Punjab Life Insurance Company Limited (9.5% holding). For the purpose of these consolidated financial statements, The Bank of Punjab and consolidated subsidiaries are referred to as the Group.

The Group consists of :

Parent

The Bank of Punjab

	% age of holding 2026	% age of holding 2025
Subsidiaries		
Punjab Modaraba Services (Private) Limited	100.00%	100.00%
First Punjab Modaraba	39.16%	39.16%
BOP Capital Securities (Private) Limited	100.00%	100.00%
BOP Exchange (Private) Limited	100.00%	100.00%
Associate		
Punjab Life Insurance Company Limited	9.50%	9.50%

The subsidiary company of the Group, Punjab Modaraba Services (Private) Limited exercises control over First Punjab Modaraba, as its management company and also has a direct economic interest in it. The Group is principally engaged in commercial banking, modaraba management, leasing, brokerage, currency exchange etc. Brief profile of the Bank and subsidiaries is as follows :

The Bank of Punjab (the Bank) was constituted in Pakistan pursuant to The Bank of Punjab Act, 1989. It was given the status of a scheduled bank by the State Bank of Pakistan (SBP) on September 19, 1994. It is principally engaged in commercial banking and related services with its registered office at BOP Tower, 10-B, Block E-II, Main Boulevard, Gulberg III, Lahore. The Bank has 901 branches including 17 sub branches and 210 Islamic banking branches (December 31, 2025: 901 branches including 17 sub branches and 210 Islamic banking branches) in Pakistan and Azad Jammu and Kashmir (AJK) at the period end. The Bank also has 674 Islamic banking windows (December 31, 2025: 534). The Bank's ordinary shares are listed on Pakistan Stock Exchange. The majority shares of the Bank are held by Government of the Punjab (GoPb). The Pakistan Credit Rating Agency (PACRA) assigned long term rating of AA+ and short term rating of A1+ to the Bank with stable outlook.

Punjab Modaraba Services (Private) Limited

Punjab Modaraba Services (Private) Limited (PMSL) was incorporated in Pakistan on October 19, 1991 under the Companies Ordinance, 1984 as a private limited company. It is wholly owned by the Bank and is primarily engaged in the business of floating and managing Modarabas.

PMSL has accumulated losses as at December 31, 2025. Further, the Company's current liabilities exceeded its current assets. These losses are mainly due to drying up of revenue streams. The management fee and dividend from First Punjab Modaraba (the Managed Modaraba) are the main sources of revenue of the Company. The financial statements of PMSL, however, have been prepared under the going concern assumption due to the reason that with continued support of the Bank, the Modaraba management company is expected to show better performance going forward yielding returns for the Bank.

First Punjab Modaraba

First Punjab Modaraba (FPM) / (the Modaraba), was formed under the Modaraba Companies and Modaraba (Flotation and Control) Ordinance, 1980 and rules framed there under and is managed by PMSL (wholly owned subsidiary of the Bank). The registered office of the Modaraba is situated at Office No. 100, 3rd floor, National Tower 28-Edgerton Road, Lahore. The Modaraba commenced its operations on December 23, 1992. The Modaraba is listed on the Pakistan Stock Exchange.

During the year ended December 31, 2025, the Modaraba has incurred operating loss which has contributed to the continued erosion of equity reserves of the Modaraba. The accumulated losses - net of capital reserves, as at December 31, 2025 exceeds fifty percent of the total amount subscribed by the holders of the Modaraba Certificates, which is a non-compliance of Section 23 of Modaraba Companies and Modaraba (Flotation and Control) Ordinance, 1980 (the Modaraba Ordinance).

In order to address going concern issue in terms of section 23 of the Modaraba Ordinance, the Bank being the parent company of the Modaraba management company is providing enduring support and shall continue to provide financial support to the Modaraba in order to mitigate liquidity risks. In assessing the status of the Modaraba, management has carefully assessed a number of factors covering the performance of the business, future business prospects and appetite of majority shareholder to continue financial support.

BOP Capital Securities (Private) Limited

BOP Capital Securities (Private) Limited ("BOP CSL") is registered under the Companies Ordinance, 1984 as company limited by shares from November 29, 2016. PCSL is mainly engaged in business of brokerage services, portfolio management and consultancy services. The registered office of the company is situated at Room No. 319, 3rd Floor, LSE Building, Lahore. The Company is wholly-owned subsidiary of the Bank.

BOP Exchange (Private) Limited

BOP Exchange (Private) Limited was incorporated in Pakistan on April 18, 2024 under the Companies Act, 2017 as a private limited company. It is wholly owned by the Bank and is primarily engaged in the business of currency exchange. BOP Exchange (Private) Limited has obtained licence from SBP dated September 18, 2024

Subsidiaries are all entities over which the Bank has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Parent controls another entity. The Bank also assesses existence of control where it does not have more than 50% of the voting power but is able to govern the financial and operating policies by virtue of de-facto control. De-facto control may arise in circumstances where the size of the Bank's voting rights relative to the size and dispersion of holdings of other shareholders give the Bank the power to govern the financial and operating policies etc.

The Group financial statements include the financial statements of the Bank and its subsidiaries, and share of profit of associate.

Subsidiaries are fully consolidated from the date on which control is transferred to the Bank. They are deconsolidated from the date that control ceases to exist. The financial statements of subsidiaries have been consolidated on line by line basis. All significant inter-company transactions, balances, income and expenses on transactions between group companies are eliminated. Profits and losses resulting from inter-company transactions that are recognized in assets are also eliminated.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognizes any non-controlling interest in the acquiree on an acquisition by acquisition basis, at the non-controlling interest's proportionate share of the recognized amounts of acquiree's identifiable net assets. The financial statements of the Bank and its subsidiaries are prepared upto the same reporting date using consistent accounting policies.

Acquisition-related costs are expensed as incurred. If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through consolidated statement of profit and loss account.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognized either in consolidated statement of profit and loss account or as a change to consolidated statement of comprehensive income. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

Goodwill, if any, is initially measured as the excess of the aggregate of the consideration transferred and the fair value of non-controlling interest over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognized in consolidated statement of profit and loss account. After initial recognition, is measured at carrying value i.e. cost at the date of acquisition less any accumulated impairment.

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions - that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

When the Group ceases to have control any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognized in consolidated statement of profit and loss account. The fair value is the initial carrying amount, for the purposes of subsequent accounting treatment in relation to retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in consolidated statement of comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in consolidated statement of comprehensive income are reclassified to consolidated statement of profit and loss account.

2 BASIS OF PREPARATION

2.1 These financial statements are the consolidated financial statements of the Group in which investments in subsidiaries is accounted for on the basis of acquisitions method. Standalone financial statements of the Bank and its subsidiaries are prepared separately.

- 2.2 The financial results of Islamic Banking business have been consolidated in these consolidated financial statements for reporting purposes, after eliminating inter-branch transactions / balances. Key financial figures of the Islamic Banking business are disclosed in Annexure-II to these consolidated financial statements.

The SBP, vide its BPRD Circular letter No. 13 dated July 01, 2024, issued the revised forms for the preparation of the annual financial statements of the Banks / DFIs which are applicable for periods beginning on or after January 1, 2024 as per BPRD Circular Letter No. 07 of 2023 dated April 13, 2023.

2.3 New accounting standards and IFRS interpretations 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 Bank's operations except for:

	Effective date (annual periods beginning on or after)
- IFRS 18 - Presentation and Disclosure in Financial Statements	January 01, 2027
- IFRS 19 - Subsidiaries without Public Accountability: Disclosures	January 01, 2027

3 BASIS OF MEASUREMENT

- 3.1 These consolidated condensed interim financial statements have been prepared under the historical cost convention except for revaluation of freehold land and buildings on freehold land, revaluation of non banking assets acquired in satisfaction of claims, valuation of certain investments and commitments in respect of forward exchange contracts at fair value, right-of-use assets, lease liabilities and certain staff retirement benefits at present value and staff & subsidized loans disbursed under Temporary Economic Refinance Facility (TERF) are at fair value on initial recognition.

- 3.2 These consolidated condensed interim financial statements are presented in Pak Rupees, which is the Group's functional and presentation

4 MATERIAL ACCOUNTING POLICY INFORMATION

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

4.1 IFRS 09 - Financial Instruments

4.1.1 Transition to Effective Interest Rate (EIR) methodology

The Bank adopted IFRS 9 effective from January 01, 2024, except for certain relaxations and extensions issued by the SBP from time to time. The impacts of these relaxations and extensions were incorporated in the annual financial statements of the Bank for the respective years ended December 31, 2024 and 2025, with the modified retrospective approach for restatement permitted under IFRS 9.

In addition, the SBP, in a separate instruction, through BPRD Circular Letter No. 1 dated January 22, 2025, allowed an extension for application of the Effective Interest Rate (EIR) up to December 31, 2025. During the current period, in accordance with the aforementioned instruction, the Bank has applied EIR on the financial instruments appearing as at January 1, 2026, and the cumulative impact of application of EIR amounting to Rs. 590.218 million, net of tax, has been recorded as an adjustment to equity at the beginning of the current period.

- 4.1.2 The SBP has directed the Banks through its BPRD Circular Letter No. 01 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 been adopted in its entirety for revenue recognition from Islamic operations, the profit before tax of the Bank would have been higher by Rs. 313 million (March 31, 2025: Rs. 793 million)

4.2 CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The basis for accounting judgments and key estimates adopted in 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.

4.3 FINANCIAL RISK MANAGEMENT

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

THE BANK OF PUNJAB AND ITS SUBSIDIARIES

	(Un-audited)	(Audited)
	March 31,	December 31,
	2026	2025
Rupees in '000'		
5 CASH AND BALANCES WITH TREASURY BANKS - NET		
In hand:		
Local currency	25,477,601	29,677,504
Foreign currencies	4,449,959	3,411,216
	29,927,560	33,088,720
With SBP in:		
Local currency current account	44,706,493	64,097,268
Foreign currency current account	2,233,226	2,205,969
Foreign currency deposit accounts	4,719,296	4,388,833
	51,659,015	70,692,070
With National Bank of Pakistan in:		
Local currency current accounts	1,372,674	8,098,988
Prize bonds	227,550	276,310
Less: Credit loss allowance held against cash and balances with treasury banks	(103,097)	(184,297)
Cash and balances with treasury banks - net of credit loss allowance	83,083,702	111,971,791
6 BALANCES WITH OTHER BANKS - NET		
In Pakistan:		
Current accounts	117,443	193,785
Deposit accounts	-	-
	117,443	193,785
Outside Pakistan:		
Current accounts	6,532,491	5,442,714
Deposit accounts	3,828,298	-
	10,360,789	5,442,714
	10,478,232	5,636,499
Less: Credit loss allowance held against balances with other banks	(10,475)	(10,020)
Balances with other banks - net of credit loss allowance	10,467,757	5,626,479
7 LENDINGS TO FINANCIAL INSTITUTIONS - NET		
Repurchase agreement lendings (Reverse Repo)	3,791,220	156,438,450
Placements	2,504,000	65,004,000
	6,295,220	221,442,450
Less: Credit loss allowance held against lendings to financial institutions	(3,630)	(20,652)
Lendings to financial institutions - net of credit loss allowance	6,291,590	221,421,798

		March 31, 2026 (Un-audited)		December 31, 2025 (Audited)	
		Lendings	Credit loss allowance held	Lendings	Credit loss allowance held
Rupees in '000'					
Performing	Stage 1	2,504,000	3,630	65,004,000	20,652
Under performing	Stage 2	-	-	-	-
Non-performing:					
Substandard	Stage 3	-	-	-	-
Doubtful		-	-	-	-
Loss		-	-	-	-
		2,504,000	3,630	65,004,000	20,652

8 INVESTMENTS - NET

8.1 Investments by type:

		March 31, 2026 (Un-audited)				December 31, 2025 (Audited)			
		Cost / Amortized cost	Credit loss allowance	Surplus / (Deficit)	Carrying value	Cost / Amortized cost	Credit loss allowance	Surplus / (Deficit)	Carrying value
Rupees in '000'									
FVTPL									
Federal government securities		1,555,054	-	(444)	1,554,610	1,740,376	-	(19,398)	1,720,978
Shares		324,004	-	8,096	332,100	305,100	-	18,900	324,000
Non government debt securities		752,172	(122,454)	-	629,718	752,199	(122,454)	-	629,745
		2,631,230	(122,454)	7,652	2,516,428	2,797,675	(122,454)	(498)	2,674,723
FVOCI									
Federal government securities	8.2	1,293,858,492	-	(5,940,174)	1,287,918,318	1,404,750,100	-	8,890,227	1,413,640,327
Shares		4,191,923	-	(409,226)	3,782,697	8,408,992	-	884,784	9,293,776
Mutual fund & investment trust units		3,173,426	-	(1,508,910)	1,664,516	3,173,426	-	(1,010,953)	2,162,473
Non government debt securities		298,123	(190,623)	(12,900)	94,600	333,956	(190,623)	(17,200)	126,133
Foreign securities		11,957	-	27,017	38,974	11,957	-	28,079	40,036
		1,301,533,921	(190,623)	(7,844,193)	1,293,499,105	1,416,678,431	(190,623)	8,774,937	1,425,262,745
Amortised cost									
Federal government securities		121,394,545	-	-	121,394,545	118,887,560	-	-	118,887,560
Non government debt securities		1,500,931	(608,133)	-	892,798	1,541,158	(608,192)	-	932,966
WAPDA bonds		400	(400)	-	-	400	(400)	-	-
		122,895,876	(608,533)	-	122,287,343	120,429,118	(608,592)	-	119,820,526
Associate									
Punjab Life Insurance Company Limited	8.1.1	286,331	-	-	286,331	285,225	-	-	285,225
Total investments		1,427,347,358	(921,610)	(7,836,541)	1,418,589,207	1,540,190,449	(921,669)	8,774,439	1,548,043,219

THE BANK OF PUNJAB AND ITS SUBSIDIARIES

		(Un-audited) March 31, 2026	(Audited) December 31, 2025
		Rupees in '000'	
Investment in associates			
Punjab Life Insurance Company Limited - associate		286,331	285,225
		<u>286,331</u>	<u>285,225</u>
8.2 Investments given as collateral			
Market treasury bills		4,935,225	250,420,755
Pakistan investment bonds		313,387,497	311,423,718
		<u>318,322,722</u>	<u>561,844,473</u>
8.3 Credit loss allowance for diminution in value of investments			
8.3.1 Movement in credit loss allowance for diminution in value of investments			
Opening balance		921,669	238,500
Charge / (reversals):			
Charge for the period / year		-	714,182
Reversals for the period / year		(59)	(31,013)
		<u>(59)</u>	<u>683,169</u>
Closing balance		<u>921,610</u>	<u>921,669</u>
		(Un-audited) March 31, 2026	(Audited) December 31, 2025
		Outstanding amount	Credit loss allowance held
		Rupees in '000'	
8.3.2 Particulars of credit loss allowance against debt securities classified as FVOCI and amortised cost			
Category of classification			
Performing	Stage 1	1,192,386	192,088
Under performing	Stage 2	-	-
Non-performing:			
Substandard	Stage 3	-	-
Doubtful		-	-
Loss		607,068	920,544
		<u>607,068</u>	<u>920,544</u>
		<u>1,799,454</u>	<u>799,156</u>
		<u>1,799,454</u>	<u>1,997,968</u>
		<u>1,799,454</u>	<u>921,669</u>

	Performing		Non performing		Total	
	(Un-audited) March 31, 2026	(Audited) December 31, 2025	(Un-audited) March 31, 2026	(Audited) December 31, 2025	(Un-audited) March 31, 2026	(Audited) December 31, 2025
9 ADVANCES - NET	Rupees in '000'					
Loans, cash credits, running finances, etc.	728,546,430	728,640,239	43,688,664	41,912,306	772,235,094	770,552,545
Islamic financing and related assets	130,555,026	132,168,449	2,334,967	2,247,218	132,889,993	134,415,667
Bills discounted and purchased	22,980,048	22,547,524	167,222	167,222	23,147,270	22,714,746
Advances - gross	882,081,504	883,356,212	46,190,853	44,326,746	928,272,357	927,682,958
Credit loss allowance against advances:						
-Stage 1	(5,005,808)	(5,252,138)	-	-	(5,005,808)	(5,252,138)
-Stage 2	(1,004,780)	(1,271,007)	(161,219)	(65,865)	(1,165,999)	(1,336,872)
-Stage 3	(1,776,798)	(972,324)	(34,712,083)	(35,095,952)	(36,488,881)	(36,068,276)
-General Provision	(2,261,840)	(2,261,840)	-	-	(2,261,840)	(2,261,840)
	(10,049,226)	(9,757,309)	(34,873,302)	(35,161,817)	(44,922,528)	(44,919,126)
Advances - net of credit loss allowance	872,032,278	873,598,903	11,317,551	9,164,929	883,349,829	882,763,832

9.1 Particulars of advances (gross)		Rupees in '000'	
In local currency		909,109,173	909,113,522
In foreign currencies		19,163,184	18,569,436
		928,272,357	927,682,958

9.2 Advances include Rs. 46,190,853 thousand (December 31, 2025: Rs. 44,326,746 thousand) which have been placed under non-performing / stage 2 and 3 status as detailed below:

Category of classification	Note	(Un-audited) March 31, 2026		(Audited) December 31, 2025			
		Non performing loans	Credit loss allowance	Non performing loans	Credit loss allowance		
Other assets especially mentioned	<table border="1" style="margin: auto;"> <tr> <td style="text-align: center;">Stage-2</td> </tr> <tr> <td style="text-align: center;">Stage-3</td> </tr> </table>	Stage-2	Stage-3	2,503,165	161,219	129,318	65,865
Stage-2							
Stage-3							
Other assets especially mentioned		293,692	117,271	2,335,969	523,012		
Substandard		3,341,750	1,381,971	1,001,064	413,294		
Doubtful		5,803,231	2,863,429	5,474,823	2,683,844		
Loss	34,249,015	30,349,412	35,385,572	31,475,802			
Grand total		46,190,853	34,873,302	44,326,746	35,161,817		

9.2.1 This includes non-performing portfolio of agricultural, small enterprise and infrastructure project financing classified as "Other Assets Especially Mentioned" as per the requirements of respective Prudential Regulations issued by the State Bank of Pakistan.

March 31, 2026 (Un-audited)

December 31, 2025 (Audited)

9.3 Particulars of credit loss allowance against advances

	Stage 3	Stage 2	Stage 1	General Provision	Total	Stage 3	Stage 2	Stage 1	General Provision	Total
	Rupees in '000'									
Opening balance	36,068,276	1,336,872	5,252,138	2,261,840	44,919,126	45,078,764	1,871,299	3,608,050	-	50,558,113
Charge for the period / year	3,100,556	386,674	956,961	-	4,444,191	5,957,488	850,020	3,719,963	2,261,840	12,789,311
Reversals for the period / year	(2,988,642)	(557,547)	(869,880)	-	(4,416,069)	(4,792,119)	(1,384,447)	(2,324,584)	-	(8,501,150)
	111,914	(170,873)	87,081	-	28,122	1,165,369	(534,427)	1,395,379	2,261,840	4,288,161
Amounts written off	-	-	-	-	-	(220)	-	-	-	(220)
Amounts charged off during the period / year	-	-	-	-	-	(9,713,332)	-	-	-	(9,713,332)
Others	308,691	-	(333,411)	-	(24,720)	(462,305)	-	248,709	-	(213,596)
Closing balance	36,488,881	1,165,999	5,005,808	2,261,840	44,922,528	36,068,276	1,336,872	5,252,138	2,261,840	44,919,126

The Bank has availed the benefit of Forced Sale Value (FSV) of collateral against non-performing advances as allowed vide BSD Circular No.1 dated October 21, 2011. This has resulted in decrease in credit loss allowance against non-performing advances by Rs. 472,735 thousand (December 31, 2025: Rs. 559,227 thousand). The FSV benefit availed is not available for cash or stock dividend. Further, the Bank has availed benefit of eligible collaterals for the calculation of ECL amounting to Rs. 741,222 thousand (December 31, 2025: Rs. 2,813,713 thousand).

9.4 Advances - particulars of credit loss allowance

		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'							
Opening balance	Note	7,513,978	1,336,872	36,068,276	44,919,126	3,583,850	1,895,499	45,078,764	50,558,113
New advances		126,945	69,159	595,951	792,055	2,544,038	297,506	2,044,303	4,885,847
Advances derecognized or repaid		(169,621)	(80,775)	(121,265)	(371,661)	(518,409)	(417,069)	(2,227,049)	(3,162,527)
Transfer to stage 1		79,370	(78,746)	(624)	-	445,856	(350,861)	(94,995)	-
Transfer to stage 2		(221,103)	2,284,873	(2,063,770)	-	(76,895)	624,132	(547,237)	-
Transfer to stage 3		(11,432)	(214,704)	226,136	-	(23,799)	(202,859)	226,658	-
		(195,841)	1,979,807	(1,363,572)	420,394	2,370,791	(49,151)	(598,320)	1,723,320
General Provision	9.4.2	-	-	-	-	2,261,840	-	-	2,261,840
Amounts written off		-	-	-	-	-	-	(220)	(220)
Amounts charged off		-	-	-	-	-	-	(9,713,332)	(9,713,332)
Changes in risk parameters		(50,489)	(2,150,680)	1,784,177	(416,992)	(702,503)	(509,476)	1,301,384	89,405
Closing balance		7,267,648	1,165,999	36,488,881	44,922,528	7,513,978	1,336,872	36,068,276	44,919,126

9.4.1

This includes provision amounting to Rs. 664,883 thousand (December 31, 2025: Rs. 664,883 thousand) against Excess Over Limit exposure under digital lending portfolio on account of a system glitch, in an application managed by a vendor of the Bank.

9.4.2

This represents general provision maintained against advances extended under Public Sector initiatives for the Agriculture and SME sectors on prudence basis. The performance of these advances shall be assessed on quarterly basis to determine adequacy of the general provision maintained.

9.5 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'			
Performing	Stage 1	846,339,399	7,267,648	843,813,912	7,513,978
Underperforming	Stage 2	33,365,836	1,004,780	38,225,962	1,271,007
		879,705,235	8,272,428	882,039,874	8,784,985
Non-Performing:					
Other assets especially mentioned	Stage 2	2,503,165	161,219	126,571	65,865
Other assets especially mentioned		293,692	117,271	2,334,889	523,012
Substandard		3,341,750	1,381,971	1,001,064	413,294
Doubtful		5,803,231	2,863,429	5,474,823	2,683,844
Loss		34,249,015	30,349,412	35,389,399	31,475,802
		43,687,688	34,712,083	44,200,175	35,095,952
Underperforming	Stage 3	2,376,269	1,776,798	1,316,338	972,324
Total		928,272,357	44,922,528	927,682,958	44,919,126

THE BANK OF PUNJAB AND ITS SUBSIDIARIES

		(Un-audited) March 31, 2026	(Audited) December 31, 2025
	Note	Rupees in '000'	
10 PROPERTY AND EQUIPMENT			
Capital work-in-progress	10.1	1,887,532	843,391
Property and equipment	10.2	<u>28,898,160</u>	<u>29,143,775</u>
		<u>30,785,692</u>	<u>29,987,166</u>
10.1 Capital work-in-progress			
Civil works		638,311	579,324
Advances to suppliers		<u>1,249,221</u>	<u>264,067</u>
		<u>1,887,532</u>	<u>843,391</u>
		(Un-audited) March 31, 2026	(Un-audited) March 31, 2025
10.2 Additions to property and equipment		Rupees in '000'	
The following additions / transfers have been made to property and equipment during the period:			
Capital work-in-progress - net		1,044,141	39,690
Property and equipment:			
Furniture and fixtures		68,436	58,341
Electrical and office equipments		74,459	322,175
Computer equipments		359,574	312,433
Lease hold improvements		178,467	119,184
Vehicles		640	227,448
		<u>681,576</u>	<u>1,039,581</u>
		<u>1,725,717</u>	<u>1,079,271</u>
10.3 Disposal of property and equipment:			
The net book value of property and equipment disposed off during the period is as follows:			
Furniture and fixtures		1,878	774
Electrical and office equipments		2,409	774
Lease hold improvements		6,495	218
Vehicles	10.3.1	-	-
		<u>10,782</u>	<u>1,766</u>
10.3.1		Gross carrying amount / cost of vehicles disposed off during the period was Rs. 23,412 thousand (March 31, 2025: Nil).	
		(Un-audited) March 31, 2026	(Audited) December 31, 2025
11 RIGHT-OF-USE ASSETS		Rupees in '000'	
As at January 01,			
Cost		22,495,409	19,966,779
Accumulated depreciation		<u>(9,265,436)</u>	<u>(7,101,015)</u>
Net carrying amount as at January 01,		13,229,973	12,865,764
Additions / modifications during the period / year		519,874	2,827,409
Terminations - at cost during the period / year		(232,680)	(298,779)
Depreciation on terminations during the period / year		74,080	126,944
Terminations - at book value		(158,600)	(171,835)
Depreciation charge for the period / year		(656,820)	(2,291,365)
Net carrying amount		<u>12,934,427</u>	<u>13,229,973</u>

THE BANK OF PUNJAB AND ITS SUBSIDIARIES

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
12 INTANGIBLE ASSETS	Rupees in '000'	
Intangible in progress	373,786	333,273
Software and long term licenses	2,277,704	2,394,436
	<u>2,651,490</u>	<u>2,727,709</u>
	(Un-audited) March 31, 2026	(Un-audited) March 31, 2025
	Rupees in '000'	
12.1 Additions to intangible assets		
The following additions / transfers have been made to intangible assets during the period:		
Intangible in progress - net	40,513	(61,611)
Intangible assets purchased	6,882	109,880
	<u>47,395</u>	<u>48,269</u>
	(Un-audited) March 31, 2026	(Audited) December 31, 2025
13 DEFERRED TAX ASSETS - NET	Rupees in '000'	
Deductible temporary differences on:		
Right of use assets net of lease liabilities	2,755,780	2,662,876
Workers' Welfare Fund	1,552,039	1,437,953
Deficit on revaluation of investments classified as FVOCI	4,080,479	-
Credit loss allowance against off balance sheet obligations	265,203	361,394
Credit loss allowance against lendings to financial institutions	1,888	10,739
Credit loss allowance against balance with other banks	5,447	5,212
Credit loss allowance against balance with treasury banks	53,610	95,834
Credit loss allowance against investments	365,461	365,492
Credit loss allowance against other assets	953,608	914,394
Credit loss allowance against advances	11,131,256	10,904,032
Business losses in subsidiary	110,159	59,234
	<u>21,274,930</u>	16,817,160
Taxable temporary differences on:		
Surplus on revaluation of property and equipment	(3,071,497)	(3,110,378)
Surplus on revaluation of investments classified as FVOCI	-	(4,561,588)
Impact of adoption of EIR methodology under IFRS-09	(779,395)	-
Accelerated tax depreciation	(1,316,830)	(1,385,471)
Surplus on revaluation of non banking assets acquired in satisfaction of claims	(34,910)	(35,354)
	<u>(5,202,632)</u>	<u>(9,092,791)</u>
	<u>16,072,298</u>	<u>7,724,369</u>

THE BANK OF PUNJAB AND ITS SUBSIDIARIES

		(Un-audited)	(Audited)
		March 31,	December 31,
		2026	2025
14	OTHER ASSETS - NET	Rupees in '000'	
	Note		
Income / mark-up accrued in local currency		66,937,496	65,365,205
Income / mark-up accrued in foreign currency		187,249	243,389
Advances, deposits, advance rent and other prepayments		9,743,759	3,157,426
Non-banking assets acquired in satisfaction of claims		3,759,227	3,674,098
Acceptances	21	19,666,034	18,550,252
Deferred fair value loss on remeasurement of staff loans - notional		16,828,504	16,573,483
Deferred fair value loss on derecognition of financial asset measured at amortised cost		6,982,114	7,285,045
Branch adjustment account		430,401	249,582
Stock of stationery and cards		627,563	457,899
Suspense account		53,128	13,632
Mark to market gain on forward foreign exchange contracts - net		430,415	216,221
Zakat recoverable from National Investment Trust Limited (NITL)		36,790	36,790
Receivable against fraud and forgeries		656,703	653,626
Auto Teller Machine and Point of Sale receivable - net		47,050	48,098
Inter bank fund transfer and RAAST receivable - net		1,376,585	5,693,033
Receivable against settlement arrangements		219,175	219,175
Receivable against litigation expenses		334,690	334,690
Receivable against sale of shares - net		280,854	3,863
Receivable against PRI rebate		2,505,016	2,094,444
Receivable on account of GoPb transactions		2,906,196	1,768,753
Others		2,270,935	2,828,752
		136,279,884	129,467,456
Less: Credit loss allowance held against other assets	14.1	(2,813,764)	(2,867,481)
Other assets (net of credit loss allowance)		133,466,120	126,599,975
Surplus on revaluation of non-banking assets acquired in satisfaction of claims	23	642,625	643,475
Other assets - total		134,108,745	127,243,450

THE BANK OF PUNJAB AND ITS SUBSIDIARIES

		(Un-audited) March 31, 2026	(Audited) December 31, 2025
14.1	Credit loss allowance held against other assets	Rupees in '000'	
	Advances, deposits, advance rent & other prepayments	222,330	311,833
	Acceptances	88,585	85,180
	Income / mark-up accrued	520,362	449,215
	Non banking assets acquired in satisfaction of claims	30,876	30,876
	Zakat recoverable from NITL	36,790	36,790
	Fraud and forgeries	497,749	496,889
	Receivable against settlement arrangements	219,175	219,175
	Receivable against litigation expenses	334,690	334,690
	Others	863,207	902,833
		2,813,764	2,867,481
14.1.1	Movement in credit loss allowance held against other assets		
	Opening balance	2,867,481	1,392,319
	Impact of adoption of IFRS-09	-	-
	Charge for the period / year	185,268	1,610,372
	Reversals during the period / year	(109,856)	(244,914)
		75,412	1,365,458
	Amount written off	-	(88)
	Other adjustments	(129,129)	109,792
	Closing balance	2,813,764	2,867,481
14.1.2	This includes provision amounted to Rs. 4,548 thousand (December 31, 2025: Rs. 3,006 thousand) maintained against certain closed cases as per approval of the management.		
14.1.3	This includes amount recoverable from a service provider under settlement against certain disputed transaction. The Bank's claim is under consideration at service provider end, however, provision has been created on prudence basis and without prejudice to the Bank's claim against service provider.		
		(Un-audited) March 31, 2026	(Audited) December 31, 2025
15	CONTINGENT ASSETS	Rupees in '000'	
	Contingent assets	Nil	Nil
16	BILLS PAYABLE		
	In Pakistan	10,633,274	9,139,194
	Outside Pakistan	-	-
		10,633,274	9,139,194
17	BORROWINGS		
	Secured		
	Borrowings from SBP under:		
	Export Refinance Scheme (ERF)	15,450,075	17,633,451
	Long term financing facility (LTFF)	6,066,842	6,545,639
	Financing facility for Storage of Agriculture Produce (FFSAP)	387,575	400,112
	Finance facility for Special Persons	19,500	-
	Financing Scheme for Renewable Energy Performance Platform (REPP)	4,783,795	4,983,962
	Refinancing facility for combating COVID-19	139,092	200,869
	Temporary Economic Refinance Scheme (TERF)	9,358,972	9,765,661
	Refinance and Credit Guarantee Scheme for Women Entrepreneurs	32,733	35,783
	Finance facility for SAAF Rozgar Reimbursement Credit	11,208,236	11,654,968
	Finance facility for Shamsi Tawanai Consumer	35,789	38,905
	Islamic Temporary Economic Refinance Facility (ITERF)	747,754	789,014
	Refinancing facility for Modernization of SMEs	120,578	132,875
	Refinance facility for Working Capital of SMEs	30,000	30,000
		48,380,941	52,211,239
	Repurchase agreement borrowings	317,360,725	558,128,341
	Borrowing from Pakistan Mortgage Refinance Company Limited (PMRC)	2,453,890	2,454,656
	Total secured	368,195,556	612,794,236
	Unsecured		
	Call borrowings	3,900,000	5,200,000
	Overdrawn nostro accounts	2,981,680	3,172,157
	Borrowing from Agence Francaise De Developpment (AFD)	6,048,415	3,641,599
	Total unsecured	12,930,095	12,013,756
		381,125,651	624,807,992

18 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	385,988,256	13,459,219	399,447,475	457,167,831	12,864,423	470,032,254
Savings deposits	876,814,227	6,604,996	883,419,223	707,245,769	4,948,228	712,193,997
Term deposits	601,029,731	20,973,901	622,003,632	780,906,332	22,400,840	803,307,172
Margin deposits	17,127,626	-	17,127,626	10,858,217	-	10,858,217
	1,880,959,840	41,038,116	1,921,997,956	1,956,178,149	40,213,491	1,996,391,640
Financial institutions:						
Current deposits	1,151,321	691,952	1,843,273	2,966,774	2,254,680	5,221,454
Savings deposits	6,683,882	2,784	6,686,666	21,498,622	2,838	21,501,460
Term deposits	1,029,000	-	1,029,000	27,822,366	-	27,822,366
Margin deposits	26,612	-	26,612	10,894	-	10,894
	8,890,815	694,736	9,585,551	52,298,656	2,257,518	54,556,174
	1,889,850,655	41,732,852	1,931,583,507	2,008,476,805	42,471,009	2,050,947,814

18.1 Current deposits include call deposits amounting to Rs. 32,978,518 thousand (December 31, 2025: Rs. 47,794,091 thousand).

	(Un-audited)	(Audited)
	March 31, 2026	December 31, 2025
	Rupees in '000'	
19 LEASE LIABILITIES		
Outstanding at the start of the period / year	18,367,358	17,101,125
Additions during the period / year	519,874	2,830,502
Mark-up accrued during the period / year	609,534	2,410,483
Terminations during the period / year	(331,588)	(411,022)
Payment of lease liabilities against right of use assets during the period / year	(913,035)	(3,563,730)
Outstanding at the end of the period / year	18,252,143	18,367,358
19.1 Liabilities outstanding		
Not later than one year	109,065	106,595
Later than one year and up to five years	2,132,491	2,361,932
Over five years	16,010,587	15,898,831
Total at the end of the period / year	18,252,143	18,367,358
19.1.1 For the purpose of discounting PKRV rates are being used.		
20 SUBORDINATED DEBTS		
Subordinated perpetual term finance certificates - ADT I	8,017,500	8,017,500
Subordinated perpetual term finance certificates - ADT I 2nd issue	3,950,000	3,950,000
Privately placed term finance certificates - II	4,287,100	4,287,100
Privately placed term finance certificates - III	6,993,000	6,993,000
Privately placed term finance certificates - IV	7,564,958	7,564,958
	30,812,558	30,812,558

20.1. Major terms and conditions of subordinated debts are as follows:

Description	ADT - I	ADT - I 2nd issue	TFCs - II	TFCs - III	TFCs - IV
Face value	100,000 PKR	100,000 PKR	100,000 PKR	100,000 PKR	100,000 PKR
Listed/unlisted	Listed	Un-listed	Un-listed	Un-listed	Un-listed
Feature	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative
Issue amount Rs. in '000'	8,017,500	3,950,000	4,300,000	7,000,000	7,569,500
Issue date	June 20, 2022	February 29, 2024	April 23, 2018	April 17, 2023	June 27, 2024
Maturity date	Perpetual	Perpetual	April 23, 2028	April 17, 2033	June 27, 2034
Rating	AA- (by PACRA)	AA- (by PACRA)	AA (by PACRA)	AA (by PACRA)	AA (by PACRA)
Tenor	Perpetual	Perpetual	10 Years.	10 Years.	10 Years.
Security	Unsecured and subordinated to all other indebtedness of the Bank including deposits except common shares.	Unsecured and subordinated to all other indebtedness of the Bank including deposits except common shares.	Unsecured and subordinated to all other indebtedness of the Bank including deposits.	Unsecured and subordinated to all other indebtedness of the Bank including deposits.	Unsecured and subordinated to all other indebtedness of the Bank including deposits.
Profit payment & frequency	Profit payable on half yearly basis in arrears on the outstanding principal amount, on a non-cumulative basis.	Profit payable on half yearly basis in arrears on the outstanding principal amount, on a non-cumulative basis.	Profit payable on half yearly basis in arrears on the outstanding principal amount.	Profit payable on half yearly basis in arrears on the outstanding principal amount.	Profit payable on half yearly basis in arrears on the outstanding principal amount.
Profit rate	Floating rate of return at base rate plus 200 bps p.a. (Base rate will be the average rate 'Ask side of the six month Karachi Inter Bank Offered Rate set at 1 (one business) day prior to the redemption date for the redemption amount payable on the immediately following redemption date).	Floating rate of return at base rate plus 200 bps p.a. (Base rate will be the average rate 'Ask side of the six month Karachi Inter Bank Offered Rate set at 1 (one business) day prior to the redemption date for the redemption amount payable on the immediately following redemption date).	Floating rate of return at base rate plus 125 bps p.a. (Base rate will be the average rate 'Ask side of the six month Karachi Inter Bank Offered Rate set at 1 (one business) day prior to the redemption date for the redemption amount payable on the immediately following redemption date).	Floating rate of return at base rate plus 125 bps p.a. (Base rate will be the average rate 'Ask side of the six month Karachi Inter Bank Offered Rate set at 1 (one business) day prior to the redemption date for the redemption amount payable on the immediately following redemption date).	Floating rate of return at base rate plus 125 bps p.a. (Base rate will be the average rate 'Ask side of the six month Karachi Inter Bank Offered Rate set at 1 (one business) day prior to the redemption date for the redemption amount payable on the immediately following redemption date).
Repayment	Not applicable.	Not applicable.	The TFC has been structured to redeem 0.02% of the issue amount semi-annually in the first 09 years after the issue and the remaining issue amount in two equal semi-annual installments of 49.82% each, in the 10th year.	The TFC has been structured to redeem 0.02% of the issue amount semi-annually in the first 09 years after the issue and the remaining issue amount in two equal semi-annual installments of 49.82% each, in the 10th year.	The TFC has been structured to redeem 0.36% of the issue amount semi-annually in the first 09 years after the issue and the remaining issue amount in two equal semi-annual installments of 49.82% each, in the 10th year.
Call / Put option	Callable after a period of 05 years. However no put option is available to the investors.				
Lock in clause	Neither profit nor principal may be paid (even at maturity) if such payments would result in a shortfall in the Bank's Minimum Capital Requirement (MCR) or Capital Adequacy Ratio (CAR) or increase any existing shortfall in MCR or CAR.				
Loss absorbency clause:	May be converted into ordinary shares or written off immediately (either partially or in full) at the discretion of the SBP, upon the occurrence of a point of non-viability ("PONV") event as defined in the Basel III guidelines, at the market value of the shares on the date of trigger of PONV on sole discretion of the SBP.				

21 OTHER LIABILITIES	Note	(Un-audited)	(Audited)
		March 31, 2026	December 31, 2025
Rupees in '000'			
Mark-up / return / interest payable in local currency		39,858,406	41,120,410
Mark-up / return / interest payable in foreign currencies		559,127	468,035
Mark-up payable on subordinated debts		1,189,819	505,215
Provision for taxation - net		3,180,650	3,432,608
Sundry creditors and accrued expenses		4,093,426	2,882,729
Lease key money		34,645,525	31,204,602
Acceptances	14	19,666,034	18,550,252
Payable to gratuity fund		173,024	704,791
Gratuity payable to key management personnel		44,318	44,318
Provision for employees compensated absences		215,061	207,343
Unrealized loss on revaluation of foreign bills and trade loans		149,031	119,909
Credit loss allowance against off-balance sheet obligations	21.2	553,989	738,971
Levies and taxes payable		888,781	1,244,917
Dividend payable		4,907,368	14
Unclaimed dividends		2,586	2,586
Payable to charity fund		13,077	4,166
Charges payable against financing of consumer assets		2,219,702	1,802,648
Workers' Welfare Fund	21.1	3,269,647	3,050,250
Deferred and unearned income		3,083,472	2,095,729
Clearing and settlement accounts		3,970,869	500,972
Credit loss guarantee received against advances		2,968,017	1,879,765
Payable on account of GoPb transactions		903,445	120,226
Others		2,864,764	2,663,382
		129,420,138	113,343,838

21.1 Supreme Court of Pakistan vide its order dated November 10, 2016 has held that the amendments made in the law introduced by the Federal Government for the levy of Workers Welfare Fund (WWF) were not lawful. The Federal Board of Revenue has filed review petitions against this order which are currently pending. Legal advice obtained on the matter indicates that consequent to filing of these review petitions the judgment may not currently be treated as conclusive. Accordingly, the Bank maintained provision in respect of WWF.

21.2 Credit loss allowance against off-balance sheet obligations	Note	(Un-audited)	(Audited)
		March 31, 2026	December 31, 2025
Rupees in '000'			
Opening balance		738,971	1,805,577
Charge for the period / year		96,180	394,861
Reversals during the period / year		(281,162)	(1,461,467)
	33	(184,982)	(1,066,606)
Closing balance		553,989	738,971

22 SHARE CAPITAL - NET

22.1 Authorized capital

(Un-audited) March 31, 2026	(Audited) December 31, 2025		(Un-audited) March 31, 2026	(Audited) December 31, 2025
Number of shares			Rupees in '000'	
5,000,000,000	5,000,000,000	Ordinary / Preference shares of Rs. 10 each	50,000,000	50,000,000

The authorized capital of the Bank is fifty thousand million rupees divided into five thousand million ordinary or preference shares of ten rupees each. The Board of Directors approved increase in authorized share capital of the Bank to 10,000,000 thousand shares amounting to Rs. 100,000,000 thousand. The Bank has initiated the process for necessary amendments in the Bank of Punjab Act, 1989 through the Provincial Assembly of Punjab.

22.2 Issued, subscribed and paid up capital

(Un-audited) March 31, 2026	(Audited) December 31, 2025		(Un-audited) March 31, 2026	(Audited) December 31, 2025
Number of shares			Rupees in '000'	
		Note		
1,607,912,555	1,607,912,555	Ordinary shares of Rs. 10 each paid in cash	16,079,125	16,079,125
526,315,789	526,315,789	Ordinary shares of Rs. 10 each issued at discount	5,263,158	5,263,158
1,137,340,975	1,137,340,975	Issued as bonus shares	11,373,410	11,373,410
3,271,569,319	3,271,569,319		32,715,693	32,715,693
-	-	Less: Discount on issue of shares	(263,158)	(263,158)
3,271,569,319	3,271,569,319		32,452,535	32,452,535

GoPb held 57.47% shares in the Bank as at March 31, 2026 (December 31, 2025: 57.47%).

23 SURPLUS ON REVALUATION OF ASSETS - NET OF TAX

Surplus / (deficit) on revaluation of:

Securities measured at FVOCI - debt instruments	8.1	(7,461,984)	7,862,074
Securities measured at FVOCI - equity investments	8.1	(382,209)	912,863
Property and equipment		8,909,542	8,984,314
Non-banking assets acquired in satisfaction of claims	14	642,625	643,475
		1,707,974	18,402,726

Deferred tax on surplus / (deficit) on revaluation of:

Securities measured at FVOCI - debt instruments	3,880,232	(4,088,278)
Securities measured at FVOCI - equity investments	200,247	(473,309)
Property and equipment	(3,071,497)	(3,110,378)
Non-banking assets acquired in satisfaction of claims	(34,910)	(35,354)
	974,072	(7,707,319)
	2,682,046	10,695,407

24 CONTINGENCIES AND COMMITMENTS

Guarantees	24.1	170,818,255	159,015,216
Commitments	24.2	541,619,889	629,902,611
Other contingent liabilities	24.3	291,951	291,951
		712,730,095	789,209,778

THE BANK OF PUNJAB AND ITS SUBSIDIARIES

		(Un-audited) March 31, 2026	(Audited) December 31, 2025
		Rupees in '000'	
	Note		
24.1	Guarantees:		
	Financial guarantees	46,170,384	48,606,898
	Performance guarantees	41,609,949	34,815,732
	Other guarantees:		
	Back to back guarantees	47,429,194	47,766,322
	Mobilization and bid bond guarantees	15,561,386	15,732,308
	Other guarantees	20,047,342	12,093,956
		<u>83,037,922</u>	<u>75,592,586</u>
		<u>170,818,255</u>	<u>159,015,216</u>
24.2	Commitments:		
	Documentary credits and short-term trade-related transactions		
	- letters of credit	177,163,740	166,340,789
	Commitments in respect of:		
	- forward foreign exchange contracts	24.2.1 267,213,390	265,923,625
	- forward Government securities transactions	24.2.2 40,105,500	146,400,000
	- forward lending	24.2.3 56,912,498	50,851,386
	Commitments for acquisition of:		
	- property and equipment	149,508	310,087
	- intangible assets	75,253	76,724
		<u>541,619,889</u>	<u>629,902,611</u>
24.2.1	Commitments in respect of forward foreign exchange contracts		
	Purchase	134,108,361	138,875,962
	Sale	133,105,029	127,047,663
		<u>267,213,390</u>	<u>265,923,625</u>
24.2.2	Commitments in respect of forward Government securities transactions		
	Purchase	21,660,500	79,800,000
	Sale	18,445,000	66,600,000
		<u>40,105,500</u>	<u>146,400,000</u>
24.2.3	Commitments in respect of forward lending		
	Undrawn formal standby facilities, credit lines and other commitments to lend	24.2.3.1 56,912,498	50,851,386
24.2.3.1	These represent commitments that are irrevocable because they cannot be withdrawn at the discretion of the Bank without the risk of incurring significant penalty or expense. In addition, the Bank makes revocable commitments that do not attract any significant penalty or expense if the facility is unilaterally withdrawn.		
24.3	Other contingent liabilities	24.3.1 291,951	291,951
24.3.1	For tax years 2014 - 2024, the tax department disputed Bank's treatment on certain issues, where the Bank's appeals are pending at various appellate forums. Such issues inter alia principally include disallowance of expenses for initial depreciation allowances, non deduction of withholding tax on profit, non availability of underlying records and provision for non performing loans.		
	The Bank has filed appeals which are pending at various appellate forums. In addition, certain decisions made in favour of the Bank are being contested by the department at higher forums. No provision has been made in these consolidated condensed interim financial statements regarding the aforesaid additional tax demand and already issued favourable decisions where the tax department is in appeal, as the management is of the view that the issues will be decided in the Bank's favour as and when these are taken up by the Appellate authorities.		
24.4	Claims against the Bank not acknowledged as debts		
	An amount of Rs. 50,721,819 thousand (December 31, 2025: Rs. 55,348,429 thousand) involved in the claims filed against the Bank are yet to be adjudicated by the concerned Courts as the same have been filed as outburst to Bank's recovery suits. Up till now, in no case, any claim has been adjudicated, determined or decreed by the Courts against the Bank. Moreover, there is no likelihood of decreeing the suits against the Bank because, the claims are frivolous.		

THE BANK OF PUNJAB AND ITS SUBSIDIARIES

		(Un-audited) March 31, 2026	(Un-audited) March 31, 2025
25	MARK-UP / RETURN / INTEREST EARNED		
		Note	Rupees in '000'
	Loans and advances	24,761,995	24,356,679
	Investments	40,871,214	42,439,333
	Lendings to financial institutions	554,241	462,605
	Balances with banks	47,493	100,322
	IFRS-09 adjustments - notional:		
	Staff loans	333,825	746,598
	Other loans	357,280	869,914
		<u>66,926,048</u>	<u>68,975,451</u>
25.1	Interest income recognised on:		
	Financial assets measured at amortised cost	29,431,012	30,531,688
	Financial assets measured at FVOCI	36,720,160	35,427,867
	Financial assets measured at FVTPL	774,876	3,015,896
		<u>66,926,048</u>	<u>68,975,451</u>
26	MARK-UP / RETURN / INTEREST EXPENSED		
	Deposits and other accounts	31,125,797	37,631,504
	Borrowings	11,907,887	13,864,664
	Subordinated debts	944,061	1,146,824
	Mark-up on lease liability against right of use assets	609,534	578,174
	IFRS-09 adjustment on borrowings - notional	227,600	701,694
		<u>44,814,879</u>	<u>53,922,860</u>
27	FEE AND COMMISSION INCOME		
	Branch banking customer fees	110,416	113,157
	Consumer finance related fees	148,737	165,810
	Card related fees	1,667,499	1,256,463
	Credit related fees	585,147	212,729
	Investment banking fees	240,120	249,036
	Branchless banking fees	463,908	33,435
	Commission on trade	420,830	552,117
	Commission on guarantees	453,527	102,074
	Commission on cash management	599,680	50,569
	Commission on remittances including home remittances	(206,554)	99,360
	Commission on bancassurance	117,640	71,339
	SMS banking income	461,172	351,152
		<u>5,062,122</u>	<u>3,257,241</u>
28	(LOSS) / GAIN ON SECURITIES - NET		
	Realized (loss) / gain on sale of securities - net	28.1 (112,749)	723,225
	Unrealized gain - measured at FVTPL	8.1 7,652	47,088
		<u>(105,097)</u>	<u>770,313</u>
28.1	Realized (loss) / gain on sale of securities - net:		
	Federal government securities	(121,725)	868,279
	Non government debt securities	8,976	8,976
	Shares	-	(154,030)
		<u>(112,749)</u>	<u>723,225</u>
28.2	Realized (loss) / gain on sale of securities - net:		
	Net gain / (loss) on financial assets measured at FVTPL:		
	- Designated upon initial recognition	5,831	(113,814)
	- Mandatorily measured at FVTPL	8,976	8,976
	Net (loss) / gain on financial assets measured at FVOCI	(127,556)	828,063
		<u>(112,749)</u>	<u>723,225</u>
29	NET LOSS ON DERECOGNITION OF FINANCIAL ASSETS MEASURED AT AMORTISED COST		
	Loss on derecognition on financial assets measured at amortised cost	29.1 (302,931)	(276,737)
		<u>(302,931)</u>	<u>(276,737)</u>
29.1	This includes amortization of deferred loss / modification impact(s) on PIA Corporation Limited and other parties.		

THE BANK OF PUNJAB AND ITS SUBSIDIARIES

		(Un-audited) March 31, 2026	(Un-audited) March 31, 2025
30 OTHER INCOME	Note	Rupees in '000'	
Rent on property		-	5,278
Gain on sale of property and equipment - net		32,334	39,158
Gain on termination of lease liability against right of use assets		172,988	7,320
Notice pay on resignations		18,581	21,861
Claim decided in favour of Bank against litigation		-	515
		<u>223,903</u>	<u>74,132</u>
31 OPERATING EXPENSES			
Total compensation expense	31.1	8,959,913	7,930,764
Property expense:			
Rent and taxes		5,599	4,584
Insurance		3,168	5,429
Utilities cost		361,565	343,746
Security		6,541	1,107
Repair and maintenance including janitorial charges		57,766	58,191
Depreciation		327,917	279,339
Depreciation on right of use assets		656,820	520,377
		1,419,376	1,212,773
Information technology expenses:			
Software maintenance		633,753	501,680
Hardware maintenance		18,376	19,261
Depreciation on computer equipment		303,770	266,890
Amortization on intangible assets		123,614	106,006
Network charges		160,695	151,060
		1,240,208	1,044,897
Other operating expenses:			
Directors' fees and allowances		21,904	13,791
Fees and allowances to shariah board		5,145	3,794
Legal and professional charges		314,963	115,876
Subscription charges		29,025	35,928
Outsourced staff services costs		433,272	251,299
Travelling and conveyance		87,882	95,848
NIFT clearing charges		37,116	38,198
Depreciation		284,721	233,949
Depreciation on non banking assets acquired in satisfaction of claims		8,297	8,165
Depreciation on ijarah assets under IFAS - 2		415,013	128,881
Training and development		12,323	29,890
Postage and courier charges		99,568	92,470
Stationery and printing		128,485	190,301
Marketing, advertisement and publicity		263,495	169,377
Insurance		42,028	90,968
Deposit protection fee		232,295	187,254
Repair and maintenance		202,276	220,887
Entertainment expenses		82,157	76,051
Vehicle running expenses		28,100	28,638
Fuel for generator		98,165	88,241
Commission and brokerage		279,818	426,123
SMS banking charges		199,307	195,258
Bank charges		42,157	39,748
Card related expenses		1,805,855	874,068
Cash remittance charges		233,000	264,189
Branch license fee		24,785	22,825
CNIC verification / ECIB charges		460,601	186,030
Organizational development		19,471	12,716
Promotional expenses for public sector programs		75,057	-
Miscellaneous expenses		61,734	104,283
		6,028,015	4,225,046
		<u>17,647,512</u>	<u>14,413,480</u>

31.1 This includes IFRS-09 adjustment on staff loans - notional amounting to Rs. 333,825 thousand (March 31, 2025: Rs. 746,598 thousand)

THE BANK OF PUNJAB AND ITS SUBSIDIARIES

		(Un-audited) March 31, 2026	(Un-audited) March 31, 2025
32 OTHER CHARGES			
Penalties imposed by SBP		50	656
Operational loss		911	-
		961	656
		(Un-audited) March 31, 2026	(Un-audited) March 31, 2025
33 (REVERSAL) / CHARGE OF CREDIT LOSS ALLOWANCE AND WRITE	Note	Rupees in '000'	
Reversal of credit loss allowance against lending to financial institutions	7	(17,022)	(24,137)
(Reversal) / charge of credit loss allowance against investments	8.3.1	(59)	591,444
Credit loss allowance / provision against loans & advances	9.3	28,122	1,315,804
Reversal of credit loss allowance against balances with treasury banks	5	(81,200)	(153,459)
Credit loss allowance against other assets	14.1.1	75,412	129,538
Reversal of credit loss allowance against off balance sheet obligations	21.2	(184,982)	(862,182)
Credit loss allowance against balance with other banks	6	455	890
		(179,274)	997,898
34 TAXATION - NET			
Current	34.1	5,823,234	3,385,440
Deferred		(351,959)	(1,155,809)
		5,471,275	2,229,631
34.1	This includes provision for super tax in accordance with Income Tax Ordinance, 2001.		
35 BASIC EARNINGS PER SHARE			
Profit after taxation for the period (Rs in '000')		4,682,576	1,729,312
Weighted average number of ordinary shares (No.)		3,271,569,319	3,271,569,319
Basic earnings per share - Rs.		1.43	0.53

36 DILUTED EARNINGS PER SHARE

There were no convertible dilutive potential ordinary shares outstanding as at reporting dates.

37 FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value of quoted securities other than those classified as held to maturity, is based on quoted market price. Quoted securities classified as held to maturity are carried at cost. The fair value of unquoted equity securities, other than investments in subsidiaries, is determined on the basis of valuation methodologies.

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

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 these are either short-term in nature or, in the case of customer loans and deposits, are frequently reprised.

37.1 The Bank measures fair value 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 measurement using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly. (i.e. derived from prices).

Level 3: Fair value measurements using input for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

37.1.1 Valuation techniques used in determination of fair values within level 2 and level 3

Item	Valuation approach and input used
Federal Government securities	The fair value of Federal Government securities is determined using the prices / rates available on Mutual Funds Association of Pakistan (MUFAP).
Non-Government debt securities	The fair value of non-government debt securities is determined using the prices / rates available on MUFAP
Mutual Fund units	The fair values of investments in mutual fund units are determined based on their net asset values as published at the close of reporting date.
Forward foreign exchange contracts	The fair values of forward foreign exchange contracts and forward Government securities transactions are determined using forward pricing calculations.
Unlisted shares	The fair value of unquoted equity investments is determined using the discounted cash flow (DCF) method / market multiple approach, based on the investee company's projected cash flows / available financial information. In cases where such projections are not available, the Bank estimates fair value as the lower of the investment's cost or its break-up value.
Fixed assets and non-banking assets acquired in satisfaction of claims	Land, buildings on freehold land and non-banking assets acquired in satisfaction of claims are revalued on a periodic basis using professional valuers. The valuation is based on their assessment of the market value of the assets.

37.2 Fair value of financial assets

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 categorized:

March 31, 2026 (Un-audited)					
Carrying value / Notional value	Level 1	Level 2	Level 3	Total	
On balance sheet financial instruments					
Financial assets measured at fair value:					
Government securities	1,289,472,928	-	1,289,472,928	-	1,289,472,928
Shares	4,114,797	4,026,062	88,735	-	4,114,797
Non-Government debt securities	724,318	-	724,318	-	724,318
Mutual fund & investment trust units	1,664,516	-	1,664,516	-	1,664,516
Foreign securities	38,974	-	-	38,974	38,974
Associated company	286,331	-	-	286,331	286,331
Financial assets disclosed but not measured at fair value:					
Government securities	121,394,545	-	117,628,125	-	117,628,125
Non-Government debt securities	892,798	-	892,798	-	892,798
Off balance sheet financial instruments:					
Forward purchase of foreign exchange contracts	133,276,523	-	133,276,523	-	133,276,523
Forward sale of foreign exchange contracts	131,842,776	-	131,842,776	-	131,842,776
Forward purchase of Government Securities transaction	21,660,500	-	21,660,500	-	21,660,500
Forward sale of Government securities transactions	18,445,000	-	18,445,000	-	18,445,000
December 31, 2025 (Audited)					
Carrying value / Notional value	Level 1	Level 2	Level 3	Total	
On balance sheet financial instruments					
Financial assets measured at fair value:					
Federal government securities	1,415,361,305	-	1,415,361,305	-	1,415,361,305
Shares	9,617,776	9,532,261	85,515	-	9,617,776
Non-Government debt securities	755,878	-	755,878	-	755,878
Mutual funds & investment trust units	2,162,473	2,045,638	116,835	-	2,162,473
Foreign securities	40,036	-	-	40,036	40,036
Associated company	285,225	-	-	285,225	285,225
Financial assets disclosed but not measured at fair value:					
Federal government securities	118,887,560	-	122,858,845	-	122,858,845
Non-Government debt securities	932,966	-	932,966	-	932,966
December 31, 2025 (Audited)					
Carrying value / Notional value	Level 1	Level 2	Level 3	Total	
Off balance sheet financial instruments:					
Forward purchase of foreign exchange contracts	137,714,546	-	137,714,546	-	137,714,546
Forward sale of foreign exchange contracts	125,670,026	-	125,670,026	-	125,670,026
Forward purchase of Government Securities transaction	79,800,000	-	79,800,000	-	79,800,000
Forward sale of Government Securities transaction	66,600,000	-	66,600,000	-	66,600,000

37.3 Fair value of non financial assets

March 31, 2026 (Un-audited)					
Carrying value / Notional value	Level 1	Level 2	Level 3	Total	
Non financial assets measured at fair value:					
Property and equipment (land & building)	16,592,808	-	16,592,808	-	16,592,808
Non banking assets acquired in satisfaction of claims	4,370,976	-	4,370,976	-	4,370,976
December 31, 2025 (Audited)					
Carrying value / Notional value	Level 1	Level 2	Level 3	Total	
Non financial assets measured at fair value:					
Property and equipment (land & building)	16,722,737	-	16,722,737	-	16,722,737
Non banking assets acquired in satisfaction of claims	4,286,697	-	4,286,697	-	4,286,697

38 SEGMENT INFORMATION

38.1 Segment details with respect to business activities

	(Un-audited)						
	March 31, 2026						
	Corporate and investment banking	Cards and public sector deposits	Consumer banking group	Treasury	Islamic	Others including Head Office	Total
	Rupees in '000'						
Statement of profit & loss account							
Net mark-up / return / profit	9,892,397	3,663,955	7,977,551	38,417,648	6,351,599	622,406	66,925,556
Inter segment (cost) / revenue - net	(4,295,019)	19,596,019	10,111,538	(25,061,499)	(22,226)	(328,813)	-
Non mark-up / return / interest income	1,313,796	3,025,627	647,938	533,380	308,644	(88,729)	5,740,656
Total income	<u>6,911,174</u>	<u>26,285,601</u>	<u>18,737,027</u>	<u>13,889,529</u>	<u>6,638,017</u>	<u>204,864</u>	<u>72,666,212</u>
Segment total expenses	<u>6,002,874</u>	<u>18,762,752</u>	<u>13,265,506</u>	<u>11,302,558</u>	<u>4,946,946</u>	<u>8,404,950</u>	<u>62,685,586</u>
Profit before credit loss allowance and tax	<u>908,300</u>	<u>7,522,849</u>	<u>5,471,521</u>	<u>2,586,971</u>	<u>1,691,071</u>	<u>(8,200,086)</u>	<u>9,980,626</u>
Credit loss allowance	<u>(1,017,640)</u>	<u>392,356</u>	<u>530,055</u>	<u>(86,748)</u>	<u>3,453</u>	<u>(750)</u>	<u>(179,274)</u>
Profit / (loss) before tax	<u><u>1,925,940</u></u>	<u><u>7,130,493</u></u>	<u><u>4,941,466</u></u>	<u><u>2,673,719</u></u>	<u><u>1,687,618</u></u>	<u><u>(8,199,336)</u></u>	<u><u>10,159,900</u></u>
Balance sheet							
Cash and bank balances	-	223,432	28,318,624	49,873,556	15,135,847	-	93,551,459
Investments - net	863,152	-	-	1,300,355,409	117,370,646	-	1,418,589,207
Net inter segment lending	-	752,001,936	429,380,053	-	4,770,924	26,412,280	1,212,565,193
Lendings to financial institutions	-	-	-	1,795,220	4,496,370	-	6,291,590
Advances - performing	352,745,558	110,465,381	265,806,301	-	129,921,873	12,786,090	871,725,203
- non-performing - net	4,207,256	3,092,747	3,127,570	-	882,067	7,911	11,317,551
Others	33,968,528	13,376,312	15,252,920	25,304,561	20,375,441	88,274,890	196,552,652
Total assets	<u><u>391,784,494</u></u>	<u><u>879,159,808</u></u>	<u><u>741,885,468</u></u>	<u><u>1,377,328,746</u></u>	<u><u>292,953,168</u></u>	<u><u>127,481,171</u></u>	<u><u>3,810,592,855</u></u>
Borrowings	34,562,827	-	16,757,298	324,242,405	5,563,121	-	381,125,651
Subordinated debts	-	-	-	-	-	30,812,558	30,812,558
Deposits and other accounts	178,206,130	863,462,998	638,561,225	-	251,353,154	-	1,931,583,507
Net inter segment borrowing	160,310,039	-	-	1,052,255,154	-	-	1,212,565,193
Others	19,012,573	15,696,810	86,566,945	831,187	10,395,580	25,802,460	158,305,555
Total liabilities	<u>392,091,569</u>	<u>879,159,808</u>	<u>741,885,468</u>	<u>1,377,328,746</u>	<u>267,311,855</u>	<u>56,615,018</u>	<u>3,714,392,464</u>
Equity							<u>96,507,466</u>
Total equity and liabilities							<u><u>3,810,899,930</u></u>
Contingencies and commitments	<u>310,994,600</u>	<u>-</u>	<u>30,280,116</u>	<u>303,043,839</u>	<u>68,119,589</u>	<u>291,951</u>	<u>712,730,095</u>

39 RELATED PARTY TRANSACTIONS

The Bank has related party transactions with its subsidiaries, employee benefit plans, directors and Key Management Personnel. 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.

	(Un-audited) March 31, 2026					(Audited) December 31, 2025				
	Directors	Key management personnel	Associate	Employee funds	Other related parties	Directors	Key management personnel	Associate	Employee funds	Other related parties
	Rupees in '000'									
Investments (gross):										
Opening balance	-	-	285,000	-	-	-	-	-	-	-
Addition during the period / year	-	-	-	-	-	-	-	285,000	-	-
Repaid during the period / year	-	-	-	-	-	-	-	-	-	-
Closing balance	-	-	285,000	-	-	-	-	285,000	-	-
Credit loss allowance for diminution in value of investments	-	-	-	-	-	-	-	-	-	-
Advances (gross):										
Opening balance	-	627,665	-	-	27,684	-	567,927	-	-	-
Addition during the period / year	-	27,422	3,200	-	-	-	255,954	-	-	30,000
Repaid during the period / year	-	122,972	-	-	1,417	-	196,216	-	-	2,316
Closing balance	-	532,115	3,200	-	26,267	-	627,665	-	-	27,684
Credit loss allowance held against advances	-	6,651	10	-	84	-	8,735	-	-	89
Fair value loss held against advances	-	227,149	-	-	-	-	235,636	-	-	-
Other assets - advance deposits and prepayments	-	-	-	-	-	-	-	-	-	-
Other assets - markup receivable	-	110,412	-	-	67	-	28,760	-	-	71
Credit loss allowance against other assets	-	2,389	-	-	5	-	706	-	-	5
Right of use assets	-	-	-	-	78,328	-	-	-	-	79,974
Lease liability against right of use assets	-	-	-	-	5,227	-	-	-	-	5,057
Deposits and other accounts:										
Opening balance	16,544	63,017	2,684,614	1,399,082	1,990,851	22,222	116,975	-	2,587,664	874,152
Received during the period / year	17,067	359,141	8,693,049	2,976,266	1,037,393	29,745	2,093,993	122,250,831	6,542,556	3,612,472
Withdrawn during the period / year	8,988	310,445	8,713,304	2,749,590	2,138,201	35,423	2,147,951	119,566,217	7,731,138	2,495,773
Closing balance	24,623	111,713	2,664,359	1,625,758	890,043	16,544	63,017	2,684,614	1,399,082	1,990,851
Markup & commission payable	33	282	44,123	-	19,446	62	289	11,820	-	615
Contingencies (non funded exposure)	-	-	-	-	55,939	-	-	-	-	56,300

March 31, 2025 (Un-audited)

March 31, 2026 (Un-audited)

	Directors	Key management personnel	Associate	Employee Funds	Other related parties	Directors	Key management personnel	Associate	Employee Funds	Other related parties
	Rupees in '000'									
Income:										
Mark-up / return / interest earned	-	9,096	-	-	862	-	6,732	-	-	-
Fee and commission income	9	274	-	-	122	24	210	-	-	1,017
Other income (rental)	-	-	-	-	-	-	-	-	-	-
Expense:										
Mark-up expensed on deposits	33	949	21,798	22,903	25,558	561	2,489	-	44,600	22,031
Depreciation on right of use assets	-	-	-	-	1,646	-	-	-	-	1,107
Mark-up on lease liability against right of use assets	-	-	-	-	170	-	-	-	-	584
Compensation expense	-	520,300	-	-	-	-	449,313	-	-	-
Commission expense	-	-	-	-	-	-	-	-	-	-
Training and development	-	-	-	-	1,540	-	-	-	-	6,209
Outsourced staff services cost	-	-	-	-	-	-	-	-	-	-
Directors fee and allowances	21,904	-	-	-	-	13,791	-	-	-	-

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

39.2 The GoPb holds controlling interest (57.47% shareholding) in the Bank and therefore entities which are owned and / or controlled by the GoPb, or where the GoPb may exercise significant influence, are related parties of the Bank. The Bank in the ordinary course of business enters into transaction with Government- related entities. Such transactions include lending to, deposits from and provision of other banking services to Government-related entities. The detail of

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
	Rupees in '000'	
Advances	6,792,519	6,832,672
Credit loss allowance held against advances	6,343	5,148
Deposits and other accounts	949,409,668	929,677,436
Bills payable	216,186	435,155
Subordinated debts	13,122,981	13,122,981
Acceptances	71,929	71,929
Contingencies and commitments	34,392,968	31,106,542
Credit loss allowance against off balance sheet obligations	80	107
Mark-up receivable	10,841,882	7,398,490
Credit loss allowance against other assets	181	3
Mark-up payable on subordinated debts	374,582	206,698
Mark-up payable on deposits and other accounts	24,838,622	34,402,345
	(Un-audited) March 31, 2025	(Un-audited) March 31, 2025
	Rupees in '000'	
Mark-up earned	222,370	359,691
Mark-up expensed	16,654,967	19,120,708
Fee and Commission Income	254,348	-
Income on contingencies and commitments	75,361	82,968
Mark-up expense on subordinated debts	397,783	482,988

39.3 The Bank made contribution of Rs. 204,156 thousand and Rs. 704,791 thousand (March 31, 2025: Rs. 171,610 thousand and Nil) to employees provident fund and gratuity fund during the year respectively.

39.4 The Bank has allocated 3rd floor, National Tower, 28-Egerton road, Lahore to PMSL for its utilization and grants PMSL the authority to assign, sub-let or otherwise transfer possession of the premises or any portion thereof, on an arm's length basis, to its associated entities for business and commercial purposes, under its regulatory framework.

39.5 Advances to employees as at March 31, 2026, other than key management personnel, net of deferred fair value adjustments amounted to Rs.17,549,903 thousand (December 31, 2025: Rs. 17,576,528 thousand) with markup receivable of Rs. 1,414,778 thousand (December 31, 2025: Rs.1,342,010 thousand) and markup income of Rs.395,263 thousand (March 31, 2025: Rs. 355,788 thousand) and fee & commission income of Rs. 15,618 thousand (March 31, 2025: Rs. 14,100 thousand). The ECL on said advances including markup and unutilized limits amounted to Rs. 472,524 thousand (December 31, 2025: Rs. 472,513 thousand). Compensation expense includes deferred cash bonus for President / CEO, key management personnel and other material risk takers / controllers. Deferred cash bonus as on March 31, 2026 stood at Rs. 162,836 thousand (December 31, 2025: Rs. 128,175 thousand).

39.6 In terms of service agreement of President / CEO, certain benefits including provision of Bank maintained cars, medical insurance cover etc. are also available to him. Further, certain executives are also entitled for Bank maintained car along with driver, corporate club membership and mobile phone as per Bank's policy.

39.7 The Bank held government securities in fiduciary capacity for its employee fund, GOPb & other related parties in IPS account amounting to Rs. 9,952,700 thousand (December 31, 2025: Rs. 9,021,700 thousand)

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
	Rupees in '000'	
40 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS		
Minimum Capital Requirement (MCR):		
Paid-up capital including share premium (net of losses)	<u>34,667,575</u>	<u>34,667,575</u>
Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier 1 (CET 1) Capital	<u>87,977,144</u>	91,882,060
Eligible Additional Tier 1 (ADT 1) Capital	<u>11,967,500</u>	11,967,500
Total Eligible Tier 1 Capital	<u>99,944,644</u>	103,849,560
Eligible Tier 2 Capital	<u>22,102,349</u>	29,371,987
Total Eligible Capital (Tier 1 + Tier 2)	<u>122,046,993</u>	<u>133,221,547</u>
Risk Weighted Assets (RWAs):		
Credit risk	<u>685,061,253</u>	672,763,927
Market risk	<u>96,261,196</u>	133,421,822
Operational risk	<u>131,613,037</u>	131,613,037
Total	<u>912,935,486</u>	<u>937,798,786</u>
Common equity tier I capital adequacy ratio	<u>9.64%</u>	9.80%
Tier I CAR (%)	<u>10.95%</u>	11.07%
Total CAR (%)	<u>13.37%</u>	14.21%
40.1 Leverage Ratio (LR):		
Eligible Tier-I Capital	<u>99,944,644</u>	103,849,560
Total exposures	<u>3,245,897,011</u>	3,362,575,836
LR (%)	<u>3.08%</u>	3.09%
40.2 Liquidity Coverage Ratio (LCR):		
Total high quality liquid assets	<u>1,079,496,140</u>	1,044,794,202
Total net cash outflow	<u>563,335,577</u>	517,654,929
LCR (%)	<u>191.63%</u>	201.83%
40.3 Net Stable Funding Ratio (NSFR):		
Total available stable funding	<u>1,434,213,024</u>	1,501,658,047
Total required stable funding	<u>863,558,937</u>	883,472,667
NSFR (%)	<u>166.08%</u>	169.97%
40.4 The Bank availed the benefit of stage I and II staggering as allowed by SBP vide IFRS-09 application instructions. Had this relaxation not availed, the CAR, LR and NSFR would have been 13.36%, 2.96% and 165.89% respectively.		

41 ISLAMIC BANKING BUSINESS

The Bank has started Islamic banking operations in the year 2013. As at close of the March 31, 2026, the Bank is operating 210 Islamic banking branches (December 31, 2025: 210 Islamic banking branches) and 674 Islamic banking windows (December 31, 2025: 534).

**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 - net		11,387,547	17,123,462
Balances with other banks - net		3,748,300	3,427,248
Due from financial institutions - net	41.1	4,496,370	1,997,051
Investments - net	41.2	117,370,646	116,683,760
Islamic financing and related assets - net	41.3	130,803,940	132,457,763
Property and equipment		2,297,878	2,347,799
Right of use assets		3,210,629	3,301,907
Intangible assets		11,180	11,708
Due from head office		4,770,924	3,030,374
Other assets - net		14,855,754	13,161,436
Total assets		292,953,168	293,542,508
LIABILITIES			
Bills payable		981,424	1,185,243
Due to financial institutions		5,563,121	6,808,571
Deposits and other accounts	41.4	251,353,154	251,147,748
Lease liabilities		4,363,194	4,390,951
Other liabilities		5,050,962	5,580,782
		267,311,855	269,113,295
NET ASSETS		25,641,313	24,429,213
REPRESENTED BY			
Islamic banking fund		2,000,000	2,000,000
Reserves		13,535	14,001
(Deficit) / surplus on revaluation of assets		(162,605)	312,447
Unappropriated profit	41.5	23,790,383	22,102,765
		25,641,313	24,429,213
CONTINGENCIES AND COMMITMENTS	41.6		

ISLAMIC BANKING BUSINESS

STATEMENT OF PROFIT AND LOSS ACCOUNT (UN-AUDITED)

FOR THE PERIOD ENDED MARCH 31, 2026

	Note	Period Ended	
		March 31, 2026	March 31, 2025
Rupees in '000'			
Profit / return earned	41.7	6,351,599	4,826,539
Profit / return expensed	41.8	2,875,324	2,164,027
Net profit / return		3,476,275	2,662,512
Fee and commission income		312,774	181,515
Dividend income		-	-
Foreign exchange loss - net		(31,172)	(50,189)
Gain on securities - net		-	107
Other income		27,042	13,672
		308,644	145,105
Total income		3,784,919	2,807,617
Operating expenses		2,093,848	1,635,623
Workers' Welfare Fund		-	-
Other charges		-	100
		2,093,848	1,635,723
Profit before credit loss allowance		1,691,071	1,171,894
Credit loss allowance and write offs - net		3,453	491,947
Profit before taxation		1,687,618	679,947
Taxation	41.9	-	-
Profit after taxation		1,687,618	679,947

	March 31, 2026 (Un-audited)			December 31, 2025 (Audited)				
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total		
41.1 DUE FROM FINANCIAL INSTITUTIONS	Rupees in '000'							
Placements	4,500,000	-	4,500,000	2,000,000	-	2,000,000		
Less: Credit loss allowance	(3,630)	-	(3,630)	(2,949)	-	(2,949)		
	<u>4,496,370</u>	<u>-</u>	<u>4,496,370</u>	<u>1,997,051</u>	<u>-</u>	<u>1,997,051</u>		
41.1.1	Profit rate on these placements ranging from 10.50% to 10.91% (December 31, 2025: 10.90% to 11.14%). These placements are unsecured (December 31, 2025: Secured against GoPb Ijara Sukuks).							
41.2 INVESTMENTS - NET	March 31, 2026 (Un-audited)				December 31, 2025 (Audited)			
	Cost/ Amortized cost	Credit loss allowance	Surplus / (Deficit)	Carrying value	Cost / Amortized cost	Credit loss allowance	Surplus / (Deficit)	Carrying value
Investments by segment:	Rupees in '000'							
FVTPL								
Federal government securities								
- Islamic Naya Pakistan Certificate	409,483	-	-	409,483	322,201	-	-	322,201
	<u>409,483</u>	<u>-</u>	<u>-</u>	<u>409,483</u>	<u>322,201</u>	<u>-</u>	<u>-</u>	<u>322,201</u>
FVOCI								
Federal government securities								
- Ijara Sukuk	103,688,261	-	(302,200)	103,386,061	102,565,732	-	172,852	102,738,584
	<u>103,688,261</u>	<u>-</u>	<u>(302,200)</u>	<u>103,386,061</u>	<u>102,565,732</u>	<u>-</u>	<u>172,852</u>	<u>102,738,584</u>
Amortised cost								
Federal Government securities								
- Ijara Sukuk	9,522,090	-	-	9,522,090	9,529,795	-	-	9,529,795
- Bai Maujjal	3,160,214	-	-	3,160,214	3,160,214	-	-	3,160,214
Non government debt securities	1,500,931	(608,133)	-	892,798	1,541,158	(608,192)	-	932,966
	<u>14,183,235</u>	<u>(608,133)</u>	<u>-</u>	<u>13,575,102</u>	<u>14,231,167</u>	<u>(608,192)</u>	<u>-</u>	<u>13,622,975</u>
Total investments	<u>118,280,979</u>	<u>(608,133)</u>	<u>(302,200)</u>	<u>117,370,646</u>	<u>117,119,100</u>	<u>(608,192)</u>	<u>172,852</u>	<u>116,683,760</u>
							(Un-audited)	(Audited)
							March 31, 2026	December 31, 2025
							Rupees in '000'	
41.2.1 Particulars of credit loss allowance - non government debt securities								
Stage 1							1,065	1,124
Stage 2							-	-
Stage 3							<u>607,068</u>	<u>607,068</u>
							<u>608,133</u>	<u>608,192</u>
41.3 ISLAMIC FINANCING AND RELATED ASSETS - NET								
Ijarah							10,079,222	8,515,516
Murabaha							258,340	261,848
Musharaka							15,839,349	20,428,804
Diminishing musharaka							74,117,494	75,135,626
Payment against documents							55,304	55,304
Waqala							4,714,765	4,107,244
Istisna							17,377,757	15,786,835
Musawamah financing							9,617,246	8,732,339
Tijarah financing							830,516	1,392,151
Gross islamic financing and related assets							<u>132,889,993</u>	<u>134,415,667</u>
Less: credit loss allowance against Islamic financings								
-Stage 1							519,130	469,962
-Stage 2							241,492	218,987
-Stage 3							<u>1,325,431</u>	<u>1,268,955</u>
							<u>2,086,053</u>	<u>1,957,904</u>
Islamic financing and related assets - net							<u>130,803,940</u>	<u>132,457,763</u>
41.4 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	77,934,203	2,535,573	80,469,776	83,549,224	2,152,123	85,701,347		
Savings deposits	133,152,138	559,646	133,711,784	125,553,606	485,182	126,038,788		
Term deposits	29,017,879	6,534,059	35,551,938	31,464,235	6,432,976	37,897,211		
Margin deposits	90,452	-	90,452	41,434	-	41,434		
	<u>240,194,672</u>	<u>9,629,278</u>	<u>249,823,950</u>	<u>240,608,499</u>	<u>9,070,281</u>	<u>249,678,780</u>		
Financial institutions:								
Current deposits	15,201	133,938	149,139	48,653	69,567	118,220		
Savings deposits	1,380,051	14	1,380,065	1,350,573	-	1,350,573		
Term deposits	-	-	-	-	-	-		
Margin deposits	-	-	-	175	-	175		
	<u>1,395,252</u>	<u>133,952</u>	<u>1,529,204</u>	<u>1,399,401</u>	<u>69,567</u>	<u>1,468,968</u>		
	<u>241,589,924</u>	<u>9,763,230</u>	<u>251,353,154</u>	<u>242,007,900</u>	<u>9,139,848</u>	<u>251,147,748</u>		
41.4.1	Current deposits include call deposits amounting to Rs. 5,712,340 thousand (December 31, 2025: Rs. 6,266,180 thousand).							

THE BANK OF PUNJAB AND ITS SUBSIDIARIES

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
41.5 UNAPPROPRIATED PROFIT - ISLAMIC BANKING BUSINESS	Rupees in '000'	
Opening balance	22,102,765	17,713,483
Islamic banking profit for the period / year	1,687,618	4,389,282
Closing balance	23,790,383	22,102,765
41.6 CONTINGENCIES AND COMMITMENTS		
Guarantees:		
Financial guarantees	18,200	18,200
Performance guarantees	3,311,913	2,488,032
Other guarantees	10,958,760	3,745,185
	14,288,873	6,251,417
Commitments:		
Documentary credits and short-term trade-related transactions - letters of credit	20,305,341	14,627,627
Commitments in respect of forward lending	29,025,563	21,457,478
Commitments in respect of purchase forward foreign exchange contracts	4,487,878	4,553,767
Commitments for acquisition of:		
- fixed assets	718	1,513
- intangible assets	11,216	21,041
	53,830,716	40,661,426
	68,119,589	46,912,843
	(Un-audited) March 31, 2026	(Un-audited) March 31, 2025
	Rupees in '000'	
41.7 PROFIT / RETURN EARNED OF FINANCING, INVESTMENTS AND PLACEMENT		
Profit earned on:		
Financing	3,240,104	2,513,511
Investments	3,000,001	1,811,520
Placements	57,849	385,260
IFRS-09 adjustments - notional:		
Staff loans	39,816	79,002
Other loans	13,829	37,246
	6,351,599	4,826,539
41.8 PROFIT ON DEPOSITS AND OTHER DUES EXPENSED		
Deposits and other accounts	2,481,220	2,322,560
Markup on lease liability against right of use assets	2,020	130,417
Markup on call borrowings	298,145	8,697
Markup on borrowings from SBP	46,628	24,848
Profit on deposits from conventional head office	22,226	685
IFRS-09 adjustment on borrowings - notional	25,085	(323,180)
	2,875,324	2,164,027

41.9 The Bank calculates and files a single corporate tax return as per the requirements of Income Tax Ordinance, 2001. Segmental calculation is not required for filing. However, considering the format requirement of the financial statements to disclose Islamic Banking segment's tax charge separately, a notional net tax charge for Islamic Banking is expected to be Rs. 894,438 thousand (March 31, 2025: Rs. 360,372 thousand).

41.10 During the period, no new pool has been created.

42 DATE OF AUTHORIZATION FOR ISSUE

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

43 GENERAL

43.1 Figures have been rounded off to the nearest thousand rupees, unless otherwise specified.

43.2 Corresponding figures have been re-arranged or re-classified wherever necessary, for better and fair presentation. However, no significant reclassification or re-arrangement has been made during the period except for restatement on account of EIR adoption as per IFRS 9 as mentioned in note 4.1.1 of these consolidated condensed interim financial statements.

Chief Financial Officer

President

Chairman

Director

Director



10-B, E-II, Main Boulevard, Gulberg III, Lahore



www.bop.com.pk

111 267 200